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THE EXISTING NOTES TRUSTEE AND THE SECURITY AGENT HAVE NOT BEEN INVOLVED IN NEGOTIATING OR FORMULATING THIS SCHEME DOCUMENT AND THE PROPOSALS SET OUT HEREIN, AND MAKE NO REPRESENTATION THAT ALL RELEVANT INFORMATION HAS BEEN DISCLOSED TO HOLDERS IN THIS SCHEME DOCUMENT. THE EXISTING NOTES TRUSTEE AND THE SECURITY AGENT MAKE NO ASSESSMENT OF THE IMPACT OF THE PROPOSALS AS PRESENTED TO HOLDERS, EITHER AS A CLASS OR AS INDIVIDUALS. ACCORDINGLY, THE EXISTING NOTES TRUSTEE AND THE SECURITY AGENT URGE HOLDERS WHO ARE IN DOUBT AS TO THE MEANING OF THE PROPOSALS SET FORTH IN THIS SCHEME DOCUMENT (INCLUDING ANY TAX CONSEQUENCES) TO SEEK THEIR OWN INDEPENDENT ADVICE.

THE DISTRIBUTION OF THIS SCHEME DOCUMENT IN CERTAIN JURISDICTIONS MAY BE RESTRICTED BY LAWS AND REGULATIONS.

THIS SCHEME DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT INCLUDES AN EXPLANATORY STATEMENT IN ACCORDANCE WITH PART 26 OF THE COMPANIES ACT 2006 IN RESPECT OF THE SCHEME.

This Scheme Document is being sent to persons who are believed to be Scheme Creditors at the date hereof. If you have assigned, sold or otherwise transferred, or assign, sell or otherwise transfer, your interests as a holder of the Existing Notes, or do so before 4.00 pm on 25 September 2020, you must forward a copy of this Scheme Document to the person or persons to whom you have assigned, sold or otherwise transferred, or assign, sell or otherwise transfer, such interests. If you are in any doubt as to the action you should take, you should consult your professional adviser(s) without delay.

If you are in any doubt as to what action you should take in connection with this Scheme Document, the proposals contained in it or the documents that accompany it, it is recommended that you seek professional advice immediately from your stockbroker, bank manager, solicitor, accountant and/or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are resident in, have a registered address in, or are a citizen of, the United Kingdom or, if not, from another appropriate authorised independent adviser.

This Scheme Document is accompanied by a number of documents, including voting instructions, an Account Holder Letter (which contains, amongst other things, voting instructions, election instructions, and confirmations in respect of the Scheme), and a Notice of the Scheme Meeting. It is important that you read this Scheme Document carefully for information about the Scheme and the Transaction and, if you are a Scheme Creditor, that you comply with the directions for voting, making elections and giving confirmations in this Scheme Document and the Account Holder Letter.

Further copies of this Scheme Document can be obtained, free of charge, by contacting the Information Agent, GLAS Specialist Services Limited, as set out on the following page.

SCHEME DOCUMENT TO THE SCHEME OF ARRANGEMENT

pursuant to Part 26 of the Companies Act 2006 between

CODERE FINANCE 2 (UK) LIMITED (the "Scheme Company")

and the

THE SCHEME CREDITORS

14 September 2020

A summary of the Scheme is set out in Section I, Part F (*Description of the Scheme*) of this Scheme Document and the full text of the Scheme is set out at Section II (*The Scheme*). The terms of the Transaction to be implemented pursuant to the Scheme are described in Section I, Part D (*Rationale for and Summary of the Transaction and the Scheme*).

The Scheme Meeting for the Scheme Creditors to consider and vote on the Scheme will be held on 29 September 2020 commencing at 2.00 pm (London time). The Scheme Meeting will take place via webinar, as set out in Section IV (*Notice of Scheme Meeting*) of this Scheme Document. A Scheme Creditor wishing to attend the Scheme Meeting (via webinar) may obtain details from the Information Agent by contacting them at LM@glas.agency. Upon any Scheme Creditor (or its representative) providing evidence satisfactory to the Information Agent of its (or its representative's) authority to represent the Scheme Creditor at the Scheme Meeting (for example, a valid power of attorney and/or board minutes) the Information Agent shall provide the details.

Scheme Creditors wishing to vote on the Scheme and/or purchase New Notes must give instructions to their Account Holder.

In order to validly complete the Voting Sections of the Account Holder Letter (as set out in Section V (Account Holder Letter)) of this Scheme Document, Scheme Creditors holding Existing Notes through a Clearing System who wish to vote on the Scheme (including where the relevant Scheme Creditor is both voting on the Scheme and purchasing (and/or nominating one or more Nominated Participant(s) to purchase) New Notes) will need to issue Custody Instructions to the relevant Clearing System to, amongst other things, block the trading of their Existing Notes on the records of the relevant Clearing System, on or prior to 4.00 pm (London time) on 24 September 2020 (being the Custody Instructions Deadline). All such

Scheme Creditors will need to ensure that the relevant sections of the Account Holder Letter are received by the Information Agent on or prior to 4.00 pm (London time) on 25 September 2020 (being the Voting Deadline).

Scheme Creditors who only wish to purchase New Notes (i.e. where the relevant Scheme Creditor does not wish to vote on the Scheme) will need to issue Custody Instructions to the relevant Clearing System to, amongst other things, block the trading of their Existing Notes on the records of the relevant Clearing System, on or prior to 4.00 pm (London time) on 2 October 2020 (being the New Notes Subscription Deadline). All such Scheme Creditors will need to ensure that the relevant sections of the Account Holder Letter are received by the Information Agent on or prior to the New Notes Subscription Deadline.

For further information as to how to vote in respect of the Scheme, please refer to Section I, Part H (Actions to be taken by Scheme Creditors) and Section III (Instructions to Scheme Creditors) of this Scheme Document.

The 'Scheme Claim' of the Scheme Creditors will be calculated based on information provided in the Account Holder Letters and information confidentially provided to the Scheme Company (acting through the Information Agent) by the Clearing Systems. This information will be used by the Chairperson of the Scheme Meeting (in conjunction with the Information Agent) to determine whether the resolution to approve the Scheme is passed at the Scheme Meeting.

Failure to deliver a valid Account Holder Letter on behalf of an Existing Noteholder by the Voting Deadline will mean that the voting instructions contained in the Account Holder Letter will be disregarded for the purposes of voting at the Scheme Meeting and the relevant Scheme Creditor may not be entitled to vote at the Scheme Meeting.

Failure to deliver a valid Account Holder Letter on behalf of an Existing Noteholder by the New Notes Subscription Deadline will mean that the instructions contained in the Account Holder Letter will be disregarded for the purposes of purchasing New Notes and the relevant Scheme Creditor will not be entitled to purchase New Notes.

The Scheme can only become effective, *inter alia*, if approved by a majority in number representing at least 75 per cent. in value of the Scheme Creditors present and voting at the Scheme Meeting (whether in person or by proxy). As at 14 September 2020, Existing Noteholders holding approximately 81.30 per cent. in value of the Existing Notes had acceded to the Revised Lock-Up Agreement (the "Consenting Noteholders"), confirming their support for the Scheme on the terms set out in the Revised Lock-Up Agreement. Such Consenting Noteholders are required to cast their votes in favour of the Scheme in accordance with the terms of the Revised Lock-Up Agreement.

For further information regarding the completion and submission of an Account Holder Letter, please refer to Section I, Part H (*Actions to be taken by Scheme Creditors*), Section III (*Instructions to Scheme Creditors*), and Section V (*Account Holder Letter*) of this Scheme Document.

The Scheme Company has appointed GLAS Specialist Services Limited as its Information Agent in respect of the Scheme to facilitate, amongst other things, communications with Scheme Creditors. If you are (or think you may be) a Scheme Creditor and you have any questions about this Scheme Document or the actions you should take, including the completion of an Account Holder Letter, please contact the Information Agent, whose contact details are set out below for assistance. All relevant documentation may be found at https://glas-agency.appiancloud.com/suite/sites/codere.

GLAS Specialist Services Limited

Email: LM@glas.agency

Telephone: +44 (0)20 3597 2940 Fax number: +44 (0)20 3070 0113

The statements contained in this Scheme Document are made as at the date of this Scheme Document, unless another time is specified in relation to them, and the delivery of this Scheme Document shall not give rise to any implication that there has not been any change in the information set out in this Scheme Document since that date.

Nothing contained in this Scheme Document shall constitute a warranty or guarantee of any kind, express or implied, and nothing contained in this Scheme Document shall constitute any admission of any fact or

liability on the part of the Scheme Company or any of its Affiliates with respect to any asset to which it or they may be entitled or any claim against it or them. Without prejudice to the generality of the foregoing, nothing in the Scheme, this Scheme Document or the distribution hereof evidences to any person, or constitutes any admission by the Scheme Company, that a liability is owed to any person in respect of any claim or that any person is or may be a Scheme Creditor. The failure to distribute this Scheme Document to any Scheme Creditor shall not constitute an admission by the Scheme Company that such person is not a Scheme Creditor.

No person has been authorised by the Scheme Company to give any information or make any representation in relation to the Scheme or the Transaction that are inconsistent with the statements contained in this Scheme Document and, if made, such information must not be relied upon as having been so authorised. This Scheme Document is issued solely in connection with the Scheme.

Further important information is set out under the heading "Important Securities Law Notices" below.

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IMPORTANT NOTICE

Unless the context otherwise requires, each capitalised term used in this Scheme Document (except the Scheme itself) shall have the meaning given to it in Section I, Part N (*Definitions and Interpretation*) of the Explanatory Statement (unless otherwise stated).

Scheme Document Content

This Scheme Document, including the Explanatory Statement, has been prepared in connection with the proposal in relation to a scheme of arrangement under Part 26 of the Companies Act 2006 between the Scheme Company and its Scheme Creditors. The Scheme Company does not assume any duty of care or obligations to any party seeking to rely on this Scheme Document for any other purpose. Nothing in this Scheme Document or any other document issued with or appended to it should be relied on for any other purpose including in connection with any investment decision in relation to the assets, debt, securities, or any other financial interest of the Scheme Company, Codere Finance, the Parent or any of its subsidiaries, including any decision to buy or sell any assets, debt, securities, or other financial interest. Any parties making such investment decisions should rely on their own enquiries prior to making such decisions.

The information contained in this Scheme Document has been prepared based upon information available to the Scheme Company prior to the date of this Scheme Document. The Scheme Company has taken all reasonable steps to ensure that the Explanatory Statement contains the information reasonably necessary to enable the Scheme Creditors to make an informed decision about the effect of the Scheme on them. The board of directors of the Scheme Company has approved the entry into the Scheme and the preparation and publication of this Scheme Document.

None of the Scheme Creditors have authorised the content of this Scheme Document or any part of it, neither do they accept responsibility for the accuracy, completeness or reasonableness of the statements contained within it.

The Scheme Company's financial and legal advisers have not verified that the information contained in this Scheme Document is in accordance with facts and does not omit anything likely to affect the import of such information and each of those persons expressly disclaims responsibility for such information.

Nothing contained in this Scheme Document shall be deemed to be a forecast, projection, or estimate of the Scheme Company's future financial performance, nor that of the Group, except where otherwise specifically stated.

The Scheme is set out in Section II (*The Scheme*) of this Scheme Document. The general descriptions of the Scheme and the Transaction Documents contained in this Explanatory Statement are qualified in their entirety by reference to, and should be read together with, the binding terms of the Scheme and the Transaction Documents. If there is any conflict between this Scheme Document, the Explanatory Statement, the Scheme and/or any of the Transaction Documents, the terms of the Scheme shall prevail. Each Scheme Creditor is advised to read and consider carefully the text of the Scheme itself. The full text of certain Transaction Documents is included in Section VII (*Transaction Documents*) of this Scheme Document.

Neither the Trustee nor the Security Agent nor any of their respective directors, employees, officers, agents, or Affiliates, have been involved in the negotiation of the terms of the Scheme or have independently verified the statements and information contained in this Scheme Document and no such party makes any representation or warranty, express or implied, or assumes any responsibility, as to the accuracy or adequacy of their contents. Each Scheme Creditor must make its own commercial decision whether to support the Scheme and should seek its own independent advice in this regard. Each Scheme Creditor will additionally represent that, in completing and submitting the Account Holder Letter, it has made an independent decision in consultation with its own agents and professional advisers to the extent that it considers it necessary.

Forward-looking statements

This Scheme Document contains certain statements, statistics and projections that are, or may be, forward-looking. The accuracy and completeness of all such statements, including, without limitation, statements regarding the Group's (or any Affiliate's, including the Scheme Company's and Codere Finance's) future financial position, strategy, plans, and objectives for the management of future operations, is not warranted or guaranteed. These statements typically contain words such as "intends", "expects", "anticipates",

"estimates", "should", "would", "could", "will", "may" and words of similar import. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. Although the Scheme Company believes that the expectations reflected in such statements are reasonable, no assurance can be given that such expectations will prove to be correct. There are a number of factors which could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to, risks relating to the Covid-19 pandemic, future revenues being lower than expected, and general economic conditions deteriorating. You should review carefully Section I, Part L (*Risk Factors*) of this Scheme Document for a more complete discussion of the risks associated with such statements and the Transaction.

Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein. None of the boards of the Scheme Company or the Group companies assume any obligation to update or correct or revise any forward-looking statements contained in this Scheme Document to reflect any change of expectations with respect thereto or any change in event, situation or circumstances on which any such forward-looking statement was based.

Risk factors

YOU SHOULD CAREFULLY REVIEW SECTION I, PART L (RISK FACTORS) OF THIS SCHEME DOCUMENT FOR A MORE COMPLETE DISCUSSION OF THE RISKS ASSOCIATED WITH THE TRANSACTION. THESE IMPORTANT RISK FACTORS COULD CAUSE THE GROUP'S FUTURE PROSPECTS TO DIFFER MATERIALLY FROM THOSE REFERRED TO IN THIS SCHEME DOCUMENT (INCLUDING ANY FORWARD-LOOKING STATEMENTS).

Legal, Tax and Financial Advice

Scheme Creditors should not construe the contents of this Scheme Document as legal, tax, or financial advice and should consult their own professional advisers as to the matters described in this Scheme Document, including the consequences of the Scheme in their particular circumstances or other matters relevant to the actions that Scheme Creditors should take in relation to the Scheme, and the implications/consequences of those actions.

IMPORTANT SECURITIES LAW NOTICES TO US INVESTORS

The Scheme includes an offer to Scheme Creditors to elect to purchase (or elect that a Nominated Participant purchase) New Notes issued by Codere Finance in an amount equal to at least its New Notes Entitlement. The offer is made by the Scheme Company in the Scheme on the authorisation of Codere Finance.

In connection with the issue of the New Notes, the Account Holder Letter will require Scheme Creditors and, as applicable, Nominated Participants who wish to purchase New Notes and become a New Notes Purchaser to confirm, amongst other things, that the relevant Account Holder, Scheme Creditor or Nominated Participant is a person eligible to receive securities under the Securities Act and will require Scheme Creditors and Nominated Participants who intend to receive New Notes to agree in writing to certain representations and covenants, which written confirmation from the Scheme Creditor and/or Nominated Participant will form part of the New Notes Purchase Agreement, to which each Scheme Creditor and/or Nominated Participant who wishes to become a New Notes Purchaser will accede pursuant to the New Notes Purchaser Letter. If the confirmations, representations and covenants required by the Account Holder Letter and the New Notes Purchase Agreement cannot be or are not given, the relevant Scheme Creditor and/or Nominated Participant will not be eligible to receive the New Notes and will be treated as a Disqualified Person.

The New Notes delivered under the Scheme will be issued and delivered in reliance upon exemptions from the registration requirements of the US Securities Act of 1933, as amended (the "Securities Act"). The New Notes will be issued and delivered only (i) in the United States in reliance upon Section 4(a)(2) of the Securities Act and (ii) to non-US persons in offshore transactions outside the United States, in reliance on Regulation S under the Securities Act ("Regulation S"). None of the New Notes has been or will be registered under the Securities Act or the securities laws of any other jurisdiction. The New Notes have not been nor will be registered under the Securities Act or the securities laws of any other jurisdiction. The New Notes being issued may not be offered, sold, pledged or otherwise transferred (A) for a period of one year with respect to New Notes issued in reliance on Section 4(a)(2) and (B) for 40 days following issuance of the New Notes with respect to New Notes issued pursuant to Regulation S, except in each case (a) pursuant to a registration statement that has been declared effective under the Securities Act; (b) for so long as the New Notes are eligible for resale pursuant to Rule 144A, to a person that the transferor, and any person acting on its behalf, reasonably believes is a QIB purchasing for its own account or for the account of one or more OIBs; (c) pursuant to offshore transactions in compliance with Regulation S; (d) to the Scheme Company or one of their subsidiaries; or (e) pursuant to any other available exemption from the registration requirements of the Securities Act and if requested, the Scheme Company or Codere Finance (as appropriate) receives an opinion of counsel from the holder of these securities to such effect, reasonably satisfactory to it, in each case in accordance with any applicable securities laws of any state of the United States. Scheme Creditors who are citizens or residents of the United States are advised that none of the New Notes will be registered under the Exchange Act, and the Scheme Company and Codere Finance (as applicable) do not expect that the New Notes will be subject to the reporting requirements applicable thereunder.

The New Notes will not be listed on a US securities exchange or any inter-dealer quotation system in the United States. The Scheme Company and Codere Finance (as applicable) do not intend to take action to facilitate a market in any of the New Notes in the United States. Consequently, the Scheme Company and Codere Finance (as applicable) believe that it is unlikely that an active trading market in the United States will develop for any such securities.

Neither the SEC nor any US federal, state, or other securities commission or regulatory authority has registered, approved, or disapproved the New Notes or passed upon the accuracy or adequacy of this Scheme Document. Any representation to the contrary is a criminal offence in the United States.

Scheme Creditors who are citizens or residents of the United States should consult their own legal, financial, and tax advisers with respect to the legal, financial and tax consequences of the Scheme in their particular circumstances.

ERISA

Each purchaser and subsequent transferee of New Notes will be deemed to have represented and warranted that either (i) no portion of the assets used by such purchaser or transferee to acquire and hold the New

Notes (A) constitutes assets of any employee benefit plan as defined in and subject to Title I of the US Employee Retirement Income Security Act, as amended ("ERISA"), (B) includes any plan, individual retirement account or other arrangement that is subject to Section 4975 of the US Internal Revenue Code of 1986, as amended (the "Code"), (C) has provisions that under any federal, state, local non-US or other laws or regulations are similar to the applicable provisions (including the fiduciary responsibility or prohibited transaction provisions) of ERISA or the Code (collectively, "Similar Law"), or (D) is any entity whose underlying assets include "plan assets" of any such plan, account or arrangement described in (A), (B) or (C) of this paragraph, or (ii) the purchase and holding of the New Notes by such purchaser or transferee will not constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or, in the case of any other federal, state, local non-US Plan, a non-exempt violation under any applicable Similar Law.

Notice to Certain Non-US Investors

PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS – The New Notes are not intended to be offered, sold, or otherwise made available to and should not be offered, sold, or otherwise made available to any retail investor in the European Economic Area ("EEA") or in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the New Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the New Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

United Kingdom

This Scheme Document is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons" in this paragraph). The New Notes are only available to, and any invitation, offer or agreement to subscribe, purchase, or otherwise acquire such New Notes will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this Scheme Document or any of its contents.

Spain

The New Notes may not be offered, sold or distributed in the Kingdom of Spain save in accordance with the requirements of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, the consolidated text of the Securities Market Law approved by Royal Legislative Decree 4/2015 of 23 October 2015 (Real Decreto Legislativo 4/2015, de 23 de octubre, por el que se aprueba el texto refundido de la Ley del Mercado de Valores) (the "LMV") as amended and restated, and Royal Decree 1310/2005, of 4 November 2005, partially developing Law 24/1988, of 28 July, on the Securities Market in connection with listing of securities in secondary official markets, public offers of sale or subscription and the prospectus required for such purposes (Real Decreto 1310/2005, de 4 de noviembre, por el que se desarrolla parcialmente la Ley 24/1988, de 28 de julio, del Mercado de Valores, en materia de admisión a negociación de valores en mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos), as amended and restated, and the decrees and regulations made thereunder and by institutions authorised under the LMV and Royal Decree 217/2008, of 15 February, on the legal regime applicable to investment services companies (Real Decreto 217/2008, de 15 de febrero, sobre el régimen jurídico de las empresas de servicios de inversión y de las demás entidades que prestan servicios de inversión y por el que se modifica parcialmente el Reglamento de la Ley 35/2003, de 4 de noviembre, de Instituciones de Inversión Colectiva, aprobado por el Real Decreto 1309/2005, de 4 de noviembre) to provide investment services in Spain.

Luxembourg

This Scheme Document has not been approved by, and will not be submitted for approval to, the Luxembourg Financial Services Authority (Commission de Surveillance du Secteur Financier, the "CSSF") or a competent authority of another EU Member State for notification to the CSSF, where applicable, for purposes of a public offering or sale in the Grand Duchy of Luxembourg. Accordingly, the New Notes may not be offered or sold to the public in Luxembourg, directly or indirectly, and neither this Scheme Document nor any other offering circular, prospectus, form of application, advertisement, or other material may be distributed, or otherwise made available in, from or published in, Luxembourg, except in circumstances which do not constitute an offer of securities to the public requiring the publication of a prospectus in accordance with the European Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus (the "Prospectus Regulation") to be published when securities are offered to the public or admitted to trading on a regulated market and the Luxembourg law of 16 July 2019 on prospectuses for securities as amended from time to time (the "Luxembourg Prospectus Law"). Consequently, this Scheme Document may only be distributed to (i) Luxembourg qualified investors as defined in the Prospectus Regulation, (ii) no more than 149 prospective investors, which are not qualified investors and/or (iii) in any other circumstance contemplated by the Prospectus Regulation.

NONE OF THE SECURITIES REFERRED TO IN THIS SCHEME DOCUMENT SHALL BE SOLD, ISSUED OR TRANSFERRED IN ANY JURISDICTION IN CONTRAVENTION OF APPLICABLE LAW.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Scheme Creditors should observe any deadlines set by any institution, custodian, or settlement system through which they hold interests in the Existing Notes to ensure that any voting instructions given by them are taken into account at the Scheme Meeting for the purposes of the Scheme. We would strongly urge each Existing Noteholder to contact its relevant Account Holder or Intermediary as soon as possible to ensure they are aware of this Scheme Document and the process and timetable.

Event	Time and date	
Scheme Convening Hearing	3, 4 and 7 September 2020	
Custody Instructions Deadline	4.00 pm on 24 September 2020	
Voting Deadline	4.00 pm on 25 September 2020	
Record Time	4.00 pm on 25 September 2020	
Scheme Meeting	2.00 pm on 29 September 2020	
New Notes Subscription Deadline*	4.00 pm on 2 October 2020	
Scheme Sanction Hearing*	6 and 7 October 2020	
KYC Information Deadline*	12.00 pm on 6 October 2020	
Scheme Effective Time*	8 October 2020	
KYC Clearance Deadline*	4.00 pm on 8 October 2020	
Funding Notices Sent*	9 October 2020	
Chapter 15 Hearing*	9 October 2020	
Chapter 15 Order*	9 October 2020	
Consent Fee Notification Date*	16 October 2020	
Funding Deadline*	4.00 pm on 19 October 2020	
Transaction Implementation Conditions satisfied*	19 October 2020	
Completion Date*	21 October 2020 (assuming no Failed Funding Event)	
Completion Time	When the last Completion Step has occurred	

All references in this Scheme Document to times are to London time.

The Scheme Meeting will take place via webinar, as set out in Section IV (*Notice of Scheme Meeting*) of this Scheme Document. A Scheme Creditor wishing to attend the Scheme Meeting (via webinar) may obtain attendance details from the Information Agent via email at LM@glas.agency. Upon any Scheme Creditor (or its representative) providing evidence satisfactory to the Information Agent of its (or its representative's) authority to represent the Scheme Creditor at the Scheme Meeting (for example, a valid power of attorney

^{*} It should be noted that these times and dates are indicative only and will depend upon a number of different factors. For example, the date of the Chapter 15 Hearing is subject to the US Bankruptcy Court's availability to hear the petition and the Completion Date will only occur after the conditions precedent to the implementation of the Transaction have been satisfied or waived in accordance with the terms of the Scheme (where such waiver is permitted by the Scheme) and the Transaction Documents.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

and/or board minutes) the Information Agent shall provide the attendance details. Scheme Creditors wishing to vote on the Scheme and/or purchase New Notes must give instructions to their Account Holder.

The dates given are based on current expectations and may be subject to change. If any of the expected dates change, the Scheme Company will give Scheme Creditors adequate notice of the change to the extent possible, through the Scheme Website.

SUMMARY OF ACTIONS TO BE TAKEN

THE BOARD OF DIRECTORS OF THE SCHEME COMPANY UNANIMOUSLY SUPPORTS THE PROPOSALS SET OUT IN THIS SCHEME DOCUMENT, BELIEVING THAT ENTRY INTO THE ARRANGEMENTS CONTEMPLATED BY THE SCHEME IS IN THE BEST INTERESTS OF THE SCHEME COMPANY, THE GROUP, AND THE SCHEME CREDITORS.

ACCORDINGLY, THE BOARD OF DIRECTORS OF THE SCHEME COMPANY SEEKS YOUR SUPPORT FOR THE SCHEME AND RECOMMENDS THAT YOU VOTE IN FAVOUR OF THE SCHEME AT THE SCHEME MEETING.

SCHEME CREDITORS THAT ARE PARTY TO THE REVISED LOCK-UP AGREEMENT ARE REQUIRED TO VOTE IN FAVOUR OF THE SCHEME.

Detailed instructions on the actions to be taken by Scheme Creditors are set out in this Scheme Document, including in Section I, Part H (Actions to be taken by Scheme Creditors), Section III (Instructions to Scheme Creditors) and the Account Holder Letter, the form of which is set out in Section V (Account Holder Letter) of this Scheme Document. A high-level summary is set out below.

1. Read this Scheme Document as a whole, in conjunction with the documents that accompany it (including the Account Holder Letter).

2. Voting on the Scheme:

- (a) Before the Scheme can become effective and binding on the Scheme Company and its Scheme Creditors, a resolution to approve it must be passed by the requisite majority of Scheme Creditors at the Scheme Meeting held for such Scheme Company pursuant to section 899 of the Companies Act 2006. This requisite majority is a majority in number representing 75 per cent. in value of the Scheme Creditors of each class of Scheme Creditors who are present, in person or by proxy, and vote at the Scheme Meeting. The Scheme Meeting in respect of the Scheme Company has been ordered to be held by the Court on 29 September 2020 and will commence at 2.00 pm (London time).
- (b) With respect to the Scheme, it is important that as many votes as possible are cast at the Scheme Meeting so that the Court may be satisfied that there is a fair and reasonable representation of the opinion of the Scheme Creditors.
- You, or your Account Holder on your behalf, are therefore strongly urged to submit an Account Holder Letter (in the form set out in Section V (*Account Holder Letter*) of this Scheme Document) for the purposes of voting at the Scheme Meeting (including where you are both voting on the Scheme and purchasing (and/or nominating one or more Nominated Participant(s) to purchase) New Notes) to the Information Agent online via the Scheme Website or via email at LM@glas.agency as soon as possible and, in any event, before the Voting Deadline, being **4.00 pm (London time) on 25 September 2020**.
- (d) Acceptance of this Account Holder Letter by the Information Agent for the purpose of voting on the Scheme (including where the relevant Scheme Creditor is both voting on the Scheme and purchasing (and/or nominating one or more Nominated Participant(s) to purchase) New Notes) is subject to receipt by the Information Agent of a Scheme Creditor's Custody Instructions prior to the Custody Instructions Deadline, being 4.00 pm (London time) on 24 September 2020.
- (e) If you do not submit Custody Instructions before the Custody Instruction Deadline and/or do not submit an Account Holder Letter before the Voting Deadline, you may submit an Account Holder Letter to the Information Agent prior to the commencement of the Scheme Meeting, but acceptance of this is subject to the sole and absolute discretion of the Chairperson. The Chairperson will review and verify any Account Holder Letter(s) submitted as set out in Section III (Instructions to Scheme Creditors) of this Scheme Document.

3. Electing to purchase the New Notes

- (a) Each Scheme Creditor is entitled to purchase New Notes and/or nominate one or more Nominated Participant(s) to do so in its place on the terms of the Scheme. Scheme Creditors who wish to purchase New Notes (and/or wish to nominate one or more Nominated Participant(s) to do so) should submit an Account Holder Letter (including a validly completed New Notes Purchaser Letter) confirming their election to purchase New Notes to the Information Agent online via the Scheme Website or via email at LM@glas.agency as soon as possible and, in any event, by no later than 4.00 pm on the date which is three Business Days after the date on which the Scheme Meeting concludes, being the New Notes Subscription Deadline.
- (b) Acceptance of an Account Holder Letter (including a New Notes Purchaser Letter) by the Information Agent for the purposes of electing to purchase the New Notes is subject to the Information Agent receiving the required Scheme Creditor's Custody Instructions as contained in the Account Holder Letter. As such, Account Holders should request the relevant Clearing System to block the Existing Notes in their account within the time limit specified by Euroclear or Clearstream sufficiently before (i) the Custody Instructions Deadline (if that Scheme Creditor also wishes to vote on the Scheme) or (ii) the New Notes Subscription Deadline (if that Scheme Creditor does not wish to vote on the Scheme), so as to allow Custody Instructions to be included in the relevant Account Holder Letter to be submitted before the relevant deadline.
- (c) Funding in relation to purchase of the New Notes will occur directly via transferring funds into the Escrow Account, and not via the Clearing Systems.
- (d) Scheme Creditors and/or their Nominated Participants, (if applicable) are strongly encouraged to contact LM@glas.agency as soon as possible for the purpose of completing any KYC process that may be required by the Escrow Agent in order to comply with the Money Laundering Regulations 2017 (and any other similar applicable laws or regulations). Scheme Creditors and/or Nominated Participants (as applicable) who have not been confirmed by the Escrow Agent to have completed the requisite KYC process before the KYC Clearance Deadline (being 4.00 pm (London time) on 8 October), will not be entitled to purchase New Notes under the terms of the Scheme.

If you are in any doubt as to what action you should take in connection with this Scheme Document, the proposals contained in it or the documents that accompany it, you are recommended to seek your own professional advice immediately from your stockbroker, bank manager, solicitor, accountant, and/or other independent adviser.

SECTION I: EXPLANATORY STATEMENT

PART A: WHAT IS THE EXPLANATORY STATEMENT?

1. Introduction

- 1.1 You are being contacted as the Scheme Company believes that you are or may be a holder of either or both of:
 - the EUR 500 million 6.750 per cent. senior secured notes due 2021 (*Rule 144A ISIN: XS1513772621; Common Code: 151377262; Regulation S: ISIN: XS1513765922, Common Code: 151376592*) (the "Existing Euro Notes") pursuant to an indenture dated 8 November 2016 between, amongst others, the Scheme Company, Codere Finance 2 (Luxembourg) S.A. ("Codere Finance") and GLAS Trust Corporation Limited as the Trustee (the "Existing Notes Trustee") (as amended, modified or supplemented from time to time, the "Existing Notes Indenture"); and
 - (b) the USD 300 million 7.625 per cent. senior secured notes due 2021 (Rule 144A: ISIN: XS1513776614, Common Code: 151377661; Regulation S: ISIN: XS1513776374, Common Code: 151377637) (the "Existing Dollar Notes" and, together with the Existing Euro Notes, the "Existing Notes") also pursuant to the Existing Notes Indenture.
- 1.2 Each person with a beneficial interest as principal in the Existing Euro Notes (an "Existing Euro Noteholder") and/or the Existing Dollar Notes (an "Existing Dollar Noteholder" and together with the Existing Euro Noteholders, the "Existing Noteholders") as at the record time for the purposes of voting at the Scheme Meeting, being 4.00 pm on 25 September 2020 (the "Record Time"), is a scheme creditor (each a "Scheme Creditor" and together the "Scheme Creditors") for the purposes of the Scheme.
- 1.3 Section I of this Scheme Document contains the Explanatory Statement which is provided pursuant to section 897 of the Companies Act for the purpose of providing you with sufficient information about all relevant aspects of the Scheme and the Transaction so as to enable you to make an informed decision on whether to approve the Scheme. The Transaction will not become effective unless the Scheme is approved by the requisite majority of Scheme Creditors, sanctioned by the Court, the Court Order is delivered to the Registrar of Companies, and certain other conditions (as further described in Section I, Part F (Description of the Scheme) of this Explanatory Statement) are satisfied.

2. Explanatory Statement

- 2.1 The Explanatory Statement contained in this Section I provides:
 - (a) an overview of the Group's business activities and the Group's existing financing arrangements, at Part B (Background to the Scheme Company, the Group and the Group's Existing Financing Arrangements);
 - (b) an overview of the circumstances giving rise to the Transaction and the Scheme and the steps taken in relation thereto, at Part C (*Background to the Transaction and the Scheme*);
 - (c) a summary of the Transaction and the Scheme and why the board of directors of the Scheme Company considers them to be in the best interests of the Scheme Company and the Scheme Company's stakeholders taken as a whole, including the Scheme Creditors, at Part D (Rationale for and summary of the Transaction and the Scheme);
 - (d) an overview of the implementation mechanics in respect of the Transaction, at Part E (Overview of the Implementation of the Transaction);
 - (e) a description of the terms of the Scheme, at Part F (Description of the Scheme);
 - (f) a description of the conditions to the effectiveness of the Scheme and Scheme Company's analysis as to class composition for the Scheme Meeting, at Part G (*Scheme Mechanics and Creditor Class Composition*);

- (g) an overview of the voting process in respect of the Scheme and the actions to be taken by Scheme Creditors, at Part H (Actions to be taken by Scheme Creditors);
- (h) detailed financial information regarding the Group, at Part I (*Financial Information*);
- (i) an overview of certain of the key terms of the documents implementing the Scheme and the Transaction, at Part J (Summary of the Transaction Documents);
- information regarding the board of the Scheme Company, including details of directors' interests, at Part K (Board of the Scheme Company);
- (k) a summary of the risk factors relating to implementation of the Scheme, the Transaction, and the New Notes, at Part L (*Risk Factors*);
- (1) a summary of the order that will be sought in the United States for recognition of the Scheme, at Part M (Summary of the Chapter 15 Order); and
- (m) a list of the definitions used in this Scheme Document, at Part N (Definitions and Interpretation).

3. Scheme Document

The remainder of this Scheme Document is comprised as follows:

- 3.1 Section II (*The Scheme*) contains the terms of the Scheme itself, being the operative terms that will be binding upon the Scheme Company and all the Scheme Creditors upon the Scheme becoming effective;
- 3.2 Section III (*Instructions to Scheme Creditors*) contains details of how Scheme Creditors can attend the Scheme Meeting, vote on the Scheme, submit their Account Holder Letter, block their Existing Notes, and elect to purchase the New Notes;
- 3.3 Section IV (*Notice of Scheme Meeting*) contains the notice issued by the Scheme Company in respect of the Scheme Meeting which will be held on 29 September 2020:
- 3.4 Section V (*Account Holder Letter*) contains the form of the Account Holder Letter that Scheme Creditors will need to submit to the Information Agent to vote on the Scheme and/or to elect to purchase the New Notes (or nominate one or more Nominated Participants to purchase New Notes) as further explained in the Explanatory Statement;
- 3.5 Section VI (*Scheme Comparator Analysis*) contains the report prepared by Deloitte LLP in relation to the likely recoveries for Scheme Creditors in the event that the Scheme and the Transaction cannot be implemented;
- 3.6 Section VII (*Transaction Documents*) contains the form of the key Transaction Documents which have already been or will be entered into in connection with the Transaction in accordance with the terms of the Scheme (other than those Transaction Documents that are attached to the Scheme itself), subject to any amendments agreed pursuant to the terms of the Scheme;
- 3.7 Section VIII (Revised Lock-Up Agreement) contains the Revised Lock-Up Agreement; and
- 3.8 Section IX (*Simplified Group Structure Chart*) contains a corporate structure chart in respect of the key Group companies.

PART B: BACKGROUND TO THE SCHEME COMPANY, THE GROUP AND THE GROUP'S EXISTING FINANCING ARRANGEMENTS

1. The Scheme Company

- 1.1 The Scheme Company was incorporated in England and Wales as a private limited company on 16 July 2020, with registration number 12748135. The registered office of the Scheme Company is Suite 1, 3rd Floor, 11-12 St. James's Square, London, SW1Y 4LB. The Scheme Company has its centre of main interests in the England. The Scheme Company is part of the Group and is a direct, wholly owned subsidiary of Codere S.A. (the "Parent").
- 1.2 On July 23 2020, through its entry into an amendment and accession agreement, the Scheme Company became a co-obligor of all of Codere Finance's obligations under the Existing Notes Indenture and the Existing Notes and a co-issuer of the Existing Notes, and agreed to be bound by all of the provisions of the same on a primary, joint, and several basis as if it had been an original party to the Existing Notes Indenture and the Existing Notes. The assumption of the rights and obligations by the Scheme Company was undertaken in accordance with the terms of the Existing Notes Indenture.
- 1.3 When soliciting the consent of the Existing Noteholders to the accession of the Scheme Company to the Existing Notes Indenture as a co-obligor, the Existing Noteholders were made aware that such accession would facilitate the proposal by the Scheme Company of a scheme of arrangement under the Companies Act 2006. The Existing Noteholders were also made aware that the Scheme Company anticipated using a scheme of arrangement to make certain amendments to the terms of the Existing Notes, including to extend the maturities of the Existing Notes. Existing Noteholders holding in excess of 90 per cent. of each series of Existing Notes consented to the accession of the Scheme Company to the Existing Notes Indenture as a co-obligor.

2. The Group

- 2.1 The Parent was incorporated in Spain on 20 July 1998 as a public limited company (sociedad anónima). Its registered office and headquarters are located at Avenida de Bruselas, 26 in Alcobendas (Madrid, Spain). Its shares are listed on the Madrid stock exchange. The Parent and its direct and indirect subsidiaries are referred to in this Scheme Document as the "Group". A simplified structure chart of the Group is set out in Section IX (Simplified Group Structure Chart) of the Scheme Document.
- 2.2 Codere Finance is a *société anonyme* organised under the laws of Luxembourg, having its registered office at 6c, rue Gabriel Lippman, L-5365 Munsbach, Grand Duchy of Luxembourg, registered with the Luxembourg Trade and Companies Register under number B199415, and is a wholly owned subsidiary of the Parent. As explained at paragraph 1.2 above, pursuant to the Existing Notes Indenture, Codere Finance is the co-obligor and co-issuer (with the Scheme Company) of the Existing Notes.
- 2.3 The Group is a leading international gaming operator. As of 29 February 2020, the Group operated nearly 56,000 slot machines, more than 29,000 bingo seats and nearly 8,500 sports betting terminals in Latin America (Mexico, Argentina, Uruguay, Panama and Colombia), Spain and Italy, across various gaming venues, including 148 gaming halls, nearly 1,200 arcades, over 9,100 bars, 245 sports betting shops and four horse racetracks. The Group is also a provider of online gaming services in Spain, Mexico, Colombia and Panama. The contribution of the Group's online offering to revenue grew by more than 30 per cent. between the end of 2018 and the end of Q3 2019.
- 2.4 The Group employs over 12,000 people world-wide. It is the industry leader in terms of market share in the majority of its markets, with in excess of 3.6 million monthly visits (excluding visits to arcades and slot routes) reported as of January 2020.
- 2.5 Further information on the Group and its operations can be found on its website at https://www.grupocodere.com/en/group/.

3. The Group's existing financing arrangements

In addition to the Existing Notes, the Group's existing capital structure is comprised of the following:

Super senior RCF

3.1 Codere Newco S.A.U. is the borrower under a EUR 95 million super senior revolving credit facilities agreement originally dated 24 October 2016, as amended, modified or supplemented from time to time (the "RCF") between, amongst others, the Parent, Codere Newco S.A.U., the lenders named therein (the "RCF Lenders") and GLAS Trust Corporation Limited as the agent (the "RCF Agent") and the security agent. The RCF is governed by English law and has a maturity date of 15 November 2020.

Super senior surety bond facility

3.2 Codere Newco S.A.U. and the Parent are the obligors under a EUR 50 million super senior surety bond facility agreement originally dated 5 April 2017 (the "SBF") between, amongst others, the Parent, Codere Newco S.A.U., the other obligors named therein and Amtrust Europe Limited as the finance provider. The SBF is governed by Spanish law and has no definitive maturity date but may terminate in accordance with its terms.

Interim Notes

3.3 Codere Finance is the issuer of EUR 85 million super senior notes due September 2023 (the "Interim Notes"), as further described in paragraph 8 of Section I, Part C (*Background to the Transaction and the Scheme*) of this Explanatory Statement.

Local facilities

3.4 The Group is also party to numerous financing arrangements across its operating markets, none of which are explained in any detail in this Explanatory Statement given they are not directly relevant to or affected by the Scheme.

4. Security, guarantees, Intercreditor Agreement, and Agreement Amongst Lenders

- 4.1 The Existing Notes, the RCF, the SBF and the Interim Notes each benefit from substantially the same guarantee and security package granted by certain Group companies (the "**Obligors**").
- 4.2 In summary, the guarantee and security package granted by the Obligors comprises:
 - (a) guarantees granted by the Obligors, including members of the Group incorporated in Luxembourg, Spain, Italy, Argentina, Panama, Colombia and Mexico;
 - (b) security interests over shares issued by certain of the Obligors, and shares issued by certain of their subsidiaries that are not Obligors, including members of the Group incorporated in Colombia, Brazil and Uruguay; and
 - (c) a fixed charge and assignment in respect of receivables owed by certain members of the Group to the Parent or its subsidiary Codere Luxembourg 1 S.à r.l. and an undertaking of the Parent to procure that further intra-group receivables are, if they arise and exceed a threshold agreed between the Parent and the Security Agent, so secured.

The SBF also benefits from cash-collateral in respect of 11.5¹ per cent. of the amounts outstanding, along with security over the account where such collateral is deposited.

4.3 The inter-relationship between the Existing Notes, the Interim Notes, the RCF and the SBF (and the security and guarantees in relation thereto) is governed by an English law intercreditor agreement originally dated 7 November 2016, as most recently amended and restated on 23 July 2020, between, amongst others, the Parent and GLAS Trust Corporation Limited (as security agent)

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This is a correction to the figure referenced in the Practice Statement Letter (which was 10 per cent.).

SECTION I: EXPLANATORY STATEMENT PART B: BACKGROUND TO THE SCHEME COMPANY, THE GROUP AND THE GROUP'S EXISTING FINANCING ARRANGEMENTS

(the "Intercreditor Agreement"). GLAS Trustees Limited, as trustee for the holders of the Interim Notes, acceded to the Intercreditor Agreement on 29 July 2020.

- 4.4 Pursuant to the terms of the Intercreditor Agreement, the RCF, the SBF and the Interim Notes rank senior to the Existing Notes with respect to the proceeds of any enforcement of the security. Under the Intercreditor Agreement, the RCF, the SBF, the Interim Notes, the Existing Euro Notes, and the Existing Dollar Notes rank *pari passu* amongst themselves.
- 4.5 Pursuant to an agreement amongst lenders (the "Agreement Amongst Lenders") dated 23 July 2020, there are arrangements in place whereby the trustee under the Interim Notes will turn over the proceeds of any enforcement of the security to the RCF Lenders until the RCF is discharged, and amendments to certain terms of the Interim Notes will not be made without the consent of a majority of the RCF Lenders. The Agreement Amongst Lenders will terminate when the RCF is fully and finally discharged with the proceeds of the New Notes on the Completion Date. For the avoidance of doubt, the Agreement Amongst Lenders will therefore not apply to the New Notes.

PART C: BACKGROUND TO THE TRANSACTION AND THE SCHEME

1. Events leading to the Transaction and the Scheme

- 1.1 The Group's operations have been significantly disrupted by the Covid-19 pandemic and the resulting "lockdown" imposed in each of the Group's operating markets. As explained by the Parent in various public announcements made during and since March 2020, the Group suffered a complete shutdown of its retail operations due to mandatory restrictions and lockdowns for several months. Whilst phased re-openings have been possible across some of the Group's markets, namely Italy, Spain, its racetracks in Uruguay and a few halls in Mexico, a significant part of its operations remain closed. Revenue levels in the reopened markets remain below those experienced prior to the start of the Covid-19 pandemic.
- 1.2 Although the Group's online gaming offering has been able to operate throughout the period, this division only represented approximately 4.3 per cent. of sales in FY2019 and the suspension of major sports leagues and events world-wide as a result of the pandemic has negatively impacted sports betting activity via the Group's online facilities.
- 1.3 The closure of the Group's physical locations for a long period coupled with lower customer levels upon re-opening, and the fact that major live sporting events were, on the whole, suspended in a number of countries for several months, has had an adverse impact on revenues and the cash flow of the Group. While the Group believes the impact on revenue levels and cash flow will be temporary and it has taken significant steps to provide the Group with sufficient runway to return to normalised levels of free cash flow generation as it gradually re-opens all its operations, the Group's financial performance has nevertheless not returned to pre-Covid-19 pandemic levels.

2. Steps taken by the Group to mitigate the impact of the Covid-19 pandemic

- 2.1 The Group has taken extensive measures to mitigate the impact of the Covid-19 pandemic on its business wherever possible. The nature and extent of such measures have been disclosed to Scheme Creditors and to the public, primarily through the issuance of five public statements relating to the Covid-19 pandemic and contingency planning, dated 9 March 2020, (the "First Covid-19 Statement"), 16 March 2020 (the "Second Covid-19 Statement"), 23 March 2020 (the "Third Covid-19 Statement"), 27 April 2020 (the "Fourth Covid-19 Statement") and 14 July 2020 (the "Fifth Covid-19 Statement"), which each appear on the Parent's website at https://www.grupocodere.com/en/shareholders-investors/cnmv-filings/. In addition to the aforementioned disclosure, the Group held an investor presentation at the end of May 2020, where it discussed its Q1 2020 financial results.
- 2.2 During its Q1 2020 financial results presentation available at https://www.grupocodere.com/en/shareholders-investors/financial-information/quarterly-info/28/05/2020-q1-2020-earnings-results/, the Group provided detailed operational and market updates which discussed, among other items, (i) closings by country and reopening expectations, (ii) initiatives launched under its contingency plan to preserve liquidity and reduce fixed operating expenses, (iii) monthly evolution of cash on balance and increase in payables, (iv) reopening considerations in terms of capacity, safety protocols, revenue and cost strategy and (v) initiatives to improve liquidity and its capital structure.
- 2.3 In the First Covid-19 Statement, the Group confirmed that, given the measures taken by the Italian government, its 11 bingo halls in Italy would close for a period and its slot route operations in the country would be affected by reduced bar opening hours.
- 2.4 Prior to the Second Covid-19 Statement, the Group took action to preserve its liquidity position and to ensure business continuity. As set out in the Second Covid-19 Statement, such action included steps to achieve, amongst other things, a reduction in all non-critical activity in the Group's halls and headquarters (including operational and investment initiatives), the utilisation of available credit lines (at local and corporate levels) and securing additional financing in Mexico (on 13 March 2020 the Group secured a MXN 500 million (approximately EUR 20 million) bank loan with a maturity date falling in 2025), and prioritising certain payments with a reduction in and/or delayed payment of fixed operating expenses such as gaming taxes, personnel costs, rents and supplies.

- 2.5 In the Third Covid-19 Statement, the Group confirmed the closure of nearly all of its retail operations, and listed some additional measures that it had taken, including drawing on the remainder of the RCF, providing an additional EUR 41 million of liquidity and analysing additional avenues to reduce costs, including by making use of local measures introduced in each jurisdiction to support companies affected by the pandemic, limiting cash outflows to critical items and extending payment terms.
- 2.6 In the Fourth Covid-19 Statement, amongst other things, the Parent announced that, due to the complete shutdown of its retail operations and the lack of clarity around re-opening (both in terms of timing and ongoing restrictions), the Group would look for financing options to raise approximately EUR 100 million. Commencing in April 2020, the Group took soundings as to potential transactions that would address this liquidity need from certain existing creditors and third parties.
- 2.7 In the Fifth Covid-19 Statement, amongst other things, the Parent announced that further action had been taken to reduce costs, including a reduction in headcount, negotiations with landlords to waive/ defer lease payments, and a freeze on commercial expenses and operational projects. The Fifth Covid-19 Statement also reported on phased re-openings in the Group's key operating jurisdictions, including Spain and Italy.
- 2.8 The enforced closure of its operations for a sustained period (a significant part of operations remain closed) and the regulations now in place in relation to social distancing have had a significant impact on the Group's ability to generate revenue which has, in turn, impacted its cash flow. Despite the steps taken by the Group described in paragraphs 2.1 to 2.6 above, by the end of May 2020, the Group's cashflow position had further worsened, owing principally to the effects of the pandemic on the Group's revenues (initial estimates and reopening calendars failed to materialise as expected). It therefore became evident that the Group would require an additional injection of funding to enable it to manage its short- to medium-term cash flow position.
- 2.9 Concurrently with the discussions detailed in paragraphs 3.1 to 3.3 below, the Group has been able to re-open some of its venues and facilities with social distancing measures in place. Whilst such re-opening has undoubtedly positively impacted the Group's prospects, it has been limited to Spain, Italy, Uruguay, and a partial reopening in Mexico and, as such, has not obviated the need for additional liquidity.
- 2.10 Indeed, by mid-June, due to delays in the expected timetable of re-openings, the Group's financial projections indicated that further liquidity would be required to support its closed operations and to preserve existing cash in the face of increasing delayed payables. Resultantly, it became evident that liquidity over and above the initial EUR 100 million estimate was needed. In addition, it became evident during discussions with certain existing financial creditors that, in addition to liquidity for general operational purposes, the Group would need to raise enough funding to allow for the RCF to be repaid ahead of its original maturity in November 2021 (the RCF now has a maturity date of 15 November 2020 as explained in paragraph 7.1 below), as it is a condition of the RCF Lenders' consent to the Group incurring additional super senior debt that they are repaid in full from the proceeds received as a result of the incurrence of such additional debt. As such, the Group is seeking to raise a total of EUR 165 million pursuant to the Transaction (as defined in paragraph 4.2 below), which includes the Scheme. As explained further below, in July 2020 the Group received gross EUR 85 million, which it needed on an urgent basis, pursuant to the Interim Notes.

3. Steps taken to access additional liquidity

- 3.1 Since April 2020, the Group and its advisers have been engaging with certain existing creditors and third-party finance providers to discuss the Group's additional liquidity needs. It was established that the RCF Lenders were not willing to increase their lending to the Group. However, on 28 April 2020, a number of holders of the Existing Notes formed a committee (the "Ad Hoc Committee") in order to discuss the potential provision of additional funding and the amendments to the Existing Notes that would be required as a result.
- 3.2 Prior to discussions and negotiations with the Ad Hoc Committee, the Parent engaged independent financial advisers to seek to arrange alternative third-party financing, with over 35 alternative

SECTION I: EXPLANATORY STATEMENT PART C: BACKGROUND TO THE TRANSACTION AND THE SCHEME

capital providers being approached. In early June it became apparent that the Group would need part of the funding it was looking to raise on an urgent basis before the end of July in order to meet its operating expenses and to allow it to pursue a more comprehensive debt restructuring. Feedback from investors approached by financial advisors to provide third party additional liquidity implied an extension of the maturity of the Existing Notes was required either together with, or shortly after, any additional liquidity was provided to the Group.

3.3 Following extensive discussions with the Ad Hoc Committee, and having carefully considered an alternative third-party financing proposal, on 13 July 2020 the Group and the Ad Hoc Committee agreed two term sheets as set out in schedules 4 and 5 to the Revised Lock-Up Agreement (as defined below) (taken together, the "Amendments and New Money Term Sheet") containing the key commercial terms relating to (i) the issuance of the Interim Notes (as defined in paragraph 4.1 below) and (ii) the Transaction, including the provision of additional liquidity pursuant to the New Notes (as defined in paragraph 4.2 below) and certain amendments to the Existing Notes.

4. The Interim Notes and the Transaction

- 4.1 The Amendments and New Money Term Sheet provided for the issuance of the Interim Notes allowing additional liquidity to be provided to the Group in the form of New York law governed notes issued by Codere Finance The Interim Notes were issued on 29 July 2020 in order to meet the Group's urgent liquidity need and to provide a platform from which the Scheme Company can launch the Scheme and the Group can pursue the Transaction (as defined in paragraph 4.2 below).
- 4.2 The Amendments and New Money Term Sheet also provide for:
 - (a) certain amendments to the Existing Notes including an extension of maturity (the "Existing Notes Amendments") as further explained in paragraph 3 of Section I, Part D (Rationale for and summary of the Transaction and the Scheme) of this Explanatory Statement;
 - (b) EUR 165 million additional liquidity to be provided to the Group in the form of New York law governed notes to be issued by Codere Finance (the "New Notes"), as further explained in paragraph 4 of Section I, Part D (*Rationale for and summary of the Transaction and the Scheme*) of this Explanatory Statement;
 - (c) the repayment and discharge in full of the RCF; and
 - (d) the payment of certain *de minimis* fees as further explained in paragraph 11 below to the Existing Noteholders and the Backstop Purchasers,
 - (a) to (d) together being the "Transaction".
- 4.3 The Scheme Company notes that whilst the issuance of the Interim Notes could be considered to be part of the overall transaction contemplated in the Revised Lock-Up Agreement, the Interim Notes do not form part of the "Transaction" as defined in paragraph 4.2 above and which is the subject of the Scheme, as the Interim Notes have already been issued and do not form part of Scheme.

5. The Original Lock-Up Agreement

On 13 July 2020, the Parent, certain other members of the Group, the Ad Hoc Committee and the Information Agent entered into a lock-up agreement (the "Original Lock-Up Agreement") thereby confirming their commitment to support and take steps to give effect to the terms of the Amendments and New Money Term Sheet, subject to the terms of the Original Lock-Up Agreement and the Amendments and New Money Term Sheet. On the same date, other Existing Noteholders acceded to the Original Lock-Up Agreement meaning that, on the Effective Date (as defined in the Original Lock-Up Agreement), Existing Noteholders holding approximately 57.5 per cent. of the Existing Notes were a party to it.

6. The Revised Lock-Up Agreement

- 6.1 In order to extend the time period provided in the Original Lock-Up Agreement to agree the documentation required for the Interim Notes to be issued, the relevant parties agreed to certain amendments to the Original Lock-Up Agreement. However, as certain of those consents were provided after the Lock-Up Date (as defined in the Original Lock-Up Agreement), it was necessary to enter into a revised lock-up agreement (the "Revised Lock-Up Agreement") in place of the Original Lock-Up Agreement reflecting those amendments and certain other required and consequential amendments. All of the initial parties to the Original Lock-Up Agreement entered into the Revised Lock-Up Agreement on 21 July 2020.
- 6.2 In this Explanatory Statement, the Existing Noteholders that are party to the Revised Lock-Up Agreement are referred to as the "Consenting Noteholders". As at the date of this Scheme Document, 81.30 per cent. of the Existing Noteholders had acceded to the Revised Lock-Up Agreement.
- 6.3 The Information Agent published the Revised Lock-Up Agreement (and the Original Lock-Up Agreement) on the Scheme Website on 21 July 2020 and has shared copies with the Existing Notes Trustee. The Revised Lock-Up Agreement was also made available via the Clearing Systems, the Irish Stock Exchange, the *Comisión Nacional de Mercado de Valores* and the Parent's website (as was the Original Lock-Up Agreement).
- 6.4 Each party to the Revised Lock-Up Agreement has agreed, amongst other things:
 - (a) to promptly take all actions which it is able to take and which are necessary or reasonably desirable to support, facilitate, implement, consummate or otherwise give effect to the terms of the Amendments and New Money Term Sheet as soon as reasonably practicable;
 - (b) to the extent that it is legally entitled to do so, to vote in favour of any matter requiring approval under the Existing Notes Indenture, or the Intercreditor Agreement, any matter requiring shareholder or board approval and the Scheme within any reasonably requested timeframe as is necessary or desirable to implement the term of the Amendments and New Money Term Sheet; and
 - (c) not to take or encourage any action that could reasonably be expected to frustrate, delay, impede or prevent the implementation of the terms of the Amendments and New Money Term Sheet, or that is inconsistent with them.
- 6.5 The Revised Lock-Up Agreement will remain in place until it is terminated by agreement or by notice in accordance with its terms. If not so terminated, the Revised Lock-Up Agreement also provides for automatic termination on the earliest to occur of on the earliest to occur of:
 - (a) the completion of the Transaction;
 - (b) 11.59 pm (London time) on the Long-Stop Date, being 31 December 2020 or such later date as may be agreed between the Parent, the "Super-Majority Consenting Noteholders" (being Existing Noteholders holding at least 66^{2/3} per cent. by value of the Existing Notes that are subject to the Revised Lock-Up Agreement) and the Backstop Purchasers; and
 - (c) in relation to the Scheme;
 - a Scheme Meeting at which the Scheme is not approved by the requisite majorities of the relevant Scheme Creditors;
 - (ii) the Court issuing a final order (A) declining to convene the Scheme Meeting or (B) refusing to sanction the Scheme; or
 - (iii) the US Bankruptcy Court entering a final, non-appealable order (A) dismissing the Chapter 15 Filing or (B) declining to recognise an order of the Court sanctioning the Scheme, in each case which the Parent does not intend to appeal.

- 6.6 In addition, there are certain 'voluntary' termination events in respect of the Revised Lock-Up Agreement which may be triggered by certain groups (depending on the circumstances).
- On 25 August 2020, the Scheme Company announced that, together with the Majority Consenting Noteholders, it had agreed to extend the Consent Fee Deadline (as defined in the Revised Lock-Up Agreement) to 4.00 pm on the Business Day immediately prior to the Scheme Sanction Hearing commencing, to provide additional time to Scheme Creditors to accede to the Revised Lock-Up Agreement. A copy of this announcement is available via the Information Agent at https://glas.agency/2020/07/13/codere-s-a/.

7. **RCF Standstill**

- On 23 July 2020, the Parent, the RCF Lenders, and the RCF Agent, amongst others, entered into a standstill, amendment, and waiver agreement (the "RCF Standstill"). The RCF Lenders provided certain waivers as part of the RCF Lenders' commitment to support the Transaction and the issuance of the Interim Notes. The Parent agreed to (as required by the RCF Lenders), amongst other things, amend the maturity date of the RCF to 15 November 2020 (originally due to mature in November 2021) and the imposition of a liquidity covenant.
- Also pursuant to the RCF Standstill, the Parent and certain other members of the Group provided various undertakings, including to apply the proceeds of the issuance of the New Notes towards the repayment and discharge in full of the RCF. As mentioned above, it was a condition of the RCF Lenders' consent to the Group incurring additional super senior debt that they are repaid in full from the proceeds of the New Notes. That said, the repayment of the RCF will improve the stability of the Group's capital structure.

8. The Issuance of the Interim Notes

- 8.1 Given the urgency of the Group's immediate liquidity need, certain (but not all) of the Ad Hoc Committee (being the "Interim Notes Purchasers") agreed to purchase the Interim Notes following certain conditions contained in the Revised Lock-Up Agreement being satisfied. Such conditions included that the Lock-Up Date Conditions (as defined in the Revised Lock-Up Agreement) had been satisfied, and that the relevant documents relating to the Interim Notes were in agreed form as per the terms of the Revised Lock-Up Agreement. The Revised Lock-Up Agreement is appended at Section VIII (*The Revised Lock-Up Agreement*) of this Scheme Document.
- The Lock-Up Date Conditions were satisfied on 24 July 2020. Having been agreed between the relevant parties, the purchase agreement relating to the Interim Notes was entered into on 24 July 2020 and the remaining documents, including an indenture and global note, were entered into on 29 July 2020 (together, the "Interim Notes Documents"). On 29 July 2020, the conditions precedent to the effectiveness of the Interim Notes Documents (including the required amendments to the Interceditor Agreement) were satisfied and the Interim Notes were issued to the Interim Notes Purchasers. The Interim Notes had an issue price of 97 per cent..
- 8.3 The purchasers of the Interim Notes were also paid a fee, described as a backstop fee, equal to 2.5 per cent. of the principal amount of the Interim Notes. This fee was set off against the price paid for the Interim Notes.
- 8.4 The Scheme Company notes that the issuance by Codere Finance of the Interim Notes occurred prior to the Scheme. The vital liquidity provided by the issuance of the Interim Notes has afforded the Scheme Company and the Group a platform from which it can pursue the Transaction, that is:
 - (a) launch the Scheme in order to implement the Existing Notes Amendments;
 - (b) seek to raise further essential liquidity in the form of the New Notes;
 - (c) continue to trade and meet its operational obligations whilst the Scheme and the Transaction are implemented; and
 - (d) satisfy the requirements imposed by the RCF Standstill.

9. The Intercreditor Amendments and Agreement Amongst Lenders

As part of the issuance of the Interim Notes, the Intercreditor Agreement was amended to reflect the agreements reached between the relevant parties with respect to the ranking and priority of the Interim Notes and the New Notes (as described in Section I, Part B (*Background to the Scheme Company, the Group and the Group's existing financing arrangements*)) of this Explanatory Statement. As referred to above, pursuant to the Agreement Amongst Lenders, the RCF Lenders and the Interim Notes Purchasers have agreed that the trustee in respect of the Interim Notes will turn over the proceeds of any enforcement of the security to the RCF Lenders until the RCF is discharged, and amendments to certain terms of the Interim Notes will not be made without the consent of a majority of the RCF Lenders. The Agreement Amongst Lenders will terminate when the RCF is fully and finally discharged with the proceeds of the New Notes on the Completion Date. For the avoidance of doubt, the Agreement Amongst Lenders will therefore not apply to the New Notes.

10. Backstop arrangements for the New Notes

- In order for the Group to have certainty that it would receive the funding it urgently required and continues to require from the issuance of the New Notes, prior to the launch of the Scheme and as part of the lock-up process, the Parent entered into 'backstop' arrangements with certain Existing Noteholders (each a "Backstop Purchaser" and together the "Backstop Purchasers"). Pursuant to the Revised Lock-Up Agreement, the Backstop Purchasers between them agreed to backstop the New Notes (the total amount backstopped by an individual Backstop Purchaser being its "Backstop Commitment"). The amount to be backstopped by a Backstop Purchaser was specified in a schedule agreed between the Backstop Purchasers and the Parent. The total of the Backstop Commitments is equal to the full principal amount of the New Notes.
- 10.2 As further described in paragraph 11.7, the Group has agreed to pay certain fees to the Backstop Purchasers in respect of the backstop arrangements for the New Notes. The Group is of the view that it was necessary to agree to the payment of such fees in order to gain the certainty it requires that the necessary funding will in fact be available to it.
- 10.3 Scheme Creditors should note that funding will only become available to the Group pursuant to the backstop arrangements for the New Notes if the Transaction completes, which itself requires the Scheme to become effective.

11. Fees

Early Bird Consent Fee

- As per the terms of the Revised Lock-Up Agreement, subject to the completion of the Transaction, Existing Noteholders who (i) had acceded to the Original Lock-Up Agreement at or before 4.00 pm (London time) on 20 July 2020 and (ii) acceded to the Revised Lock-Up Agreement prior to 4.00 pm on the Lock-Up Date (as defined in the Revised Lock-Up Agreement) will receive a consent fee equal to their pro rata share of 0.5 per cent. of the principal amount of the Existing Notes (the "Early Bird Consent Fee"), such pro rata share to be based on holdings of Existing Notes notified to the Information Agent at least five Business Days prior to the completion of the Transaction.
- 11.2 The Information Agent will notify eligible Consenting Noteholders of the amount of the Early Bird Consent Fee payable to them at least three Business Days in advance of the anticipated completion date in respect of the Transaction ("Consent Fee Notification Date"). In calculating the amount of the Early Bird Consent Fee payable, the Information Agent will convert any holdings of the Existing Dollar Notes into EUR amounts using an available spot rate of exchange selected by it (acting reasonably) at or about 11.00 am on the Business Day immediately preceding the Consent Fee Notification Date. The Early Bird Consent Fee will be paid in full and in cash, free and clear of all withholding taxes to eligible Consenting Noteholders within five Business Days of the completion of the Transaction, as further specified in Clause 7 of the Scheme at Section II (*The Scheme*) of this Scheme Document.

11.3 Recipients of the Early Bird Consent Fee are also eligible to receive the Consent Fee (as defined in paragraph 11.4 below). Existing Noteholders holding 78.88 per cent. in value of the Existing Euro Notes and 77.13 per cent. in value of the Existing Dollar Notes, with 78.28 per cent. in value of the Existing Notes in aggregate (notionally converted to EUR in accordance with the Revised Lock-Up Agreement) had acceded to the Original Lock-Up Agreement and the Revised Lock-Up Agreement prior to the relevant deadlines and are therefore eligible to receive an Early Bird Consent Fee following the completion of the Transaction.

Consent Fee

- As per the terms of the Revised Lock-Up Agreement, subject to the completion of the Transaction, Existing Noteholders that accede to the Revised Lock-Up Agreement at or before the Consent Fee Deadline (as defined in the Revised Lock-Up Agreement) will receive a consent fee equal to their pro rata share of 0.5 per cent. of the principal amount of the Existing Notes (the "Consent Fee"), such pro rata share to be based on holdings of Existing Notes notified to the Information Agent at least five Business Days prior to the completion of the Transaction. As noted above at paragraph 6.7, on 25 August 2020, the Consent Fee Deadline was extended in accordance with the Revised Lock-Up Agreement from 4.00 pm on 27 July 2020, to 4.00 pm on the Business Day immediately prior to the commencement of any hearing of the Court to consider whether to sanction the Scheme. The Consent Fee is therefore available to Scheme Creditors who accede to the Revised Lock-Up Agreement after the date of the Scheme Meeting. The Parent expects to require Scheme Creditors who accede to the Revised Lock-Up Agreement after the date of the Scheme Meeting to provide further written confirmation that they support the Scheme, which the Scheme Company may provide in evidence to the Court, pursuant to Clause 3.2(b)(ii) of the Revised Lock-Up Agreement.
- The Information Agent will notify eligible Consenting Noteholders of the amount of the Consent Fee payable to them on the Consent Fee Notification Date. In calculating the amount of the Consent Fee payable, the Information Agent will convert any holdings of the Existing Dollar Notes into EUR amounts using an available spot rate of exchange selected by it (acting reasonably) at or about 11.00 am on the Business Day immediately preceding the Consent Fee Notification Date. The Consent Fee will be paid to eligible Consenting Noteholders in full and in cash, free and clear of all withholding taxes within five Business Days of the completion of the Transaction, as further specified in Clause 7 of the Scheme at Section II (*The Scheme*) of this Scheme Document.
- 11.6 Recipients of the Consent Fee are also eligible to receive the Early Bird Consent Fee (if they met the conditions applicable to the Early Bird Consent Fee).

Backstop Fee for the New Notes

- 11.7 The Backstop Purchasers will, between them in aggregate, receive a fee (the "Backstop Fee") equal to 2.5 per cent. of the aggregate principal amount backstopped, i.e. EUR 165 million (the principal amount of the New Notes), to be shared on a pro rata basis by reference to an individual Backstop Purchaser's Backstop Commitment as a proportion of all Backstop Commitments.
- 11.8 The Backstop Fee will be paid upon the issuance of the New Notes by way of deduction against the issue price of the New Notes being issued to the Backstop Purchasers.

Work Fee (paid prior to the Scheme)

- 11.9 Under the terms of the Revised Lock-Up Agreement and the Amendments and New Money Term Sheet, the Parent agreed to pay the Ad Hoc Committee a fee (the "Work Fee") for the work done, the time spent, and risk undertaken acting in that capacity, i.e. (i) negotiating and agreeing the terms of Amendments and New Money Term Sheet with the relevant parties, and (ii) agreeing the implementation mechanics required to effect the terms of the Amendments and New Money Term Sheet
- 11.10 Given the urgency of the Group's liquidity need, the Scheme Company believes that it was appropriate for the Group to incur the Work Fee. The Work Fee compensates the Ad Hoc Committee (i) by reference to the amount of work that has been and was likely to be involved in the essential role the Ad Hoc Committee has played in driving the Transaction forward in the timescales required as compensation for time spent, expenses, and the opportunity cost of

allocating resources away from other investments and (ii) on the basis that the Ad Hoc Committee bore financial risk (proportionate to the size of their holdings) by agreeing to receive material non-public information in order to engage in meaningful negotiations, thereby rendering them unable to trade their holdings for so long as that information remained non-public.

- 11.11 The Work Fee was payable upon the Interim Notes being issued and, as such, was paid on 29 July 2020 (prior to the launch of the Scheme process). The aggregate amount of the Work Fee paid equalled 1 per cent. of the principal amount of the Existing Notes, i.e. EUR 7,647,950 (with the principal amount of Existing Dollar Notes held by the Ad Hoc Committee being converted into EUR for this purpose using a USD:EUR exchange rate of 0.88265 being the rate provided by Bloomberg at approximately 12.05 pm on 13 July 2020). The Work Fee was shared pro rata between the members of the Ad Hoc Committee by reference to their holdings of the Existing Notes on 29 July 2020.
- 11.12 The Scheme Company considers that this fee is *de minimis* and not material (looked at in isolation or together with the Early Bird Consent Fee and/or the Consent Fee).

12. Scheme Implementation Notice

- 12.1 The Revised Lock-Up Agreement provided that if Existing Noteholders holding over 90 per cent. of the principal amount of each series of the Existing Notes had acceded to the Revised Lock-Up Agreement on or before 31 July 2020, and the Parent and the Majority Consenting Noteholders did not otherwise consider that a scheme process would offer material benefits to the Group or the Transaction as a whole, the Consent Implementation Notice (as defined in the Revised Lock-Up Agreement) would be issued by the Parent. Thereafter, the Transaction would be implemented pursuant to a consent solicitation rather than pursuant to the Scheme. In any other case, provided the Lock-Up Date Conditions had been satisfied, the Parent would issue a Scheme Implementation Notice (as defined in the Revised Lock-Up Agreement).
- 12.2 As at 11.59 pm on 31 July 2020, Existing Noteholders holding 78.88 per cent. in value of the Existing Euro Notes and 77.13 per cent. in value of the Existing Dollar Notes had acceded to the Revised Lock-Up Agreement. As the Lock-Up Date Conditions had been satisfied, as per the terms of the Revised Lock-Up Agreement, on 3 August 2020 the Parent issued the Scheme Implementation Notice (as defined in the Revised Lock-Up Agreement), confirming the Group's intention to implement the Transaction pursuant to the Scheme.

13. The purpose of the Scheme

- 13.1 A scheme of arrangement of the kind proposed by the Scheme Company is a compromise or arrangement provided for under Part 26 of the Companies Act 2006. A scheme of arrangement will take effect between a company and its creditors (or any class of them) and become binding on all the creditors to whom it applies if:
 - (a) the scheme is approved by a majority in number (more than 50 per cent.) representing 75 per cent. in value of the creditors (or each class of creditors) present and voting, either in person or by proxy, at each meeting convened to consider the scheme;
 - (b) the scheme is subsequently sanctioned by the Court; and
 - (c) a copy of the order sanctioning the scheme is delivered to the Registrar of Companies for England and Wales.
- 13.2 As explained in more detail below, the Scheme is being proposed in order to implement certain amendments to the Existing Notes as set out in the Amendments and New Money Term Sheet, being the Existing Notes Amendments. Absent the Scheme, the Existing Notes Amendments would require the affirmative consent of holders of at least 90 per cent. in value of each series of Existing Notes, under the terms of the Existing Notes Indenture.
- 13.3 Whilst the Scheme Company hopes that all Scheme Creditors will support the Scheme and the Transaction, the Scheme Company considers the 90 per cent. threshold unlikely to be achievable within the time available as a practical matter because, whilst it is aware that there are certain Existing Noteholders with relatively large holdings of the Existing Notes, there are also a large

number of Existing Noteholders with very small holdings. As a logistical matter, the Scheme Company considers it unlikely that a sufficient number of those smaller Existing Noteholders would respond to the relevant consent requests to meet the 90 per cent. threshold. This is notwithstanding the fact that holders of over 90 per cent. by value of each series of Existing Notes consented to the accession of the Scheme Company to the Existing Notes Indenture as a co-obligor (the "Co-Obligor Accession") as, under the relevant procedures of the Clearing Systems, the Scheme Company understands that the consent process applicable to the Co-Obligor Accession was different to, and simpler than, the consent process that is required in order for an Existing Noteholder to accede to the Revised Lock-Up Agreement (and so consent to the Transaction).

- 13.4 In addition, the Scheme Company considers that certain Existing Noteholders consenting to the Co-Obligor Accession may have chosen not to accede to the Revised Lock-Up Agreement to avoid restricting their ability to trade their Existing Notes. Clause 6 (*Transfers*) of the Revised Lock-Up Agreement provides, in summary, that Consenting Noteholders may only transfer their Existing Notes to other persons who are also Consenting Noteholders. As such, the level of consent received in respect of the Co-Obligor Accession is not necessarily, therefore, indicative of the level of consent likely to be received in respect of the wider Transaction, and should be viewed against the matrix of factors described above, as well as other factors such as the adverse impacts of the Covid-19 pandemic.
- 13.5 By utilising the Scheme, the Existing Notes Amendments can be effected with the consent of 75 per cent. in value and a majority in number of the Existing Noteholders voting on the Scheme. The Scheme Company considers this threshold more likely to be achievable, particularly in light of the high level of support indicated by the execution of the Revised Lock-Up Agreement, pursuant to which Consenting Noteholders are required to vote in favour of the Scheme.
- 13.6 From the Scheme Effective Time to and including the Completion Time, the Scheme will provide that each Scheme Creditor:
 - (a) irrevocably appoints, and shall for all purposes be treated as having irrevocably appointed, the Scheme Company as its attorney and agent and irrevocably authorises, directs, instructs and empowers the Scheme Company (represented by any duly authorised representative) to:
 - (i) enter into, execute and deliver (whether as deed or otherwise, and including, if applicable, before a notary in any jurisdiction), for and on behalf of such Scheme Creditors, the Deed of Release;
 - complete, date and release the Deed of Release above in accordance with the Scheme, and deliver a copy thereto to any party named or other person contemplated therein;
 - (iii) give effect to any amendment to a Transaction Document as permitted in accordance with Clause 10 (Modifications) of the Scheme; and
 - (iv) take all such further steps, deliver all such further notices, and do all such further things, as may be reasonably necessary or desirable to give effect to the Scheme and the Transaction, including (without limitation) to ensure that the Scheme and the Deed of Release are legal, valid, binding, and enforceable upon the parties to them; and
 - (b) irrevocably authorises and instructs the Existing Notes Trustee to undertake such steps as it considers necessary for it to take for the purposes of facilitating the implementation of the Scheme, including (without limitation) entering into and executing the Transaction Documents to which it is a party and any document that it reasonably considers necessary or advisable to implement the Scheme.
- 13.7 Furthermore, pursuant to the Scheme, each Scheme Creditor agrees to, and to use all reasonable endeavours to procure that any of its Nominated Participants, execute and/or deliver (whether as deed or otherwise, and including, if applicable, before a notary in any jurisdiction), within any

reasonably requested time period, such documents, including any further power of attorney, and perform such acts as are necessary or reasonably desirable to give full effect to the Scheme.

- 13.8 From the date that the conditions to the implementation of the Transaction (as set out in the Scheme and the relevant documents) have been satisfied or waived in accordance with the terms of the Scheme (where such waiver is permitted by the Scheme) and the Transaction Documents, the Transaction Documents will become effective in the order set out in the Scheme. The steps required for the issuance of the New Notes, the repayment and discharge of the RCF and the payment of certain fees relating to the Transaction are conditional on the Existing Notes Amendments taking effect. As such, the success of the Transaction as a whole is dependent on the Scheme becoming effective.
- 13.9 A discussion of the rationale for Transaction and a summary of the key terms can be found in Section I, Part D (*Rationale for and summary of the Transaction and the Scheme*) of this Explanatory Statement, and an overview of the implementation of the Transaction can be found in Section I, Part E (*Overview of the Implementation of the Transaction*) of this Explanatory Statement.

14. Recognition in the US and other key jurisdictions

- 14.1 As the Existing Notes are governed by New York law and certain of the Scheme Creditors are expected to be US persons, the Scheme Company will seek recognition ("Chapter 15 Recognition") under Chapter 15 of the US Bankruptcy Code (the "Chapter 15 Filing"). In order to help ensure enforcement in the US and to give effect to the Scheme (if approved by the requisite majority of Scheme Creditors and sanctioned by the Court) in the US, the Scheme Company has resolved to seek Chapter 15 Recognition and to commence the Chapter 15 Filing with the US Bankruptcy Court. Having taken legal advice (privilege in which is not waived), the Scheme Company considers that the Scheme is likely to be recognised by the US Bankruptcy Court as a foreign main proceeding.
- 14.2 Chapter 15 of the US Bankruptcy Code is designed to give judicial access to a foreign debtor (or representative thereof) to, among other things, protect the foreign debtor's US assets and authorise the foreign debtor or its representative to administer the foreign debtor's US assets. Chapter 15 is predicated on principles of comity and the fair and efficient administration of cross-border insolvencies. Chapter 15 functions through "recognition" of a foreign proceeding.
- 14.3 If the US Bankruptcy Court recognises the Scheme as a foreign "main" proceeding of the Scheme Company, the stay of actions and selected other provisions of the US Bankruptcy Code automatically take effect within the United States. If the US Bankruptcy Court recognises the Scheme as a foreign "non-main" proceeding of the Scheme Company, the US Bankruptcy Court must be petitioned for further relief. Once a foreign proceeding is "recognised" under Chapter 15, foreign judgments generally will be enforced unless "manifestly contrary to the public policy of the United States", which is a very demanding standard to meet.
- 14.4 The Scheme Company, through its foreign representative, will request that the US Bankruptcy Court holds a recognition hearing as soon as possible after the Scheme Effective Time. The granting of Chapter 15 Recognition will be a condition to the completion of the Transaction.
- 14.5 Notice of the Chapter 15 Filing and the relevant dates will be served upon all interested parties including the following:
 - (a) the Scheme Company;
 - (b) the Existing Notes Trustee;
 - (c) Milbank LLP as counsel to the Ad Hoc Committee;
 - (d) all persons or bodies authorised to administer the Scheme proceedings;
 - (e) all parties required to be given notice under Rule 2002(q)(1) of the Federal Rules of Bankruptcy Procedure (the "US Bankruptcy Rules");

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- (f) the Information Agent; and
- (g) such other parties with an interest in the relevant proceedings that have timely requested notice pursuant to the US Bankruptcy Rules.
- 14.6 Recognition opinions have been sought from experts in Argentina, Italy, Luxembourg, Mexico, Panama and Spain to confirm that the Scheme is likely to be recognised in the relevant jurisdictions. As at the date of this Scheme Document, the expert for each jurisdiction has provided his or her opinion confirming that the Scheme is likely to be recognised in their jurisdiction.

PART D: RATIONALE FOR AND SUMMARY OF THE TRANSACTION AND THE SCHEME

PART D: RATIONALE FOR AND SUMMARY OF THE TRANSACTION AND THE SCHEME

1. **Objectives of the Transaction**

- 1.1 The summary below is intended to be a guide to the Transaction and the Scheme, and is not intended to be a substitute for reading the Scheme or the Transaction Documents. A summary of the main documents relevant to the Transaction and the Scheme is set out in Section I, Part J (Summary of the Transaction Documents) of this Explanatory Statement.
- 1.2 As described above at Section I, Part C (*Background to the Transaction and the Scheme*) of this Explanatory Statement:
 - (a) the Group has identified a substantial funding requirement, (notwithstanding the liquidity provided by the Interim Notes), that the Group will be unable to meet without a material injection of further liquidity;
 - (b) the Group has significant financial liabilities maturing in 2020 and 2021, including the RCF maturing on 15 November 2020 (originally maturing in November 2021) and the Existing Notes, due on 1 November 2021; and
 - (c) it is a condition of the RCF Lenders' consent to the Group incurring additional super senior debt that they are repaid in full from the proceeds of such additional debt.
- 1.3 The proposed Scheme is, therefore, part of the broader Transaction, the implementation of which will ensure the continuing operations of the Group for the benefit of all stakeholders, with the key elements for a sustainable capital structure and a foundation from which the Group can deliver long-term value for all of its stakeholders.
- 1.4 The primary objectives of the Transaction are to:
 - (a) obtain new capital (in addition to the liquidity provided by the Interim Notes, which were issued prior to the Scheme) in order to ensure the Group can service its general corporate and working capital obligations going forward, including the now very near term maturity of the RCF, so that it can continue to trade, and to provide sufficient flexibility in light of the uncertainty inherent in the timing and manner in which the restrictions imposed by governments in the Group's operating markets in response to the Covid-19 pandemic will be lifted:
 - (b) extend the maturity of the Existing Notes and implement the other Existing Notes Amendments:
 - (i) to provide the Group with additional time to restore economic activity throughout its operations to pre Covid-19 levels before having to address the maturity of its debt obligations, which will be extended to November 2023;
 - (ii) to ensure stability of the Group generally and, in particular, because the Group has been advised by its auditors that an extension of maturity in respect of the Existing Notes which takes effect prior to the end of 2020 would mean that the Existing Notes would not need to be included as a 'current liability' in the Group's accounts, thereby allowing the Group to issue its FY2020 accounts on a 'going concern' basis. If the maturity of the Existing Notes were not extended, the accounts would be issued on a 'qualified' basis which itself would likely have negative consequences for the Group's operations and financial arrangements; and
 - (iii) because it is a condition to the provision of additional liquidity pursuant to the Amendments and New Money Term Sheet that the amendments to the Existing Notes, including the maturity extension, become effective; and
 - repay the RCF as it was a condition of the RCF Lenders' consent to the Group incurring additional super senior debt that they are repaid in full from the proceeds of the New Notes.

1.5 Achieving the objectives above will mitigate the risk of any of the Group companies having to file for a formal insolvency process, as a result of which the recoveries for Scheme Creditors would likely be significantly less than if the Transaction were to be successfully completed (please see paragraph 7 below for a discussion of the likely consequences for the Scheme Creditors' recoveries in the event that the Scheme fails and the Transaction cannot be implemented).

2. Overview of the Transaction

The key elements of the Transaction are:

- 2.1 pursuant to the Scheme, the implementation of the Existing Notes Amendments, the provision of certain releases and the offer to Scheme Creditors to purchase New Notes; and
- 2.2 in addition:
 - (a) the issuance and purchase of the New Notes;
 - (b) the repayment and discharge of the RCF; and
 - (c) the payment of certain fees.

3. Existing Notes Amendments

Pursuant to the terms of the Scheme, upon the completion of the Transaction, the Existing Notes will be amended to give effect to the Existing Notes Amendments being, in summary:

- 3.1 the extension of the maturity of the Existing Notes from 1 November 2021 to 1 November 2023;
- 3.2 an increase in interest payable in respect of each series of Existing Notes as follows:
 - (a) Existing Euro Notes: a mandatory 4.50 per cent. cash-pay coupon plus either (A) a further 5 per cent. cash-pay coupon or (B) a further 6.25 per cent. PIK coupon, capitalising on each coupon payment date, the election between (A) and (B) being at the option of Codere Finance; and
 - (b) Existing Dollar Notes: a mandatory 4.50 per cent. cash-pay coupon plus either (A) a further 5.875 cash-pay coupon or (B) a further 7.125 per cent. PIK coupon, capitalising on each coupon payment date, the election between (A) and (B) being at the option of Codere Finance;
- 3.3 the amendment of the covenants contained in the Existing Notes Indenture to:
 - (a) allow additional super senior debt capacity in respect of the New Notes; and
 - (b) include the additional restrictions to covenants and baskets as set out in the announcement made by the Parent on 24 July 2020; and
- the addition of a liquidity covenant requiring the Parent and its "Restricted Group Members" under the Existing Notes Indenture to maintain a minimum of EUR 40 million of cash, cash equivalents and undrawn committed financing available, to be tested monthly unless (i) the Consolidated Net Leverage Ratio (as defined in the Existing Notes Indenture) is below 3.0x or (ii) the credit rating of the Existing Notes is at B-/B3 or higher.

4. The New Notes

Scheme Creditors can elect to purchase New Notes

As mentioned above, as part of the Transaction each Scheme Creditor (whether or not it has acceded to the Revised Lock-Up Agreement or votes at the Scheme Meeting), is eligible to purchase at least its *pro rata* share of the New Notes (which will have an aggregate value of EUR 165 million) by reference to its holding of the Existing Notes as at the Record Time, i.e. 4.00 pm (London time) on 25 September 2020. A Scheme Creditor may (i) purchase New Notes directly (ii) nominate, in its Account Holder Letter, one or more Nominated Participant(s) to purchase all

of its New Notes in its place or (iii) purchase New Notes directly and nominate, in its Account Holder Letter, one or more Nominated Participant(s) to purchase New Notes as well. Any Scheme Creditor and/or Nominated Participant who agrees to purchase the New Notes in accordance with the Scheme will be a "New Notes Purchaser". A New Notes Purchaser may elect to purchase an amount equal to, more than or less than its *pro rata* share, which shall be allocated in accordance with the terms of the Scheme.

- 4.2 Scheme Creditors can elect to purchase, and/or nominate one or more Nominated Participant(s) to purchase, New Notes by submitting an Account Holder Letter, the form of which is included at Section V (*Account Holder Letter*) of the Scheme Document, with the relevant parts validly completed (including a New Notes Purchaser Letter). Only those Scheme Creditors that have submitted a validly completed Account Holder Letter (including a New Notes Purchaser Letter) to the Information Agent by no later than 4.00 pm (London time) on the date which is three Business Days after the date on which the Scheme Meeting concludes (the "New Notes Subscription Deadline") will be entitled to purchase the New Notes.
- 4.3 All Scheme Creditors and (where relevant) their Nominated Participants who wish to participate in the purchase of New Notes must satisfy the Escrow Agent's "know your customer" checks by the KYC Clearance Deadline, being 4.00 pm (London time) 8 October 2020 in order to participate in the purchase of New Notes. Any Scheme Creditor and/or Nominated Participant who fails to do so will not be entitled to participate in the purchase of New Notes, the, "KYC Information Deadline", being the deadline by which a Scheme Creditor and/or Nominated Participant who wishes to purchase New Notes must submit their KYC Documentation to the Escrow Agent, is 12.00 pm (London time) on 6 October 2020.
- 4.4 IMPORTANT: Scheme Creditors who wish to vote at the Scheme Meeting should note that they must submit their validly completed Account Holder Letter to the Information Agent by no later than 4.00 pm (London time) on 25 September 2020 (i.e. by the Voting Deadline which is earlier than the New Notes Subscription Deadline).
- 4.5 Detailed instructions on the actions to be taken by Scheme Creditors are set out in this Scheme Document, including in Section I, Part H (Actions to be taken by Scheme Creditors) of this Explanatory Statement, Section III (Instructions to Scheme Creditors) of this Scheme Document, and the Account Holder Letter, the form of which is set out in Section V (Account Holder Letter) of this Scheme Document.
 - Overview of the terms of the New Notes
- The New Notes will be issued by Codere Finance. The New Notes will accrue cash pay interest at 10.75 per cent. Interest will be payable every six months on 30 September and 31 March with the first interest payment date being 31 March 2021. The New Notes will be issued as additional notes under the same indenture as the Interim Notes, and be treated along with any other series of Interim Notes, as a single class for all purposes under the Interim Notes indenture. The New Notes issued pursuant to Regulation S will bear temporary ISINs during the first 40 days following issuance, following which they will bear the same ISINs as the Interim Notes issued pursuant to Regulation S. It is expected that the New Notes will be listed on The International Stock Exchange, being the Channel Islands securities exchange, within 30 days of being issued.
- 4.7 The New Notes (together with the Interim Notes) will share the same security and guarantee package as the Existing Notes, including as amended pursuant to the Existing Note Amendments. The New Notes will also be super senior obligations of Codere Finance. Upon repayment and discharge of the RCF, the New Notes (together with the Interim Notes) will rank (i) equally in right of payment with all other existing and future senior indebtedness of Codere Finance (including under the SBF and the Existing Notes) and (ii) super senior in respect of the enforcement of security alongside the SBF, and ahead of the Existing Notes.
- 4.8 The mechanics for the implementation of the Transaction, including with respect to the issuance of the New Notes, are set out in Section I, Part E (*Overview of the Implementation of the Transaction*) of this Scheme Document.

5. Repayment and discharge of the RCF

- Part of the proceeds of the New Notes will be used to repay and discharge all amounts outstanding under the RCF, being a principal amount of EUR 95 million plus accrued interest, break costs (if any) and other costs and expenses payable thereunder.
- 5.2 The mechanics for the implementation of the Transaction, including with respect to the repayment of the RCF, are set out in Section I, Part E (*Overview of the Implementation of the Transaction*) of this Scheme Document.

6. Fee payments

- 6.1 Upon the Completion Date in respect of the Transaction, the Early Bird Consent Fee and the Consent Fee will be paid to those Scheme Creditors eligible to receive it (please see paragraph 11 of Section I, Part C (*Background to the Transaction and the Scheme*) of this Explanatory Statement for details).
- 6.2 The Backstop Fee payable to the Backstop Purchasers in respect of their commitment to backstop the New Notes will also be paid on the Completion Date. The Backstop Fee payable to each Backstop Purchaser will be deducted from the issue price of the New Notes being purchased by each Backstop Purchaser (either in its capacity as Backstop Purchaser or a New Note Purchaser) in accordance with the terms of the New Notes Purchase Agreement.
- 6.3 The fees due and payable to the Advisers in respect of their fee arrangements will be paid on the Completion Date.
- 7. Why does the board of directors of the Scheme Company consider the Transaction, of which the Scheme is an integral part, to be in the best interests of all stakeholders and what are the consequences of failing to implement the Scheme?
- 7.1 The directors of Scheme Company are of the opinion that the Transaction is of benefit to the Scheme Creditors because it is anticipated that, as a result of the Transaction, the Scheme Creditors will receive a substantially better return over time on the amount owed to them than they would do if the Scheme Company and other Obligors were to enter formal insolvency proceedings, that being the expected outcome in the event that the Transaction is not implemented for the reasons explained in paragraphs 7.2 to 7.6 below.
- The Transaction will allow the Group to extend the maturity date under the Existing Notes, repay the RCF and raise additional liquidity to create financial flexibility for its future operating requirements which will be vital in light of the impact that the Covid-19 pandemic has had, and continues to have, on the Group's operations. The Transaction will allow the Group the time it will need to normalise its business following the impact of the Covid-19 pandemic with a view to facilitating the refinancing of its debt on a going concern basis thereafter. The Transaction enjoys substantial support from Scheme Creditors, with Existing Noteholders holding over 80 per cent. by value of the Existing Notes having acceded to the Revised Lock-Up Agreement in support of the Transaction. The Scheme Company considers that the Transaction will effect a fair and commercial compromise and arrangement of the rights under the Existing Notes (amongst other things) and one which will enhance the financial position of the Group as well as that of Scheme Creditors.
- In the event that the Scheme is not sanctioned, it will not be possible to implement the Transaction. In the absence of the Scheme and the Transaction becoming effective, given the Group's current operating environment and the fact that it does not expect to reach its pre-Covid-19 operating levels until well into 2021, the Scheme Company and the Parent consider that the Group would not have sufficient liquidity to (i) repay the RCF when it matures on 15 November 2020 (ii) pay the coupon that would be due in respect of the Existing Notes on 31 October 2020 (the "October Coupon") (which the Scheme Company notes is subject to a 30 day grace-period under the Existing Notes Indenture) or (iii) pay the amounts that would then be outstanding in respect of its operational obligations (including repayment of over EUR 60 million of extended payables). If the Scheme were to fail, the RCF Standstill would terminate. There would then be events of default in respect of the RCF and the Interim Notes giving rise to acceleration rights in favour of the relevant

creditors. If exercised, such acceleration rights would bring forward the repayment dates of the RCF and the Interim Notes and, in turn, lead to events of default and acceleration rights under the Existing Notes and other facilities of the Group.

- The prospects of the Group and its key stakeholders, or indeed a third party, agreeing an alternative transaction that would enable the Group to repay the RCF and pay the October Coupon on the relevant payment dates (or earlier in the event of acceleration action) are very low. As such, the Group considers that, in the absence of the Transaction becoming effective including the failure of the Scheme, the Scheme Company, Codere Finance and Codere Newco S.A.U. (the principal obligors under the Existing Notes, the Interim Notes, the SBF and the RCF) would enter formal insolvency proceedings. The Obligors in respect of the Existing Notes he Interim Notes, the SBF and the RCF would also likely enter formal insolvency proceedings.
- 7.5 Whilst it is possible that any insolvency officeholders appointed in respect of the Group may look to run sales processes in respect of parts of the Group's business, or may look to follow some other strategy to realise value, at present it is not possible to predict with any certainty the basis on which such alternative strategy might proceed. Indeed, the Scheme Company could not know at that time whether there would be buyers in the market for the relevant assets were a sales process to be pursued, for example. Similarly, whilst assumptions could be made in respect of such sales processes or alternative strategies and returns to creditors could be modelled on that basis, again the Group could not, at present, have any confidence that such assumptions would be reasonable or that any estimate of returns to creditors would be reliable within a reasonable range. This uncertainty is significantly increased by the current economic climate ensuing from the impact of the Covid-19 pandemic.
- As such, it is the Scheme Company's view that formal insolvency proceedings (as described above) are the most likely outcome in the absence of the Scheme as there would be very considerable uncertainty in relation to whether it would be possible to pursue an alternative strategy. Given the nature of the Group's business, certain of the Group companies hold licences from the relevant regulatory authorities which are essential to the Group's operations. In the majority of cases, entry into insolvency proceedings by a Group company that is a license holder would be cause for termination of the license(s) held by it. For this reason and more generally, formal insolvency proceedings would be likely to result in substantial value destruction in respect of the Group and, as a result, substantial losses for the Existing Noteholders.

Scheme Comparator Analysis

- 7.7 The Group has engaged Deloitte LLP ("**Deloitte**") to provide an estimate of the recovery that the Scheme Creditors might make in respect of the Existing Notes in the event that the Scheme and the Transaction fail.
- As a counterpoint to a scenario where the Scheme is successful ("Scenario 1"), Deloitte has modelled two alternative scenarios: (i) formal insolvency proceedings occurring in respect of the Scheme Company, Codere Finance and Codere Newco S.A.U. with the relevant insolvency officeholders seeking to run distressed sales processes in respect of the Group's main operating divisions ("Alternative Scenario 1") and (ii) formal insolvency proceedings occurring in respect of the Scheme Company and the other Obligors in respect of the Existing Notes (which the Scheme Company considers to be the most appropriate comparator for the purposes of the Scheme for the reasons set out above) ("Alternative Scenario 2"). Deloitte's analysis is summarised in a report issued to the Scheme Company on 21 August 2020 (the "Scheme Comparator Analysis").
- 7.9 Deloitte's model estimates that in both Alternative Scenario 1 and Alternative Scenario 2, the Existing Noteholders' recovery in respect of the Existing Notes would be at a level significantly below par. The estimated recovery for the Existing Noteholders under:
 - (a) Alternative Scenario 1: is 72.2 per cent. in the high case and 30 per cent. in the low case; and
 - (b) Alternative Scenario 2: is 4.1 per cent. in the high case and 0 per cent. in the low case.

PART D: RATIONALE FOR AND SUMMARY OF THE TRANSACTION AND THE SCHEME

- 7.10 Scheme Creditors are directed to Section VI (Scheme Comparator Analysis) to this Scheme Document for a copy of Scheme Comparator Analysis which includes the various assumptions made in both the Alternative Scenario 1 and Alternative Scenario 2, and in the high and low cases. Whilst Alternative Scenario 1 shows a significantly better estimated recovery for the Existing Noteholders than Alternative Scenario 2, the estimated recoveries under Alternative Scenario 1 are still significantly less than the 100 per cent. recovery that the Scheme Company believes that the Existing Noteholders would make should the Scheme become effective and the Transaction complete successfully (i.e. in Scenario 1).
- 7.11 For the reasons set out above, the board of directors of the Scheme Company considers the Transaction to be in the best interests of those stakeholders with an economic interest in the Scheme Company, Codere Finance, the Parent and the Group, including the Scheme Creditors.

The board of directors of the Scheme Company strongly recommends that Scheme Creditors vote in favour of the Scheme.

PART E: OVERVIEW OF THE IMPLEMENTATION OF THE TRANSACTION

1. The Scheme sets out the mechanics for the implementation of the Transaction. Below is an overview of the key implementation steps and the conditions to their commencement. The terms of the Scheme are summarised in Section I, Part F (*Description of the Scheme*) of this Explanatory Statement and the Scheme itself is set out in Section II (*The Scheme*) of this Scheme Document.

2. Escrow Account

- 2.1 To facilitate the closing process, as is commonplace in a transaction of this nature, the Scheme provides that the New Notes Purchasers and Backstop Purchasers will fund their New Notes Subscription Amounts, Backstop New Notes Subscription Amounts and Failed Funding New Notes Subscription Amounts (if any) into the Escrow Account in accordance with the terms of the Scheme and the Escrow Deed.
- 2.2 The Escrow Account will be held by GLAS Trustees Limited as escrow agent (the "Escrow Agent") and is governed by the terms of an escrow deed dated 2 September 2020 and made between the Parent, Codere Finance, the Scheme Company, the Parent, the Revolving Agent, the Information Agent and the Escrow Agent (the "Escrow Deed").
- 2.3 The terms of the Scheme and the Escrow Deed provide that, prior to receipt by the Escrow Agent of the Escrow Release Notice in accordance with the terms of the Scheme, the Escrow Agent will hold the funds in the Escrow Account on trust for (i) each New Notes Purchaser in respect of the New Notes Subscription Amount and Failed Funding New Notes Subscription Amount (if any) deposited by such New Notes Purchaser into the Escrow Account and (ii) each Backstop Purchaser in respect of the Backstop New Notes Subscription Amount and Failed Funding New Notes Subscription Amount (if any) deposited by such Backstop Purchaser into the Escrow Account.
- 2.4 Following receipt by the Escrow Agent of the Escrow Release Notice in accordance with the terms of the Scheme, the Escrow Agent will hold the funds in the Escrow Account on trust for the beneficiaries set out in the Escrow Deed (in essence being those parties due payments from the Escrow Account under the Scheme).
- 2.5 On the earlier of either (i) the Termination Date and (ii) a long-stop date, being 2 November 2020 (the "Escrow Long-Stop Date") if an Escrow Release Notice has not been received by the Escrow Agent on or before that date, then the Escrow Agent will, within 3 Business Days, issue irrevocable payment instructions for the repayment to each:
 - (a) New Notes Purchaser of its New Notes Subscription Amount and its Failed Funding New Notes Subscription Amount (if any); and
 - (b) Backstop Purchaser of its Backstop New Notes Subscription Amount and its Failed Funding New Notes Subscription Amount (if any).
- 2.6 If the Escrow Agent is unable to repay a New Notes Subscription Amount, Backstop New Notes Subscription Amount or Failed Funding New Notes Subscription Amount to a New Notes Purchaser or Backstop Purchaser (as applicable) (including, without limitation, as a result of the Escrow Agent being unable to ascertain the correct account details for the return of any such amount) the Escrow Agent shall hold each such amount on trust for the relevant New Notes Purchaser or Backstop Purchaser (as applicable) pending repayment in accordance with the Escrow Deed
- 2.7 The Escrow Agent shall use commercially reasonable efforts to make repayment of any New Notes Subscription Amount, Backstop New Notes Subscription Amount or Failed Funding New Notes Subscription Amount for a period not exceeding 60 days from the Escrow Long-Stop Date (the "Escrow Return Deadline").
- 2.8 If the Escrow Agent has been unable to repay any New Notes Subscription Amount, Backstop New Notes Subscription Amount or Failed Funding New Notes Subscription Amount by the Escrow Return Deadline:

- (a) the Escrow Agent shall promptly notify Codere Finance of the same and shall provide all information within its possession relating to such New Notes Subscription Amount or, Backstop New Notes Subscription Amount or Failed Funding New Notes Subscription Amount and the relevant New Notes Purchaser or Backstop Purchaser;
- (b) the Escrow Agent shall, promptly following the Escrow Return Deadline, pay all such New Notes Subscription Amounts, Backstop New Notes Subscription Amounts and Failed Funding New Notes Subscription Amounts to Codere Finance;
- (c) Codere Finance shall hold all such amounts on trust for the relevant New Notes Purchaser and Backstop Purchasers (as applicable) to whom such amounts are due; and
- (d) Codere Finance shall use commercially reasonable efforts to make repayment of each such New Notes Subscription Amount, Backstop New Notes Subscription Amount and Failed Funding New Notes Subscription Amount to the relevant New Notes Purchaser or Backstop Purchaser.
- 2.9 A description of the Escrow Deed is contained in Section I, Part J (Summary of the Transaction Documents) of this Explanatory Statement, and the form of the Escrow Deed itself is attached at Appendix 1 of the Scheme which is set out in Section II (The Scheme) of this Scheme Document.

3. "Know your customer" checks

- 3.1 Each Scheme Creditor and each Nominated Participant must submit all relevant KYC Documentation required of it by the KYC Information Deadline, being 12.00 pm (London time) on the date which is the second Business Day after the New Notes Subscription Deadline, unless the relevant Scheme Creditor or Nominated Participant and the Scheme Company is notified by the Escrow Agent in writing that it has previously cleared all "know your customer" checks of the Escrow Agent in relation to that Scheme Creditor or Nominated Participant. If a Scheme Creditor or Nominated Participant fails to submit its KYC Documentation by the KYC Information Deadline, the Escrow Agent shall have discretion to accept KYC Documentation thereafter.
- 3.2 All Scheme Creditors and (where relevant) their Nominated Participants who wish to purchase New Notes must satisfy the Escrow Agent's "know your customer" checks by the KYC Clearance Deadline, being 4:00 pm (London time) on the date which is the fourth Business Day after the New Notes Subscription Deadline. Any Scheme Creditor and/or Nominated Participant who fails to clear all "know your customer" checks required by the Escrow Agent prior to the KYC Clearance Deadline (with such clearance being determined by the Escrow Agent in its sole discretion) will not be entitled to participate in the purchase of New Notes and shall not constitute a New Notes Purchaser.
- 3.3 For further information on the KYC process and the KYC Documentation required to be submitted, Scheme Creditors are referred to the Account Holder Letter at Section V (*Account Holder Letter*) of this Scheme Document.

4. New Notes allocation process

- 4.1 As mentioned above, as part of the Transaction each Scheme Creditor is eligible to purchase (and/or to nominate one or more Nominated Participant(s) in its place to purchase) at least its *pro* rata share of the New Notes.
- 4.2 In order to elect to purchase New Notes, Scheme Creditors must submit their validly completed Account Holder Letter to the Information Agent prior to the New Notes Subscription Deadline. The form of the Account Holder Letter is set out at Section V (Account Holder Letter) of this Scheme Document.

New Notes Entitlement

4.3 The minimum amount of the New Notes that a Scheme Creditor will have the opportunity to purchase, its "New Notes Entitlement", will be calculated in accordance with Schedule 1 (New Notes Entitlements and New Notes Subscription Amounts) of the Scheme – although Scheme

Creditors will have the opportunity to request to purchase more or less than this pro rata share in accordance with the Scheme provisions.

4.4 In short, a Scheme Creditor's New Notes Entitlement is its *pro rata* share of the principal and accrued but unpaid interest in respect of the Existing Notes as a proportion of the aggregate of all principal and accrued but unpaid interest in respect of the Existing Notes calculated as at the Record Time and with all amounts denominated in USD being notionally converted into EUR at the Spot Rate of Exchange, provided that if a Scheme Creditor's New Notes Entitlement would be less than EUR 20,000 its New Notes Entitlement will be EUR 20,000 and the New Notes Entitlement of each Scheme Creditor will may be rounded up or down to the nearest integral multiple of EUR 1,000.

Maximum New Notes Commitment

- 4.5 Where a Scheme Creditor:
 - (a) wishes to purchase New Notes on its own account and also nominates one or more Nominated Participant(s) to purchase New Notes; or
 - (b) does not wish to purchase New Notes on its own account but nominates more than one Nominated Participant to purchase New Notes,

that Scheme Creditor must specify in the relevant part of its Account Holder Letter the amount of its New Notes Entitlement that is to be allocated to it and/or its Nominated Participant(s) (as applicable), the amount of its New Notes Entitlement (i.e. the principal amount of New Notes) allocated to itself or a Nominated Participant (as applicable) being its "Relevant New Notes Entitlement".

- 4.6 The Relevant New Notes Entitlement of a Scheme Creditor that is not appointing any Nominated Participants will be equal to its New Notes Entitlement.
- 4.7 Each Scheme Creditor who either wishes to purchase New Notes and/or nominate one or more Nominated Participant(s) to purchase New Notes shall specify in the relevant part of its Account Holder Letter:
 - (a) if it is agreeing to purchase New Notes, the maximum amount of New Notes it commits to purchase; and/or
 - (b) if it is nominating one or more Nominated Participant(s) to purchase New Notes, the maximum amount of New Notes that each Nominated Participant commits to purchase,

which may be, in each case, more than, equal to or less than that Scheme Creditor's and/or Nominated Participant's Relevant New Notes Entitlement (its ""Maximum New Notes Commitment").

- 4.8 A New Notes Purchaser's Maximum New Notes Commitment, which may be more than, equal to or less than its Relevant New Notes Entitlement, must be an integral multiple of EUR 1,000 and may not:
 - (a) be less than EUR 20,000; or
 - (b) be more than EUR 165,000,000.
- 4.9 A New Notes Purchaser whose Maximum New Notes Commitment is:
 - (a) greater than its Relevant New Notes Entitlement is an "Oversubscriber";
 - (b) is equal to its Relevant New Notes Entitlement is an "Pro Rata Purchaser"; and
 - (c) is less than its Relevant New Notes Entitlement is an "Undersubscriber".

New Notes Allocations

- 4.10 Each New Notes Purchaser will be allocated:
 - (a) in respect of an Oversubscriber and a Pro Rata Purchaser, an amount of New Notes equal to its Relevant New Notes Entitlement; and
 - (b) in respect of an Undersubscriber, an amount of New Notes equal to its Maximum New Notes Commitment,

provided that in the event that these allocations of New Notes would, in aggregate, total more than in 165,000,000 (the allocated amount above in 165,000,000 being the "Overallocation Amount"):

- (i) New Notes Purchasers whose Relevant New Notes Entitlement are more than €20,000 will have their allocations adjusted downwards (to the nearest integral multiple of EUR 1,000) by, in aggregate, an amount equal to the Overallocation Amount, on a rateable basis (by reference to the proportion that the Relevant Scheme Claim of that Scheme Creditor or Nominated Participant bears to the Relevant Scheme Claims of all New Notes Purchasers whose allocations are to be adjusted downwards) (the "**Downwards Adjustment**"); and
- (ii) if any New Notes Purchaser would have an allocation of less than €20,000 as a result of a Downwards Adjustment, its allocation will be re-adjusted upwards to €20,000 and a further Downwards Adjustment will be made in respect of New Notes Purchasers whose first allocations are more than €20,000, and this shall be repeated until:
 - (A) no New Notes Purchaser has an allocation of less than €20,000; and
 - (B) the allocations of New Notes made pursuant to this paragraph do not, in aggregate, total more than €165,000,000,
- 4.11 A New Notes Purchaser's allocation after the application of all calculations described in paragraph 4.10 will be its "Initial Allocation".
- 4.12 The Information Agent will calculate the amount (if any) by which the aggregate of all Initial Allocations is less than EUR 165,000,000 (the "Shortfall Amount"). The Shortfall Amount will be allocated to Oversubscribers by applying the formula set out in paragraph 4.3 of Schedule 1 (New Notes Entitlements and New Notes Subscription Amounts) of the Scheme in successive rounds until the Shortfall Amount has been allocated in full.
- 4.13 In short, allocations in respect of the Shortfall Amount will be made by reference to each Oversubscriber's *pro rata* share of the Relevant Scheme Claims as a proportion of the aggregate of all Relevant Scheme Claims of the Oversubscribers participating in that round, provided that all allocations of New Notes will be rounded down to the nearest integral multiple of EUR 1,000. An Oversubscriber will be excluded from any further allocation round upon its New Notes Entitlement being equal to its Maximum New Notes Commitment.
- 4.14 The principal amount of the New Notes allocated to a New Notes Purchaser will be its "New Notes Allocated Principal Amount". The aggregate of the New Notes Allocated Principal Amounts of all New Notes Purchasers taken together is the "New Notes Total Allocated Principal Amount".

Backstop New Notes

4.15 The Backstop Purchasers have agreed to purchase all of the New Notes less the New Notes Total Allocated Principal Amount in accordance with, and subject to the terms and conditions of, the New Notes Purchase Agreement. If, for any reason, after the application of all allocation rounds in accordance with paragraph 4 of Schedule 1 (New Notes Entitlements and New Notes Subscription Amounts) of the Scheme (as described in paragraphs 4.3 to 4.14 above), there remains any amount of New Notes that has not been allocated to Scheme Creditors or their Nominated Participants ("Backstop New Notes"), each Backstop Purchaser shall purchase an amount of New Notes equal to its Backstop New Notes Allocated Principal Amount in accordance with Schedule 1 (New Notes

Entitlements and New Notes Subscription Amounts) of the Scheme and in accordance with, and subject to the terms and conditions of, the New Notes Purchase Agreement.

Subscription Amounts and Pre-Funded Interest Amounts

- 4.16 The Information Agent will calculate the amount that each New Notes Purchaser will be required to fund into the Escrow Account in order to purchase the New Notes (the "New Notes Subscription Amount"), by deducting all amounts which that New Notes Purchaser is entitled to deduct from its New Notes Allocated Principal Amount in accordance with the Notes Purchase Agreement (the "New Notes Deduction Amount") from the amount of that New Notes Purchaser's New Notes Allocated Principal Amount, and then adding the amount of interest that would accrue on its New Notes Allocated Principal Amount between 1 October 2020 and 30 October 2020 (the "New Notes Pre-Funded Interest Amount").
- 4.17 Similarly, the Information Agent will calculate the amount that each Backstop Purchaser will be required to fund into the Escrow Account in order to purchase the New Notes (the "Backstop New Notes Subscription Amount"), by deducting all amounts which that Backstop Purchaser is entitled to deduct from its Backstop New Notes Allocated Principal Amount in accordance with the Notes Purchase Agreement (the "Backstop New Notes Deduction Amount") from the amount of that Backstop Purchaser's Backstop New Notes Allocated Principal Amount, and then adding the amount of interest that would accrue on its New Notes Allocated Principal Amount between 1 October 2020 and 30 October 2020 (the "Backstop New Notes Pre-Funded Interest Amount"). A similar approach will be taken in respect of any further New Notes that a New Notes Purchaser or Backstop Purchaser purchases pursuant to clause 6.4.1 and Schedule 2 (Failed Funding Process) of the Scheme (as described further in paragraph 5 (Failed Funding Event) below).
- 4.18 To explain the rationale for adding the New Notes Pre-Funded Interest Amount, the Backstop New Notes Pre-Funded Interest Amount and the Failed Funding New Notes Pre-Funded Interest Amount (defined below) to the amounts that the New Notes Purchasers will be required to fund in respect of their allocation of New Notes:
 - (a) from the Completion Time, the New Notes will be fungible with the Interim Notes;
 - (b) the interest period in respect of the Interim Notes will commence on 1 October 2020 however it is expected that the New Notes will be issued after that date (with the latest issuance date being 30 October 2020;
 - (c) on the first interest payment date in respect of the Interim Notes and the New Notes following Completion, being 31 March 2021, Codere Finance will be required to pay (i) six months' worth of interest in respect of the Interim Notes and (ii) interest in respect of the six month period minus the number of days between 1 October 2020 and the date that the New Notes are issued (to reflect the time period for which the will have been in existence and accruing interest);
 - (d) as Codere Finance will not be able to distinguish between the Interim Notes and the New Notes following the Completion Time, it will not be possible for it to pay different amounts of interest by the reference to the date the instruments were issued;
 - (e) if Codere Finance pays six months of interest in respect of the Interim Notes and the New Notes, it will have overpaid interest in respect of the New Notes as, as noted above, they will have been issued after the commencement of the relevant interest period;
 - (f) to avoid such overpayment, each New Notes Purchaser and Backstop Purchaser will fund its applicable New Notes Pre-Funded Interest Amount, Backstop New Notes Pre-Funded Interest Amount and/or Failed Funding New Notes Pre-Funded Interest Amount at the same time as it funds the amounts required to purchase its allocation of New Notes.
- 4.19 New Notes Purchasers and Backstop Purchasers will be required to fund their pre-funded interest assuming that the New Notes are issued on 30 October 2020. If the New Notes are issued earlier than 30 October 2020, the New Notes Purchasers and Backstop Purchasers will, as part of the funds flow on the Completion Date, receive a repayment from the Escrow Account of the amount of

interest that would have accrued respect of their New Notes between the issue date and 30 October 2020 (the aggregate thereof being, the "Refund Interest Amount").

- The aggregate of all New Notes Pre-Funded Interest Amounts, Backstop New Notes Pre-Funded Interest Amounts and Failed Funding New Notes Pre-Funded Interest Amounts less the Refund Interest Amount (the aggregate being the "Retained Interest Amount") shall be held in the Escrow Account for the benefit of the New Notes Trustee on the terms of the Escrow Deed. The Retained Interest Amount will be paid over to the Paying Agent for payment to the holders of the New Notes and Interim Notes on a *pro rata* basis (i) if an Insolvency Event occurs in respect of Codere Finance or (ii) if Codere Finance has failed to pay the interest due on 31 March 2021 in full on or before 3 May 2021, being the expiry of the grace period following the first interest payment date in respect of the New Notes and Interim Notes following the Completion Date. If Codere Finance has paid the interest due in respect of the New Notes and Interim Notes in full on or before 3 May 2021, the Escrow Agent will release the Retained Interest Amount to Codere Finance.
- 4.21 The Backstop Purchasers have agreed to purchase all of the New Notes less the New Notes Total Allocated Principal Amount in accordance with, and subject to the terms and conditions of, the New Notes Purchase Agreement. If, for any reason, after the application of all allocation rounds in accordance with Schedule 1 (New Notes Entitlements and New Notes Subscription Amount), there remains any amount of New Notes that has not been allocated to Scheme Creditors or their Nominated Participants (the "Backstop New Notes"), each Backstop Purchaser shall purchase an amount of Backstop New Notes equal to its Backstop New Notes Allocated Principal Amount in accordance with Schedule 1 (New Notes Entitlements and New Notes Subscription Amounts) to this Scheme and in accordance with, and subject to the terms and conditions of, the New Notes Purchase Agreement.
- 4.22 As soon as reasonably practical following the Scheme Effective Time, and within five Business Days of the New Notes Subscription Deadline, the Information Agent will:
 - (a) calculate (with the assistance of the Calculation Advisers):
 - the New Notes Allocated Principal Amount and the Backstop New Notes Allocated Principal Amount;
 - (ii) the New Notes Deduction Amount and Backstop New Notes Deduction Amount;
 - (iii) the New Notes Pre-Funded Interest Amount and the Backstop New Notes Pre-Funded Interest Amount; and
 - (iv) the New Notes Subscription Amount and the Backstop New Notes Pre-Funded Interest Amount.

of each New Notes Purchaser and Backstop Purchaser, as applicable, in accordance with Schedule 1 (New Notes Entitlements and New Notes Subscription Amounts) to the Scheme;

- (b) notify (by issuing a Funding Notice) each New Notes Purchaser and each Backstop Purchaser of:
 - (i) each item applicable to it in listed in paragraph (a) above;
 - (ii) the details of the Escrow Account into which its New Notes Subscription Amount or Backstop New Notes Subscription Amount should be funded;
 - (iii) the Funding Deadline; and
 - (iv) the Completion Date;
- (c) send the applicable Funding Notices to:
 - (i) each New Notes Purchaser and Backstop Purchaser;

- (ii) each New Notes Purchaser's Account Holder and each Backstop Purchaser's Account Holder; and
- (iii) the Escrow Agent; and
- (d) calculate and notify the Scheme Company and the Backstop Purchasers of:
 - (i) the aggregate of the New Notes Subscription Amounts of all New Notes Purchasers, taken together (the New Notes Total Subscription Amount); and
 - (ii) the aggregate of the Backstop New Notes Subscription Amounts of all Backstop Purchasers, taken together (the Backstop New Notes Total Subscription Amount).
- 4.23 Each New Notes Purchaser and Backstop Purchasers will be required to ensure that its New Notes Subscription Amount or Backstop New Notes Subscription Amount, as applicable, is paid into the Escrow Account by no later than the Funding Deadline.
- As soon as practicable following the Funding Deadline (and in any event on the same day that the Funding Deadline occurs), the Escrow Agent will notify the Scheme Company, the Information Agent and the Backstop Purchasers of the balance standing to the credit of the Escrow Account (the "Escrow Account Balance"). In the event that the Escrow Account Balance is less than the Required Escrow Subscription Amount, a Failed Funding Event shall occur and the terms of Schedule 2 (Failed Funding Process) of the Scheme will apply.

5. Failed Funding Event

5.1 **Initial Failed Funding Deadline**

- (a) Each New Notes Purchaser or Backstop Purchaser who fails to fund their New Notes Subscription Amount or Backstop New Notes Subscription Amount into the Escrow Account by the Funding Deadline (a "Failed Funder") shall be given the opportunity to fund the amount that it has failed to fund into the Escrow Account by no later than 3.00 pm (London time) on the first Business Day following the Funding Deadline (the "Initial Failed Funding Deadline").
- (b) On or as soon as possible following the Initial Failed Funding Deadline (and in any event on the same day that the Initial Failed Funding Deadline occurs), the Escrow Agent will confirm to the Scheme Company and the Information Agent, amongst others, either:
 - (i) that an amount equal to the amount by which, as at the Funding Deadline, the Escrow Account Balance is lower than the Required Escrow Subscription Amount (the "Total Failed Funding Amount") has been funded into the Escrow Account by the Initial Failed Funding Deadline, whereupon the Transaction Implementation Condition relating to the funding of the Escrow Account (the "Escrow Funding Condition") will have been satisfied and the Transaction will proceed in accordance with the terms of the Scheme and the Transaction Documents; or
 - (ii) that the Total Failed Funding Amount has not been funded into the Escrow Account by the Initial Failed Funding Deadline, whereupon a "Second Failed Funding Event" shall occur. In these circumstances the steps set out at paragraph 5.2 will occur.

5.2 Failed Funding New Notes allocation process

(a) As soon as reasonably practicable following the occurrence of a Second Failed Funding Event (the intention of the Parent and the Information Agent being to take the actions set out below on the same day that the Initial Failed Funding Deadline occurs), each New Notes Purchaser and Backstop Purchaser who is not a Failed Funder is eligible to purchase at least its pro rata share of the principal amount of New Notes of all Failed Funders (the "Failed Funding New Notes").

(b) In order to elect to purchase the Failed Funding New Notes, Eligible Purchasers must submit a validly completed letter (a "Failed Funding New Notes Election Letter") to the Information Agent via the Scheme Website, by email or as otherwise directed by the Information Agent by the deadlines identified in the Scheme.

Failed Funding New Notes Entitlements

- (c) Each Eligible Purchaser shall have the opportunity to purchase Failed Funding New Notes in an amount equal to at least that New Note Purchaser's Failed Funding New Notes Entitlement, calculated in accordance with Annex 2 (Failed Funding New Notes Entitlements and Failed Funding New Notes Subscription Amounts) to Schedule 2 (Failed Funding Process) to the Scheme and subject to the terms and conditions of the New Notes Purchase Agreement and the Scheme. Failed Funders shall not have the opportunity or otherwise be entitled to purchase any Failed Funding New Notes.
- (d) In short, an Eligible Purchaser's Failed Funding New Notes Entitlement is its *pro rata* share of the principal amount of New Notes it was allocated as a proportion of the aggregate of all principal amounts of New Notes allocated to Eligible Purchasers, provided that the Failed Funding New Notes Entitlement of each Eligible Purchaser may be rounded up or down to the nearest integral multiple of EUR 1,000.
- (e) Each Eligible Purchaser who wishes to purchase Failed Funding New Notes shall specify in the relevant part of its Failed Funding New Notes Election Letter the maximum amount of Failed Funding New Notes it is willing to purchase, which may be either: (i) its Failed Funding New Notes Entitlement; or (ii) the Failed Funding New Notes Principal Amount, provided that the amount specified must be an integral multiple of EUR 1,000. An Eligible Purchaser who specifies it is willing to purchase the Failed Funding New Notes Principal Amount is an "Oversubscriber" and who specifies it is willing to purchase its Failed Funding New Notes Entitlement is a "Pro Rata Purchaser".

Failed Funding New Notes Allocations

- (f) Each Oversubscriber and Pro Rata Purchaser shall first be allocated an amount of Failed Funding New Notes equal to its Failed Funding New Notes Entitlement.
- (g) The Information Agent shall calculate the amount (if any) by which the aggregate of the Failed Funding New Notes Entitlements of all Oversubscribers and all Pro Rata Purchasers is less than the Failed Funding New Notes Principal Amount (the "Failed Funding Shortfall Amount"). The Failed Funding Shortfall Amount will be allocated to Oversubscribers by applying the formula set out in paragraph 3.3 of Annex 2 (Failed Funding New Notes Entitlements and Failed Funding New Notes Subscription Amounts) to Schedule 2 (Failed Funding Process) to the Scheme.
- (h) In short, allocations in respect of the Failed Funding Shortfall Amount will be made by reference to each Oversubscriber's pro rata share of the Failed Funding New Notes Entitlements as a proportion of the aggregate of all Failed Funding New Notes Entitlements of the Oversubscribers participating in that round, provided that all allocations of New Notes will be rounded down to the nearest integral multiple of EUR 1,000.
- (i) The principal amount of the Failed Funding New Notes allocated to an Eligible Purchaser will be its "Failed Funding New Notes Allocated Principal Amount".
 - Failed Funding New Notes Subscription Amount and Pre-Funded Interest Amounts
- (j) The Information Agent will calculate the amount that each Eligible Purchaser will be required to fund into the Escrow Account in order to purchase any Failed Funding New Notes (the "Failed Funding New Notes Subscription Amount"), by adding to the Failed Funding New Notes Allocated Principal Amount of interest that would accrue on its Failed Funding New Notes Allocated Principal Amount between 1 October 2020 and 30 October 2020 (the "Failed Funding New Notes Pre-Funded Interest Amount").

5.3 Offer to purchase Failed Funding New Notes

- (a) Following the occurrence of a Second Failed Funding Event, on the Business Day following the Initial Failed Funding Deadline:
 - (i) the Parent will issue a public announcement confirming:
 - (A) the occurrence of a Second Failed Funding Event;
 - (B) the Failed Funding New Notes Principal Amount; and
 - (C) that each Eligible Purchaser shall have the opportunity to purchase some or all of the Failed Funding New Notes in accordance with the Scheme by submitting a validly completed Failed Funding New Notes Election Letter to the Information Agent via the Scheme Website, by email or as otherwise directed by the Information Agent; and
 - (ii) the Information Agent will send a notice (the "Failed Funding New Notes Notice"), the form of which is set out in Annex 1 (Failed Funding New Notes Notice) to Schedule 2 (Failed Funding Process) to the Scheme, to all Eligible Purchasers via the Scheme Website, by email or otherwise.
- (b) Any Eligible Purchaser who wishes to purchase Failed Funding New Notes may do so by submitting a validly completed Failed Funding New Notes Election Letter to the Information Agent in the manner notified to the Eligible Purchasers in the Failed Funding New Notes Notice (which may be via the Scheme Website, by email or as otherwise directed by the Information Agent) by the second Business Day after the day on which the Failed Funding New Notes Notice is sent as described below (the "Failed Funding New Notes Subscription Deadline").
- (c) If, on the Failed Funding New Notes Subscription Deadline (or on such later date or time as the Scheme Company, Codere Finance and the Majority Scheme Creditors may agree), the aggregate amount of Failed Funding New Notes that Eligible Purchasers have confirmed they are willing to purchase pursuant to validly completed Failed Funding New Notes Election Letters received by the Information Agent is equal to or greater than the Minimum Failed Funding Notice Principal Completion Amount (a "Successful Failed Funding Process"), the terms of paragraph 5.4(d) shall apply.
- (d) Upon the occurrence of a Successful Failed Funding Process, the Information Agent shall as soon as reasonably practicable and in any event by no later than 5.00 pm (London time) on the Business Day after its occurrence:
 - notify all Eligible Purchasers of the same via the Scheme Website, by email or otherwise;
 - (ii) notify the Scheme Company, the Escrow Agent and the Calculation Advisers of the same; and
 - (iii) calculate (with the assistance of the Calculation Advisers):
 - (A) the Failed Funding New Notes Allocated Principal Amount;
 - (B) the Failed Funding New Notes Pre-Funded Interest Amount; and
 - (C) the Failed Funding New Notes Subscription Amount,

of each Relevant Eligible Purchaser in accordance with Annex 2 (Failed Funding New Notes Entitlements and Failed Funding New Notes Subscription Amounts) to Schedule 2 (Failed Funding Process) to the Scheme;

- (iv) notify (through the Failed Funding Notices) each Relevant Eligible Purchaser of:
 - (A) each item applicable to it listed in sub-paragraph (iii) above;

- (B) the details of the Escrow Account into which its Failed Funding New Notes Subscription Amount should be funded;
- (C) the deadline for funding, being 5.00 pm (London time) on the third Business Day after the date that the Failed Funding Notices are sent (the "Second Failed Funding Deadline");
- (D) the expected Completion Date; and
- (v) send the applicable Failed Funding Notices to:
 - (A) each Relevant Eligible Purchaser;
 - (B) each Relevant Eligible Purchaser's Account Holder; and
 - (C) the Escrow Agent.
- (e) If a Successful Failed Funding Process has not occurred on or before the Failed Funding New Notes Subscription Deadline (or on such later date or time as the Scheme Company, Codere Finance and the Majority Scheme Creditors may agree), then the provisions of Clause 11 (*Termination*) of the Scheme will apply.

5.4 Obligation to fund – Failed Funding Notes

- (a) Each Relevant Eligible Purchaser shall ensure that its Failed Funding New Notes Subscription Amount is paid into the Escrow Account by no later than the Second Failed Funding Deadline.
- (b) If for any reason a Relevant Eligible Purchaser fails to pay its Failed Funding New Notes Subscription Amount into the Escrow Account by the Second Failed Funding Deadline such Relevant Eligible Purchaser shall not be entitled to purchase Failed Funding New Notes.

5.5 Escrow Account Balance

As soon as practicable following the Second Failed Funding Deadline, the Escrow Agent shall confirm to the Scheme Company, the Information Agent and the Calculation Advisers that:

- (a) the Total Failed Funding New Notes Subscription Amount has been funded into the Escrow Account by the Second Failed Funding Deadline, whereupon the Escrow Funding Condition will have been satisfied and the Transaction will proceed in accordance with the terms of the Scheme and the Transaction Documents; or
- (b) the Total Failed Funding New Notes Subscription Amount has not been funded into the Escrow Account by the Second Failed Funding Deadline and either:
 - (i) the Escrow Account Balance as at the Second Failed Funding Deadline is equal to at least the Minimum Escrow Cash Completion Amount, in which case the Escrow Funding Condition will be satisfied and the Transaction will proceed in accordance with the terms of the Scheme and the Transaction Documents; or
 - (ii) the Escrow Account Balance as at the Second Failed Funding Deadline is less than the Minimum Escrow Cash Completion Amount whereupon the Scheme will terminate.

6. Execution of Transaction Documents

6.1 Each prospective New Notes Purchaser will, pursuant to its New Notes Purchaser Letter (which is to be submitted to the Information Agent as part of the relevant Account Holder Letter), become a New Notes Purchaser by acceding to the New Notes Purchase Agreement provided that:

- (a) the relevant Scheme Creditor has submitted an Account Holder Letter to the Information Agent, the relevant parts of which have been validly completed (including a New Notes Purchaser Letter), in advance of the New Notes Subscription Deadline;
- (b) all "know your customer" required by the Escrow Agent have been cleared in respect of the relevant New Notes Purchaser by the KYC Clearance Deadline; and
- (c) where the New Notes Purchaser is a Nominated Participant, it has submitted its validly completed Nominated Participant Deed.
- 6.2 The Nominated Participant Deed contains an authorisation from the Nominated Participants in favour of the Scheme Company allowing the Scheme Company to execute and deliver the Deed of Release on their behalf, to give effect to any amendment to a Transaction Document as permitted by the Scheme, and to take all such further steps, deliver all such further notices, and do all such further things, as may be reasonably necessary or desirable to give effect to the Scheme and the Transaction.
- 6.3 If sanctioned, the Scheme will, with effect from the Scheme Effective Time:
 - (a) provide that each Scheme Creditor appoints the Scheme Company as its agent and attorney and irrevocably authorises the Scheme Company to:
 - enter into, execute and deliver for and on behalf of the Scheme Creditors, the Deed of Release;
 - (ii) give effect to any amendment to a Transaction Document as permitted by the Scheme; and
 - (iii) take all further steps and do all further things as may be reasonably necessary or desirable to give effect to the Scheme and the Transaction; and
 - (b) authorise the Existing Notes Trustee to undertake such steps as it considers necessary for it to take for the purposes of facilitating the implementation of the Scheme, including entering into the Transaction Documents to which it is a party and any document that it reasonably considers necessary or advisable to implement the Scheme.

7. Transaction Implementation Conditions

- 7.1 On the Completion Date, the completion steps set out in Clause 7 of the Scheme (the "Completion Steps") will occur. The Completion Date will be the second Business Day immediately following the date on which the last of the Transaction Implementation Conditions has been satisfied (or, if the Scheme Company so determines (acting reasonably), the next following Business Day).
- 7.2 The Transaction Implementation Conditions will be satisfied when the Scheme Company confirms that:
 - (a) the Scheme Effective Time has occurred;
 - (b) the Chapter 15 Order has been made;
 - (c) the Funding Notices have been sent, and, if applicable, any Failed Funding Notices have been sent;
 - (d) the Escrow Agent has confirmed to the Scheme Company that the Escrow Funding Condition has been met:
 - (e) the Escrow Agent has received the Funds Flow which will detail the payments to be made on the Completion Date in accordance with the terms of the Escrow Deed; and
 - (f) all of the Pre-Completion Date New Notes Purchase Conditions Precedent have been satisfied or waived in accordance with the New Notes Purchase Agreement,

Any Transaction Implementation Condition may be amended or waived with the consent of the Scheme Company and the Majority Scheme Creditors.

8. RCF Settlement Amount

Following the Transaction Implementation Conditions having been satisfied, the Scheme contemplates various notices being sent between the Scheme Company, the Escrow Agent and the Revolving Agent pursuant to which the RCF Settlement Amount, the amount required to repay and discharge the RCF in full, will be agreed. The RCF Settlement Amount will be reflected in a revised Funds Flow to be delivered by the Scheme Company to the Escrow Agent.

9. **Completion**

9.1 Completion will take place as soon as reasonably practicable after 10.00 am (London time) on the Completion Date. On the Completion Date, the following steps will occur in the following order pursuant to the Scheme, and the Scheme Company and all Scheme Parties will use all commercially reasonable efforts to ensure that they occur on the same Business Day.

9.2 Step 1: Execution of Transaction Documents

Each person named as a party thereto shall enter into the following documents (in the case of each Scheme Party (other than the parties listed in sub-paragraphs (d) to (i) of the definition of Undertaking Party, who will be executing on their own behalf), by the Scheme Company acting as its attorney), each of which shall become fully effective in accordance with their terms with simultaneous effect:

- (a) the Existing Notes A&R Supplemental Indenture;
- (b) the Existing Notes Amended Global Notes; and
- (c) certain Security Confirmation Documents.

9.3 Step 2: Execution and delivery of New Notes

- (a) Immediately following satisfaction or waiver of all of the Completion Date New Notes Purchase Conditions Precedent, Codere Finance and the New Notes Trustee will execute the following documents, each of which will become fully effective in accordance with their terms with simultaneous effect:
 - (i) the New Notes Supplemental Indenture; and
 - (ii) the New Notes Global Notes.
- (b) The following Scheme Parties will execute the following documents, each of which shall become fully effective in accordance with their terms with simultaneous effect:
 - Codere Finance will execute and send to the New Notes Trustee the New Notes Authentication and Delivery Order;
 - (ii) the New Notes Trustee will execute and deliver to the Issuer the New Notes Compliance with Authentication Order;
 - (iii) Codere Finance will execute and send the New Notes Instruction to the Common Depositary; and
 - (iv) the Settlement Agent shall upon instructions by Codere Finance deliver to the Clearing Systems an allocation list in the form of a spreadsheet containing all New Notes Allocated Principal Amounts and Backstop Allocated Principal Amounts for each New Notes Purchaser and Backstop Purchaser, substantially in the form scheduled to the Agency Agreement.
- (c) Immediately following completion of the steps set out in sub-paragraphs (a) and (b) above, Codere Finance will deliver the New Notes to the Common Depositary.

9.4 Step 3: Release of escrow

- (a) Immediately following the completion of steps at Step 2 above, Codere Finance will deliver the Escrow Release Notice (on behalf of itself and each Beneficiary as defined in the Escrow Deed) to the Escrow Agent, whereupon:
 - (i) the Escrow Agent shall hold an amount standing to the credit of the Escrow Agent equal to the RCF Settlement Amount to the order of the Revolving Agent pending completion of the payment described at Clause 9.4(a)(iii)(A):
 - (ii) the beneficial interest in:
 - the Refund Interest Amount shall transfer to the New Notes Purchasers and Backstop Purchasers;
 - (B) the Retained Interest Amount will transfer to the New Notes Trustee; and
 - (C) all other amounts standing to the credit of the Escrow Account will transfer to Codere Finance; and
 - (iii) the Escrow Agent will issue an irrevocable payment instruction for the payment of each of the following in accordance with the Escrow Deed:
 - (A) the RCF Settlement Amount to the Revolving Agent;
 - (B) the New Notes Pre-Funded Interest Refund Amount to each New Notes Purchaser and the Backstop New Notes Pre-Funded Refund Amount to each Backstop Purchaser
 - (C) the Early Bird Consent Fee to each eligible Scheme Creditor;
 - (D) the Consent Fee to each eligible Scheme Creditor; and
 - (E) the fees due to each Adviser; and
 - (iv) the Escrow Agent will retain in the Escrow Account the Retained Interest Amount; and
 - (v) the Escrow Agent will issue an irrevocable payment instruction for the payment with the balance to be paid to or to the order of Codere Finance in accordance with the Escrow Deed.
- (b) The Escrow Agent will promptly notify the Scheme Company that it has issued irrevocable payment instructions in respect of each of the payments referred to above (the "Escrow Payment Confirmation").
- (c) If the Escrow Agent is unable to pay an Early Bird Consent Fee or a Consent Fee to a Scheme Creditor entitled to receive the same (including, as a result of a Scheme Creditor having supplied inaccurate or incomplete account information):
 - (i) the Escrow Agent will promptly notify the Scheme Company, the Parent and Codere Finance of the same and shall pay all such Early Bird Consent Fee and Consent Fee amounts to Codere Finance;
 - (ii) the Scheme Company, the Parent and Codere Finance shall use commercially reasonable efforts to make payment within five Business Days of the Completion Date; and
 - (iii) this will not prevent or delay the remainder of the Completion Steps from occurring.
- (d) The Retained Interest Amount is to be retained in the Escrow Account and released in accordance with the terms of the Escrow Deed.

9.5 **Step 4: Notarisation**

As soon as reasonably practicable following receipt by the Scheme Company of the Escrow Payment Confirmation, the Scheme Company will procure that:

- (a) the Existing Notes A&R Supplemental Indenture is notarised; and
- (b) the New Notes Supplemental Indenture is notarised.

9.6 Step 5: Execution of the Deed of Release

As soon as reasonably practicable following completion of the Steps 1 to 4 above, the Scheme Company, each Obligor, each Nominated Participant and each Scheme Creditor (and in the case of the Scheme Creditors, by the Scheme Company acting as their attorney), will enter into the Deed of Release and the Deed of Release shall become immediately effective in accordance with its terms.

9.7 **Step 6: Completion Time**

- (a) The "**Completion Time**" will occur with immediate effect upon the completion of Step 5 (*Execution of the Deed of Release*).
- (b) As soon as reasonably practicable following completion of Step 5 (*Execution of the Deed of Release*), the Scheme Company will make (or procure that the Parent makes) a public announcement confirming that Steps 1 to 5 described above have occurred.
- (c) If, for any reason, the Completion Time does not occur as contemplated by the Scheme, any steps taken pursuant to this Scheme, and in particular, Steps 1 to 5 above will be rescinded (in so far as legally possible) and declared void *ab initio* and the Scheme Company, each Undertaking Party and each Scheme Creditor shall take all necessary steps required to restore each other relevant party to its position prior to any steps being taken pursuant to this Scheme.

PART F: DESCRIPTION OF THE SCHEME

- 1. The terms of the Scheme are set out in full at Section II (*The Scheme*) of this Scheme Document. The summary which follows is for descriptive purposes only and should not replace a careful review of the full terms of the Scheme.
- 2. In summary, the terms of the Scheme are as follows:
- 2.1 Clause 1: sets out the uses of defined terms and principles of construction in the Scheme.
- 2.2 **Clause 2**: confirms that the Scheme takes effect from the Scheme Effective Time. The Scheme will be binding against, not only the Scheme Creditors, but also each Undertaking Party.
- 2.3 Clauses 3 and 4: explain who can purchase New Notes and the process and time by which such New Notes Purchasers must confirm the maximum amount of New Notes which they commit to purchase. Schedules 1 and 2 provide further detailed drafting on how the New Notes are allocated, and what happens if New Note Purchasers default on their funding undertakings.
- 2.4 **Clause 5**: explains that the Scheme Company (represented by any duly authorised representative) is irrevocably authorised, directed, instructed, and empowered by Scheme Creditors to, among other things, execute the Deed of Release on behalf of Scheme Creditors and make amendments to the Transaction Documents provided that the amendments do not impose any additional or new obligation on any Scheme Creditor, and authorises the Existing Notes Trustee to take such steps as it considers necessary for the implementation of the Scheme.
- 2.5 **Clause 6**: explains the process by which New Notes Purchasers will be notified of the amount of New Notes allocated to them and consequently the amount they will need to fund into the Escrow Account by the Funding Deadline. In summary, New Notes Purchasers' allocations of New Notes will be calculated by the Information Agent, and they will be required to fund the Escrow Account with the amount of their subscription.
- 2.6 **Clause 7**: sets out the Completion Steps. The Transaction Implementation Conditions will be satisfied as soon as reasonably practicable following the Scheme Effective Time. The Completion Steps provide as follows:
 - (a) Step 1: execution of Transaction Documents;
 - (b) Step 2: execution and delivery of New Notes;
 - (c) Step 3: release of the escrow. This includes steps intended to repay the RCF;
 - (d) Step 4: notarisation. This step is included because the Existing Notes A&R Supplemental Indenture and the New Notes Supplemental Indenture need to be notarised in order to take full effect in the Group's principal operating jurisdictions, including in Spain;
 - (e) Step 5: Execution of the Deed of Release; and
 - (f) Step 6: Completion.
- 2.7 **Clause 8**: sets out the basis upon which the Information Agent is to perform the various calculations required of it pursuant to the Scheme.
- 2.8 Clause 9: sets out customary releases which are on the same terms as set out in the Deed of Release.
- 2.9 **Clause 10**: permits the Scheme Company to agree certain modifications, including those proposed by the Court or which are of a minor or technical nature, provided that the amendments do not impose any additional or new obligations on any Scheme Creditor.
- 2.10 The remaining provisions of the Scheme deal with general matters such as the termination of the Scheme, notices, costs, and the jurisdiction of the English court.

PART G: SCHEME MECHANICS AND CREDITOR CLASS COMPOSITION

1. Conditions to the Scheme becoming effective

- 1.1 In order for the Scheme to become effective on its terms and legally binding on the Scheme Company and the Scheme Creditors (the relevant time being the Scheme Effective Time):
 - (a) the Scheme must be approved by a majority in number representing 75 per cent. or more in value of the Scheme Creditors present and voting (in person or by proxy) at the Scheme Meeting convened for the purpose of considering the proposed Scheme;
 - (b) the Scheme must be sanctioned by the Court; and
 - (c) an official copy of the Court Order must be delivered to the Registrar of Companies for England and Wales.
- 1.2 A scheme cannot be sanctioned by the Court unless the Court is satisfied, among other things, that the relevant provisions of Part 26 of the Companies Act 2006 have been complied with and an intelligent and honest person, a member of the class concerned and acting in respect of his or her own interest, might reasonably approve the scheme of arrangement.

2. Creditor class analysis

- 2.1 It is the responsibility of the Scheme Company to formulate the class or classes of creditors for the purpose of convening one or more meetings to consider and, if thought fit, approve the proposed Scheme. Each class must be properly constituted so that any meeting consists of creditors whose rights against the Scheme Company are not so dissimilar as to make it impossible for them to consult together with a view to their common interest. If the rights of Scheme Creditors are so different or would be affected so differently by the Scheme as to make it impossible for them to consult together with a view to their common interest, they must be divided into separate classes and a separate meeting must be held for each class of creditor.
- 2.2 The Scheme Company has considered the present rights of each of the Scheme Creditors under the Existing Notes and the way in which those rights will be affected under the Scheme and, having taken into account the previous decisions of the Court and having taken legal advice (privilege in which is not waived), has concluded that the Scheme Creditors should constitute a single class for the purposes of the Scheme. In particular, the Scheme Company considered that Scheme Creditors' recoveries if the Scheme were to succeed or to fail would be similar, as explained further at paragraph 3 below. The Scheme Company therefore requested that the Court convene a single creditor class meeting.
- 2.3 The Court granted the Company's request by means of an order made on 11 September 2020. The Scheme Creditors will therefore vote together as a single class.

3. Scheme creditor recovery analysis

- 3.1 To assist Scheme Creditors in understanding their potential recoveries if the Scheme succeeds or fails, the Group has modelled three scenarios:
 - (A) Scheme Successful: The Scheme is sanctioned and completes in accordance with its terms. This Scenario contemplates that (i) the amendments to the Existing Notes become effective on 15 October 2020; and (ii) the Group then continues to trade on a solvent basis, and that it repays or refinances the Existing Notes, the Interim Notes, and the New Notes when they each mature in 2023. There can be no certainty that this will be the result of the Scheme while the Group continues to trade through an unprecedent pandemic. But Deloitte's enterprise value report at Section VI (Scheme Comparator Analysis) of the Scheme Document confirms that the enterprise value of the Group will be greater than the value of its liabilities if the Scheme completes. The level of recovery depends on whether the Scheme Company and the Issuer elect to pay interest in kind (i.e. capitalising interest into the principal of the Notes) or in cash.

- (B) Comparator Scenario: liquidation starting on 31 Oct 2020: The Scheme is not sanctioned, or otherwise cannot be implemented on the expected timeline, and the Group enters into a liquidation process. This Scenario contemplates that the Scheme Company enters insolvency proceedings on 31 October 2020, together with other Group companies, as this is the day immediately following the date on which the October Coupon on the Existing Notes falls due. It is necessary to choose a date for modelling purposes, but in practice it is possible that certain Group companies would commence insolvency proceedings at an earlier stage if the Scheme is not successful, or otherwise that not all entities will enter insolvency proceedings on the same date.
- (C) Alternative Scenario: distressed M&A process starting on 31 Oct 2020: The Scheme is not sanctioned and/or the Scheme cannot be implemented on the expected timeline, and the Group enters into and succeeds in implementing a distressed M&A process. This process would commence with insolvency filings by the Scheme Company, Codere Finance, and Codere SAU, but in this Scenario, it is assumed that operating companies would remain out of insolvency proceedings. 31 October 2020 has again been chosen as the date on which the Scheme Company, and at least certain other Group companies, would enter insolvency proceedings for modelling purposes.
- 3.2 The Scheme Company hopes that this information is of assistance to Scheme Creditors, but it is provided for illustrative purposes only, and Scheme Creditors' attention is drawn to the sections entitled "Forward-looking statements" and "Risk Factors" of the Scheme Document.
- 3.3 Without limitation to the foregoing:
 - (a) the Group believes that the Scheme will provide it with the liquidity that it requires to achieve its business plan and return to profitability and cash flow generation. However, it is not possible to predict with certainty what will happen if the Scheme is successful. It is possible that further trading difficulties, in particular as may result from the Covid-19 pandemic or other unexpected events, will result in the Group being unable to meet its obligations after the Scheme. It is also possible that the Group's business will recover more strongly than predicted, and that the Group may seek to update its capital structure to take account of this. Scheme Creditors must form their own view on the Group's prospects of success, and what this may mean for the Existing Notes and the New Notes (as applicable); and
 - (b) it is also not possible to predict what will happen if the Scheme fails. The Scheme Company notes Deloitte's view that an insolvency officeholder would be likely to attempt a distressed M&A process before turning to a liquidation, if possible, and does not discount this as a possibility. However, in light of the uncertainties attendant to an M&A process, described by Deloitte on pages 22-24 of the Scheme Comparator Analysis at Section VI (*Scheme Comparator Analysis*) of the Scheme Document, the difficulty that the directors of Group operating companies would be expected to face in obtaining D&O insurance to continue trading, and the greater viability of a liquidation (as identified by Deloitte on page 20), the Scheme Company believes that Scenario B is the more likely to occur. The Scheme Company nevertheless believes that it is important that Scheme Creditors understand the range of potential recoveries if the Scheme were to fail and has presented Scenarios B and C for this reason.
- 3.4 The following assumptions and qualifications also underpin these calculations:

Assumptions and qualifications

- 3.5 Calculations for Scenario A:
 - (a) Show the amount of interest payable on the Existing Notes as a range. The lower number is the amount that would be payable if all interest were paid in cash. The higher number is the amount that would be payable if the maximum amount of interest permitted pursuant to the Existing Notes Supplemental Indenture were "paid in kind" i.e. capitalised and added to the principal amount of the Existing Notes.

- (b) Assume that 79.57 per cent. of the Existing Notes are held by Early Bird Creditors, with all Existing Notes notionally converted into EUR at an exchange rate of USD 1 = EUR 0.88265 (being the date exchange rate used to calculate notional holdings in accordance with the Lock-Up Agreement). The final amount of the Early Bird Consent Fee per €1,000 or \$1,000 of Existing Notes could be less if Early Bird Creditors acquire additional Existing Notes, increasing their share of the Early Bird Consent Fee but diluting the amount payable to Early Bird Creditors as a whole.
- (c) Assume that 80.4 per cent. of the Existing Notes are held by Consent Fee Creditors, with all Existing Notes notionally converted into EUR in the manner described under paragraph b. above. The final amount of the Consent Fee per €1,000 or \$1,000 of Existing Notes could be less if Consent Fee Creditors acquire additional Existing Notes, increasing their share of the Consent Fee but diluting the amount payable to Consent Fee Creditors as a whole; or if additional Existing Noteholders accede to the Revised Lock-Up Agreement.
- (d) Assume for illustrative purposes that the New Notes are issued on 15 October 2020. It is not yet certain what date the New Notes will be issued on, assuming the Scheme succeeds see "Expected Timetable of Principal Events".
- 3.6 Calculations for Scenario B are based on Deloitte's analysis of "Scenario 2" in their report at Section VI (*Scheme Comparator Analysis*). Neither the Early Bird Consent Fee nor the Consent Fee are payable in Scenario B. Calculations for Scenario C are based on Deloitte's analysis of "Scenario 1" at Section VI, which shows that value will break in the Existing Notes, with a recovery of between 30 per cent. and 72.2 per cent. Neither the Early Bird Consent Fee nor the Consent Fee are payable in Scenario C.
- 3.7 Recoveries in Scenarios B and C are calculated on the basis that interest after insolvency will not be a provable debt against the Scheme Company. The treatment of interest under other insolvency laws may vary but has not been modelled because (i) the Scheme Company is an English company; and (ii) such interest is not expected to materially affect Scheme Creditors' recoveries either at all or relative to one another.
- 3.8 Calculations for all scenarios:
 - (a) assume a constant exchange rate. Each Scheme Creditor must form its own view on potential exchange rate movements and the effect that this may have on their recoveries.
 - (b) make no adjustment to future returns to show their present value. Each Scheme Creditor must form its own view on the present value of future returns.

Existing Euro Noteholders and Existing Dollar Noteholders

- 3.9 The Scheme Company notes that the Existing Euro Notes currently accrue interest at a rate of 6.75 per cent. annually whereas the Existing Dollar Notes accrue interest at a rate of 7.625 per cent. annually. On the basis that the likely alternative to the Scheme would be an insolvency, the differences in the interest rates would likely be of no consequence because the Existing Notes would be accelerated and only accrued interest at the date of insolvency would be provable. As such, the Scheme Company does not believe that this differential in interest rates is sufficient to make it impossible for the Existing Euro Noteholders to consult together with the Existing Dollar Noteholders.
- 3.10 If the Scheme becomes effective, the rights of the Scheme Creditors will be compromised in materially the same way. Although the Scheme Company notes that, following the Existing Notes Amendments coming into effect, the Existing Euro Notes will accrue interest at a different rate to the Existing Dollar Notes, the differential is small and reflects the fact that the Existing Euro Notes and the Existing Dollar Notes currently accrue interest at differing rates. Therefore, the Scheme Company does not believe that the differential in future interest rates is sufficient to make it impossible for the Existing Euro Noteholders to consult together with the Existing Dollar Noteholders.

3.11 By way of illustration, and by reference to the three scenarios modelled by the Scheme Company (as explained at paragraph 2 above), indicative recoveries for Existing Noteholders are shown below:

Scenario	Recoveries (per €1000 Existing Euro Notes)	Recoveries (per \$1000 Existing Dollar Notes)
A. Scheme successful	Total: €1,289 - €1,354	Total: \$1,316 - \$1,387
Existing Notes repaid / refinanced at maturity	Principal: €1,000	Principal: \$1,000
Termuneed de mateurity	Interest to maturity: €289 - €354	Interest to maturity: \$316 - \$387
B. Comparator Scenario: liquidation	Total: €0 - €42	Total: \$0 - \$43
starting on 31 Oct 2020	Principal: €0 - €41	Principal: \$0 - \$41
0.0%-4.1% recovery	Interest: €0 - €1	Interest: \$0 - \$2
to Existing Notes		
C. Alternative Scenario: distressed	Total: €310 - €746	Total: \$311 - \$750
M&A process starting on 31 Oct 2020	Principal: €300 - €722	Principal: \$300 - \$722
30.0%-72.2%	Interest to 31 Oct: €10 - €24	Interest to 31 Oct: \$11 - \$28
recovery to Existing Notes		

3.12 Aside from the small difference in interest rate, each Scheme Creditor's rights in respect of their Existing Notes are affected by the Scheme in the same way.

New Notes

- 3.13 With respect to the New Notes, all Scheme Creditors will be given the same right to purchase their *pro rata* share of the New Notes and will be given the same right to commit to purchase more than their *pro rata* proportion.
- Only some and not all of the Scheme Creditors are Backstop Purchasers, but the Scheme Company 3.14 is of the view that the rights of the Scheme Creditors that are Backstop Purchasers are not so dissimilar to those that are not so as to make it impossible for them all to vote together in one class. It is possible, given the way the New Notes allocation mechanics work, that all Scheme Creditors including the Backstop Purchasers may only be entitled to purchase their pro rata share of the New Notes. In this respect, the Backstop Purchasers are not offered any additional rights under the Scheme vis-à-vis the other Scheme Creditors. Whilst the Backstop Purchasers will be eligible for payment of a fee in exchange for backstopping the New Notes, such fee is a commercial one being paid for the provision of a commercial service and, in the Scheme Company's view, it is de minimis and would not have a material effect on whether a Scheme Creditor would support the Scheme. The Scheme Company also notes that only certain members of the Ad Hoc Committee decided to participate in the backstop arrangements, and yet all of the Ad Hoc Committee have acceded to the Revised Lock-Up Agreement and are supportive of the Transaction. At the Convening Hearing, the Court found that the fact that some Scheme Creditors are Backstop Purchasers and others are not was not relevant to class composition.
- 3.15 By way of illustration, and by reference to the three scenarios modelled by the Scheme Company, indicative recoveries on the New Notes both for ordinary New Notes Purchasers and Backstop Purchasers is below. The Scheme Company does not consider that the difference in recoveries is

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so great in any event as to make it impossible for Scheme Creditors who are not Backstop Purchasers to consult together with the Backstop Purchasers.

Scenario	New Notes Purchaser (per €1,000 New Notes)	Backstop Purchaser (per €1,000 New Notes)
A. Scheme successful	Total: €1,318	Total: €1,343 - €1,363
New Notes repaid /	Principal: €1,000	Principal: €1,000
refinanced at maturity	Interest to maturity: €318	Interest to maturity: €318
		Backstop Fee: €25 - €45
B. Comparator Scenario: liquidation starting on 31 Oct 2020	N/A New Notes not issued	N/A New Notes not issued
C. Alternative Scenario: distressed M&A process starting on 31 Oct 2020	N/A New Notes not issued	N/A New Notes not issued

Revised Lock-Up Agreement Early Bird Consent Fee and Consent Fee

- 3.16 Some Scheme Creditors have acceded to the Revised Lock-Up Agreement and others have not. The Scheme Company is of the view that the rights of the Scheme Creditors that are party to the Revised Lock-Up Agreement are not so dissimilar to those that are not a party to it so as to make it impossible for them all to vote together in one class. This is on the basis that:
 - (a) all the Scheme Creditors were given the same right to accede to the Original Lock-Up Agreement and the Revised Lock-Up Agreement; and
 - (b) other than potentially being eligible to receive the Early Bird Consent Fee and/or the Consent Fee which, as discussed below, does not, in the Scheme Company's view, prevent the Scheme Creditors from voting together in one creditor class, those Scheme Creditors who are party to the Revised Lock-Up Agreement are treated under the Scheme in the same manner as Scheme Creditors who are not party to the Revised Lock-Up Agreement.
- 3.17 With respect to the Early Bird Consent Fee and Consent Fee, whilst only those Scheme Creditors that acceded to the Original Lock-Up Agreement and/or the Revised Lock-Up Agreement before the relevant deadlines are entitled to receive the Early Bird Consent Fee and the Consent Fee, the Scheme Company is of the view that the rights of the Scheme Creditors entitled to receive the Early Bird Consent Fee and/or the Consent Fee are not so dissimilar to those that are not so entitled as to make it impossible for them all to vote together in one class. This is on the basis that:
 - (a) all the Scheme Creditors were given the same right to accede to the Original Lock-Up Agreement and the Revised Lock-Up Agreement before the relevant deadlines in order to avail themselves of the Early Bird Consent Fee and the Consent Fee (the Consent Fee Deadline being extended beyond the date of the Scheme Meeting to allow further accessions, as described at Part C paragraph 6.7 above). The fact that there was a material take up of the Early Bird Consent Fee, i.e. that the significant majority of the Consenting Noteholders have acceded to the Original Lock-Up Agreement and/or the Revised Lock-Up Agreement before the relevant deadline demonstrates that the offer of the Early Bird Consent Fee encouraged the early support for the Scheme and the Transaction required given the short timeframe. It was of significant importance that the Scheme and the

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Transaction received support quickly via accession of a significant majority of Scheme Creditors to the Revised Lock-Up Agreement as, absent the platform provided by the Revised Lock-Up Agreement, the critical liquidity provided by the Interim Notes would not have been available to the Group. The Parent believes that, even after the Scheme Meeting, there are meaningful benefits to Existing Noteholders acceding to the Revised Lock-Up Agreement; and

- (b) the Scheme Company's view is that the Early Bird Consent Fee and the Consent Fee are *de minimis* and would not have a material effect on whether a Scheme Creditor would support the Scheme. In any event, the Consent Fee is available to Scheme Creditors even if they accede after the Scheme Meeting.
- 3.18 At the Convening Hearing, the Court found that the Early Bird Consent Fee and the Consent Fee did not require Scheme Creditors to vote in separate classes.

Interim Notes

- 3.19 The Scheme Company notes that certain Scheme Creditors were given the opportunity to purchase the Interim Notes and that, due to the urgency of the funding need and compressed timeframe available, this opportunity was not offered to all Existing Noteholders. In this context, it is noted that the issue and purchase of the Interim Notes occurred prior to the Scheme. The issuance of the Interim Notes was not conditional on the Scheme becoming effective, even though certain conditions to the issuance of the Interim Notes were relevant to the likelihood of Scheme Company being able to implement the Scheme (including the accession of the holders of at least 75% by value of the Existing Notes to the lock-up agreement; and the amount of the Interim Notes being in an amount sufficient to allow the Group to trade through to the Scheme being completed).
- 3.20 The Scheme does not afford holders of Interim Notes any greater or lesser ability to subscribe for New Notes under the Scheme, and any Existing Notes held by a Scheme Creditor who is also a holder of Interim Notes are affected by the Scheme in the same way as Existing Notes held by other Scheme Creditors.
- 3.21 The Scheme Company has modelled recoveries on the Interim Notes, on the same basis as described above for the Existing Notes. The result is that the Interim Notes are at real risk if the Scheme fails, even though (owing to their ranking under the Intercreditor Agreement) they are at less risk than the Existing Notes:

Scenario	Returns per €1,000 Interim Notes
A. Scheme successful	Total: €1,400
Interim Notes repaid /	Principal: €1,000
refinanced at maturity	Interest to maturity: €345
	Original issue discount: €30
	Backstop fee: €25

Scenario	Returns per €1,000 Interim Notes
B. Comparator Scenario:	Total: €77 - €1,087
liquidation starting on 31 Oct 2020	Principal: €0 - €1,000
0%-100% recovery to Interim Notes (amounts paid prior to 31 October	Interest to 31 October 2020: €22 to €32 (note: assumes September coupon paid in full)
2020 assumed to be	Original issue discount: €30
received and retained in full)	Backstop fee: €25
C: distressed M&A	Total: €1,087
process starting on 31 Oct 2020	Principal: €1,000
100% recovery to	Interest to 31 October 2020: €32
Interim Notes (amounts paid prior to 31 October	Original issue discount: €30
2020 assumed to be received and retained in	Backstop fee: €25
full)	

3.22 At the Convening Hearing, the Court found that the Interim Notes were not relevant to class composition.

Work Fee

- 3.23 The Scheme Company notes that certain Scheme Creditors, in their capacity as members of the Ad Hoc Committee, were paid the Work Fee. The Work Fee was paid in July on or around the time of the issuance of the Interim Notes. The Scheme Company considers that the Work Fee represents commercial consideration being paid for the provision of a commercial service and risk undertaken by the members of the Ad Hoc Committee. The Scheme Company moreover considers that this fee is *de minimis* and not material (looked at in isolation or together with the Early Bird Consent Fee and/or the Consent Fee). At the Convening Hearing, the Court found that the Work Fee was relevant to class composition, but it was not sufficiently material as to require Scheme Creditors to vote in separate classes.
- 3.24 If the Work Fee were included in the Ad Hoc Committee's recoveries' under the Scheme, even as compared with the position of a Scheme Creditor who was not a party to the Lock-Up Agreement and so did not receive the Early Bird Consent Fee or the Consent Fee, the difference in total returns would still be *de minimis*:

Scenario	AHC Member	Ordinary	Ordinary			
	(per €1,000	Scheme	(per \$1,000	Scheme		
	Existing Notes)	Creditors (per €1,000 Existing	Existing Notes)	Creditors (per \$1,000		
		Notes)		Existing Notes)		
		110103)		Laisting (votes)		
A: Scheme	Total: €1,319 -	Total: €1,289 -	Total: \$1,346 -	Total: \$1,316 -		
Successful	€1,385	€1,354 \$1,418		\$1,387		
Existing Notes	Principal:	Principal:	Principal:	Principal:		
repaid /	€1,000	€1,000	\$1,000	\$1,000		
refinanced at	21,000	61,000	\$1,000	\$1,000		
maturity	Interest to	Interest to	Interest to	Interest to		
	maturity: €289 -	maturity: €289 -	maturity: \$316 -	maturity: \$316 -		
	€354	€354	\$387	\$387		
	Early Bird		Early Bird			
	Early Bird Consent Fee: €6		Early Bird Consent Fee: \$6			
	Consent rec. co		Consent rec. 50			
	Consent Fee: €6		Consent Fee: \$6			
	Work Fee: €18		Work Fee: \$18			
B: liquidation	Total: €18 - €60	Total: €0 - €42	Total: \$18 - \$61	Total: \$0 - \$43		
starting on 31 Oct						
2020	Principal: €0 -	Principal: €0 -	Principal: \$0 -	Principal: \$0 -		
	€41	€41	\$41	\$41		
0.0%-4.1%	Justinian CO C1	Justinian CO C1	It	I. 4		
recovery to	Interest: €0 - €1	Interest: €0 - €1	Interest: \$0 - \$2	Interest: \$0 - \$2		
Existing Notes	Work Fee: €18		Work Fee: \$18			
C: distressed	Total: €328 -	Total: €310 -	Total: \$329 -	Total: \$311 -		
M&A process	€770	€746	\$768	\$750		
starting on 31 Oct	D: : 1 0200	D: : 1 0200	D: 1 #200	D: 1 0200		
2020	Principal: €300-	Principal: €300	Principal: \$300	Principal: \$300		
30.0%-72.2%	€722	- €722	- \$722	- \$722		
recovery to	Interest to 31	Interest to 31	Interest to 31	Interest to 31		
Existing Notes	Oct: €10 - €24	Oct: €10 - €24	Oct: \$11 - \$28	Oct: \$11 - \$28		
	Work Fee: €18		Work Fee: \$18			

Advisers' Fees

3.25 The Group has agreed to pay the fees of the Advisers to the Ad Hoc Committee (the "AHC Advisers' Fees") in connection with the Transaction. The Scheme Company does not believe that this is sufficient to make it impossible for Scheme Creditors who are members of the Ad Hoc Committee to vote together with those Scheme Creditors who are not. This is because the AHC Advisers' Fees represent commercial consideration being paid for the provision of a commercial

service, and a customary obligation that it was necessary for the Group to incur in order to be able to pursue the Transaction.

3.26 The AHC Advisers' Fees will be paid to the relevant advisers, rather than to members of the Ad Hoc Committee, and will be paid pursuant to agreements that pre-date the Scheme, the Original Lock-Up Agreement or the Revised Lock-Up agreement. As such, it is the Scheme Company's view, that the payment of the AHC Advisers' Fees would not have a material effect on whether a Scheme Creditor would support the Scheme. At the Convening Hearing, the Court found that the payment of the AHC Advisers' fees was not relevant to class composition.

Foreign Exchange

3.27 For the purpose of determining the outcome of voting at the Scheme Meeting and the value of the New Notes that each Scheme Creditor is entitled to purchase, where all or part of a Scheme Creditor's holding of Existing Notes are denominated in USD, such holding will be converted into EUR. The relevant USD amount will be notionally converted into EUR by reference to the Spot Rate of Exchange. The Scheme Company does not consider that this difference between the treatment of EUR denominated claims and USD denominated claims requires Scheme Creditors to vote in separate classes. Among other considerations, in the event of an insolvency, all Scheme Creditors' claims would be converted into a base currency, and all claims would be rebased into EUR for the purposes of allocating recoveries under the Intercreditor Agreement.

Cumulative Returns

- 3.28 The Scheme Company presented the information set out above in its evidence at the Scheme Convening Hearing held on 3, 4, and 7 September 2020. The Court requested additional evidence on the cumulative effect of the Interim Notes, the Backstop Fee, the Work Fee, the AHC Advisers' fees, the Early Bird Consent Fee, and the Consent Fee, which it asked the Scheme Company to prepare on the basis of an analysis presented by a Scheme Creditor who had raised objections to the Scheme Creditors voting together as a single class (the "Objecting Scheme Creditor").
- 3.29 The Objecting Scheme Creditor had asserted that all fees and benefits in respect of the Interim Notes (including what it said was a mark-to-market gain on the Interim Notes), the Backstop Fee, the Work Fee, and the AHC Advisers' Fees should be aggregated together, and viewed as a proportion of the principal amount of Existing Notes held by the Ad Hoc Committee. The Scheme Company was asked to prepare a revised version that:
 - (a) took account of the principal amount of Interim Notes held, and projected amount of New Notes to be held, by the Ad Hoc Committee;
 - showed the amount held by the member of the Ad Hoc Committee who is not a Backstop Purchaser and who has not subscribed for Interim Notes; and
 - (c) modelled returns in two further scenarios:
 - (i) Scenario 1: Advisers' Fees and mark-to-market gains on the Interim Notes are removed (but full interest to maturity is shown on the Interim Notes). This is on the basis that the Group was under a pre-existing obligation to pay the AHC Advisers' Fees even on the day of the Original Lock-Up Agreement, and that these fees are not paid to the Ad Hoc Committee themselves; and that a creditor cannot both realise a mark-to-market gain and receive returns to maturity (and moreover, the Scheme Company understands that no Interim Notes have in fact traded so that any alleged mark-to-market gains do not reflect a real market price).
 - (ii) Scenario 2: The Early Bird Consent Fee and the Consent Fee are also removed these fees were (and in the case of the Consent Fee, still are) available to all Scheme Creditors so these fees do not represent a difference between the Ad Hoc Committee and other Scheme Creditors.
- 3.30 A slightly updated version of the analysis prepared for the Court appears at page 58 below. The principal updates are to:

- (a) conform defined terms with those used in this Explanatory Statement;
- (b) rebase holdings for an illustrative Scheme Creditor who subscribes for New Notes pro rata to an illustrative holding of €10 million, rather than the holdings of the Objecting Scheme Creditor; and
- (c) reflect a comment received from the Objecting Scheme Creditor as to the basis on which they had treated interest on the Interim Notes.
- 3.31 The Court was satisfied that the cumulative effect of any differences in recoveries did not require Scheme Creditors to vote in separate classes.

Conclusion on Class Composition

3.32 As noted above at paragraph 2.3, the Court was satisfied that all Scheme Creditors should vote together as a single class.

4. Court sanction of the Scheme

- 4.1 Before the Scheme can become effective and binding on the Scheme Company and the Scheme Creditors, the Court must sanction the Scheme. The Scheme Sanction Hearing will take place if the requisite statutory majorities of the Scheme Creditors approve the Scheme at the Scheme Meeting. The Scheme Company expects that the Scheme Sanction Hearing will take place on 6 and 7 October 2020. Should the date of the Scheme Sanction Hearing change, the Scheme Company will give notice of the new date of the Scheme Sanction Hearing to Scheme Creditors.
- 4.2 The Scheme Company may, at the Scheme Sanction Hearing, consent on behalf of all Scheme Creditors, Undertaking Parties, Backstop Purchasers, New Notes Purchasers and Codere Affiliates to any modification of the Scheme or any Transaction Document that the Court may think fit to approve or impose. However, if such modifications could reasonably be expected to (a) have an adverse effect on the rights or interests of a Scheme Creditor (taking into account for this purpose only its rights and interests as a Scheme Creditor) or (b) impose any additional or new obligation on any Scheme Creditor, then the Scheme Company may not give such consent without the prior written consent of that Scheme Creditor.

5. Scheme Effective Time and Completion Date

The Scheme will become effective on the Scheme Effective Time (being the time at which the Court Order, if granted, is delivered to the Registrar of Companies). Once effective the Scheme will bind all Scheme Creditors, whether or not they voted in favour of the Scheme or whether or not they were notified of the Scheme. However, the Completion Steps to implement the Transaction will not commence until the Completion Date, which will be the second Business Day immediately following the date on which the last of the Transaction Implementation Conditions has been satisfied (or, if the Scheme Company so determines (acting reasonably), the next following Business Day).

6. Scheme Jurisdiction

- 6.1 The Scheme Company considers that the Court has domestic jurisdiction under English law to sanction the Scheme because the Scheme Company is incorporated and registered in England and Wales. Further, no rule of trans-national law, including in Regulation (EU) No 1215/2012 on Jurisdiction and Recognition and Enforcement of Judgments in Civil and Commercial Matters ("Brussels (Recast) Regulations"), excludes that jurisdiction.
- 6.2 In particular, if the Brussels (Recast) Regulations applies in relation to the Scheme, the Court would have jurisdiction under the Brussels (Recast) Regulations because a number of Scheme Creditors (holding Existing Notes) are domiciled in England and Wales and are subject to the personal jurisdiction of the Court by virtue of having their head office, central administration or principal place of business in the jurisdiction of the Court. As at the date of this Explanatory Statement, the Scheme Company is informed that in excess of 13 Scheme Creditors holding approximately EUR 56,390,000 of the Existing Euro Notes and USD 42,604,000 of the Existing Dollar Notes are domiciled in England and Wales.

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7. Chapter 15 Order

- 7.1 The making of a Chapter 15 Order is a Transaction Implementation Condition under the Scheme. Further information on Chapter 15 Recognition is set out in paragraph 14 of Section I, Part C.
- 7.2 The Scheme Company will seek to have the Chapter 15 Hearing scheduled for 9 October 2020, although such date is subject to the availability of the US Bankruptcy Court. A more detailed summary of the relief being sought in the Chapter 15 Order is described in Section I, Part M (Summary of the Chapter 15 Order).

CUMULATIVE RECOVERIES ANALYSIS

Illustrative Ad Hoc Committee Returns (as calculated by Objecting Creditor) with Scheme Company Comments and Amendments AMS

ecting Creditor Estimate - Ad Hoc Committee Return Compared to Ordina Existing Noteholders Returns

nario 1: Objecting Creditor Estimate removing (i) the AHC Advisers' fees and (ii) alleged mark-to-market gain (but showing full interest to maturity on Interin

Scenario 2: Objecting Creditor Estimate removing (i) the AHC Advisers' fees alleged mark-to-market gain (but showing full interest to maturity on Interin Notes) and (iii) Early Bird and Consent Fees

	Ad Hoc Committee	Backstop Party	Illustrative Scheme Creditor [acquires pro rata share of New Notes]	Illustrative Scheme Creditor [does not acquire New Notes]	Ad Hoc Committee member not backtopping or participating in Interim Notes or New Notes	Ad Hoc Committee	Backstop Party	Scheme Creditor [acquires pro rata share of New Notes]	Illustrative Scheme Creditor [does not acquire New Notes]	Ad Hoc Committee member not backtopping or participating in Interim Notes or New Notes	Ad Hoc Committee	Backstop Party	Illustrative Scheme Creditor [acquires pro rata share of New Notes]	Illustrative Scheme Creditor [does not acquire New Notes]	Ad Hoc Committee member not backtopping or participating ir Interim Notes or New Notes
Amounts as Calculated by Objecting Creditor (which do not include amounts borrowed under Interim Notes or N	ew Notes)														
3% Discount on €85m Interim Notes	2,550.0	2,550.0	0.0	0.	0.0	2,550.0	2,550.0	0.0	0.0	0.0	2,550.0	2,550.0	0.0	0.	0 0.1
2.5% Backstop Fee on €85m Interim Notes	2,125.0	2,125.0	0.0	0.	0.0	2,125.0	2,125.0	0.0	0.0	0.0	2,125.0	2,125.0	0.0	0.	0.
1% Work Fee on €764,795,000 Existing Notes	7,648.0	6,086.3	0.0	0.0	1,561.7	7,648.0	6,086.3	0.0	0.0	1,561.7	7,648.0	6,086.3	0.0	0.	0 1,561.
Backstop Fee on €165m New Notes ³	4,125.0	4,125.0	0.0	0.	0.0	4,125.0	4,125.0	0.0	0.0	0.0	4,125.0	4,125.0	0.0	0.	0 0.
Anticipated fees to AHG advisers	6,750.0	5,371.7	0.0	0.	1,378.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.	0.
0.5% Early Bird Consent Fee	2,709.6	2,156.3	0.0	0.	553.3	2,709.6	2,156.3	0.0	0.0	553.3	0.0	0.0	0.0	0.	0.
0.5% Consent Fee	2,638.2	2,099.5	0.0	0.	538.7	2,638.2	2,099.5	0.0	0.0	538.7	0.0	0.0	0.0	0.	0.
Accrued Coupon on Interim Notes to 30 Sept	1,836.4	1,836.4	0.0	0.	0.0	1,836.4	1,836.4	0.0	0.0	0.0	1,836.4	1,836.4	0.0	0.	0 0.
Mark-To-Market Gain At Current Price AN6	3.674.6	3,674.6	0.0	0.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.	0 0.
[A] Fees and Benefits ¹	34,056.7	30,024.6	0.0	0.0	4.032.1	23,632,1	20,978.4	0.0	0.0	2.653.7	18,284,3	16,722.6	0.0	0.0	0 1,561.
[B] Interim Notes - Return from today's market price (in Scenarios 1 and 2, return from par), until maturity at par ²	23,738.0	23,738.0	0.0	0.0		27.412.5	27.412.5		0.0		27,412.5	27,412.5		0.0	
[C] New Notes - Return on capital ³	42,570.0	42,570.0	695.6	0.		42,570.0	42,570.0		0.0		42,570.0	42,570.0	695.6	0.1	
[D] Existing Notes - Assumes 61% [= market price] recovery at maturity	258,774.7	205,933.3	6,100.0	6,100.		258.774.7	205.933.3		6,100.0		258,774.7	205.933.3	6,100.0	6,100	
[E] Existing Notes - Additional 39% [=par] recovery at maturity	165,446,1	131,662.3	3,900.0	3,900.		165,446.1	131,662.3		3,900.0		165,446,1	131,662.3	3,900.0	3,900	
[F] Existing Notes, as amended - Return on capital 4	129,445.1	103,012.6	3,051.4	3,051.		129,445.1	103,012.6		3,051.4		129.445.1	103,012.6	3,051.4	3,051.4	
Total Recovery - As calculated by Objecting Creditor	654,030.6	536,940.9	13,747.0	13,051.4		647,280.6	531,569.2		13,051.4		641,932.7	527,313.4	13,747.0	13,051.4	- CONTRACTOR OF THE PARTY OF TH
Total Notional - As calculated by Objecting Creditor	424,220.8	337.595.6	10,000.0	10,000	86.625.2	424.220.8	337,595.6	10,000.0	10,000.0	86,625.2	424.220.8	337,595.6	10,000.0	10,000	86,625
Recovery %	154.2%	159.0%	137.5%	130.59		152.6%	157.5%		130.5%		151.3%	156.2%	137.5%	130.59	
Difference vs. Ad Hoc Committee	0.0%	4.9%	-16.7%	-23.7%		0.0%	4.9%	-15.1%	-22.1%		0.0%	4.9%	-13.9%	-20.8%	
Difference vs. Ad Hoc Committee / 3.08 yrs of term	0.0%	1.5%	-5.4%	-7.7%		0.0%	1.6%	-4.9%	-7.2%		0.0%	1.6%	-4.5%	-6.8%	
Amounts borrowed under Interim Notes and New Notes															
Interim Notes	85,000.0	85,000.0	0.0	0.	0.0	85,000.0	85,000.0	0.0	0.0	0.0	85,000.0	85,000.0	0.0	0.	0 0.
New Notes	132,000.0	132,000.0	2,157.0	0.	0.0	132,000.0	132,000.0	2,157.0	0.0	0.0	132,000.0	132,000.0	2,157.0	0.	0 0
Additional Notional	217,000.0	217,000.0	2,157.0	0.	0.0	217,000.0	217,000.0	2,157.0	0.0	0.0	217,000.0	217,000.0	2,157.0	0.	0.
Recovery adjusted to reflect amounts borrowed under New Notes ANT									1000						
Total Recovery (as calculated by Objecting Creditor plus notional under New Notes)	871,030.6	753,940.9	15,904.0	13,051.	117,089.7	864,280.6	748,569.2	15,904.0	13,051.4	115,711.4	858,932.7	744,313.4	15,904.0	13,051.4	114,619.
Total Notional (as calculated by Objecting Creditor plus notional under New Notes)	641,220.8	554,595.6	12,157.0	10,000.	86,625.2	641,220.8	554,595.6	12,157.0	10,000.0		641,220.8	554,595.6	12,157.0	10,000.0	
Recovery %	135.8%	135.9%	130.8%	130.59	135.2%	134.8%	135.0%	130.8%	130.5%	24 TO SERVICE	134.0%	134.2%	130.8%	130.59	
Difference vs. Ad Hoc Committee	0.0%	0.1%	-5.0%	-5.3%		0.0%	0.2%	-4.0%	-4.3%	-1.2%	0.0%	0.3%	-3.1%	-3.4%	
Difference vs. Ad Hoc Committee / 3.08 yrs of term	0.0%	0.0%	-1.6%	-1.7%	-0.2%	0.0%	0.1%	-1.3%	-1.4%	-0.4%	0.0%	0.1%	-1.0%	-1.1%	-0.5%

Notes from Objecting Creditor's exhibit:

(1) As calculated by Objecting Creditor.

(amounts in € 000)

- (2) Assumes Interim and New Notes paid in full at maturity. Market Price = 104.323% Source: Bloomberg. As of 03 September 2020.
- (3) Assumes illustrative 80% subscription of New Notes by Backstop Parties; assumes New Notes issued 30 September 2020. Note: New Notes are not expected to be issued until 21 October 2020, and could be issued as late as 30 October 2020 see further "Expected Timeline of Principal Events".
- (4) Interest payments to be received until 1 November 2023 at 9.5% on EUR notes and 10.375% on USD notes.
- Includes 31 October 2020 Coupon. Assumes Existing Notes amended as of 31 October 2020.

Scheme Company Additional Notes

In particular, the Scheme Company would highlight that:

(AN5) As requested by the Court, the Scheme Company has prepared this table on the same basis as it believes the Objecting Creditor has prepared its analysis filed in evidence with the Court. The Scheme Company does not agree with all of the assumptions the Objecting Creditor has made, or the basis of preparation more generally, and offered to prepare additional or alternative calculations to the Court if requested (no such request has been made).

- A. It is assumed that 80% of the New Notes will be subscribed by the Backstop Purchasers. The Scheme Company believes a realistic range is between approximately 50% and 100%.

 B. It is assumed that all interest on the Existing Notes will have an optional PIK component which, if used and if repaid or refinanced, will increase the returns on the Existing Notes relative to other instruments. The Group currently forecasts using the PIK option in FY 2021.
- C. The Existing Notes, the Interim Notes, and the New Notes all have different risk profiles. For example, the Existing Notes, the Interim Notes, and the New Notes are respectively rated CC, CCC., and (prospectively) CCC+ respectively by S&P. Moreover, the Existing Notes and the Interim Notes will remain outstanding if the Scheme fails, but the New Notes are not be issued. No allowances for these risks, or differences in risk, have been made. These risks, and differences in risk, are material, particularly while the Group's business remains vulnerable to the impact of Covid-19.
- D. The most attractive and only committed alternative financing source for the Group would have been more expensive to the Group. The incremental saving to the Group of raising the Interim Notes and the New Notes has not been reflected.
- E. Scheme Creditors may be able to invest in instruments with the same or a better credit rating, and at a higher rate of return, than the Existing Notes, the Interim Notes, or the New Notes. This has not been reflected.

(AN6) The Scheme Company understands that none of the Interim Notes have in fact traded, and so any "mark-to-market" gain does not reflect a real market price.

(ANT) The Scheme Company considers that the principal amount of the Interim Notes and New Notes must be added to both the Total Recovery and Total Notional – otherwise, the effect would be to show interest on the Interim Notes and New Notes accruing to the Existing Notes.

PART H: ACTIONS TO BE TAKEN BY SCHEME CREDITORS

1. **Approval of the Scheme**

1.1 In order to become effective, the Scheme requires the approval of both a majority in number and at least 75 per cent. in value of the Scheme Creditors present and voting (either in person or by proxy) at the Scheme Meeting to be held at or about 2.00 pm (London time) on 29 September 2020 (or such later time or date as the Scheme Company may decide), as well as the sanction of the Court at the Scheme Sanction Hearing and the delivery of the Court Order to the Registrar of Companies.

The dates and times given are based on current expectations and may be subject to change. If any of the expected dates and/or times change, the Scheme Company will give Scheme Creditors adequate notice of the change to the extent possible, through the Scheme Website.

1.2 The Information Agent will give notice via the Scheme Website and confirm (i) the percentage of Scheme Creditors who have submitted validly completed Account Holder Letters and (ii) whether the Scheme has been approved or not. If the Scheme becomes effective, the Scheme Creditors will be bound by the Scheme and the Transaction Documents to which they are a party, whether or not such Scheme Creditors approved the Scheme, objected to the Scheme or took no action in respect of the Scheme.

2. Voting on the Scheme

- 2.1 A Scheme Creditor may attend the Scheme Meeting remotely and vote. Due to the evidential difficulties of proving that a person owns securities held within a Clearing System, Scheme Creditors who wish to attend and vote in person at the Scheme Meeting must follow the procedures set out in this Explanatory Statement and the Account Holder Letter set out in Section V (Account Holder Letter) of this Scheme Document.
- 2.2 Section III (*Instructions to Scheme Creditors*) of this Scheme Document sets out further instructions for Scheme Creditors who wish to cast their vote at the Scheme Meeting having had the opportunity to listen to the presentation made, ask questions of the Scheme Company's representatives, and listen to any views expressed by other Scheme Creditors.

3. Entitlement to vote on the Scheme

- 3.1 In accordance with established practice, the Scheme Company will utilise a system whereby individual Scheme Creditors will, insofar as is possible, receive notice of the Scheme Meeting and be given the opportunity to register their vote to accept or reject the proposed terms of the Scheme.
- 3.2 The means of voting has been designed to enable the Scheme Creditors, whose Existing Notes are held through a Clearing System, to vote through a form of ballot procedure with which they should be familiar. Consequently, Scheme Creditors will receive, with this Explanatory Statement, an Account Holder Letter with voting instructions from the Scheme Company which Scheme Creditors are urged to complete and submit in accordance with those instructions as soon as possible and no later than the Voting Deadline.

4. Completion of Account Holder Letter

- 4.1 Scheme Creditors who wish to vote at the Scheme Meeting should ensure that the Account Holder Letter set out in Section V (*Account Holder Letter*) of this Scheme Document is validly completed and submitted to the Scheme Company via the Information Agent as soon as possible in accordance with the instructions contained therein, irrespective of whether that Scheme Creditor intends to attend the Scheme Meeting, in order to exercise its right to vote at the Scheme Meeting.
- 4.2 Validly completed Account Holder Letters should be submitted to the Information Agent either online via the Scheme Website or via email at LM@glas.agency as soon as possible and, in any event, so as to be received by the Scheme Company prior to 4.00 pm (London time) on 25 September 2020 (being the Voting Deadline). Acceptance of an Account Holder Letter by the Information Agent for the purposes of voting on the Scheme is subject to receipt by the Information

Agent of the relevant Scheme Creditor's Custody Instructions prior to 4.00 pm London time on 24 September 2020.

5. Amendment of voting instructions in Account Holder Letters

- 5.1 If a Scheme Creditor wishes to amend its voting instructions provided in an Account Holder Letter, it may do so by submitting a new Account Holder Letter to the Information Agent by the Voting Deadline either online via the Scheme Website or via email at LM@glas.agency.
- 5.2 The last validly completed Account Holder Letter received by the Scheme Company (via the information Agent) in respect of a Scheme Creditor prior to the commencement of the Scheme Meeting will take precedence over any earlier validly submitted Account Holder Letter(s) in respect of that Scheme Creditor.

6. Attendance at the Scheme Meeting

- 6.1 The Scheme Meeting will commence at 2.00 pm London time on 29 September 2020. The Scheme Meeting will take place via webinar hosted by the Information Agent, as set out in Section IV (Notice of Scheme Meeting) of this Scheme Document.
- 6.2 Scheme Creditors can attend the Scheme Meeting either on their own behalf, or by appointing a proxy in their Account Holder Letter to represent them. A Scheme Creditor wishing to attend the Scheme Meeting may obtain attendance details from the Information Agent by contacting them at LM@glas.agency. Upon any Scheme Creditor (or its representative) providing evidence of their authority to represent the Scheme Creditor at the Scheme Meeting (for example, a valid power of attorney and/or board minutes) and the Information Agent being satisfied in respect of the same, they shall provide the attendance details.
- 6.3 The Scheme Creditor or the proxy attending the Scheme Meeting on the Scheme Creditor's behalf will be required to send a copy of the Account Holder Letter to the Information Agent via email to LM@glas.agency prior to the Scheme Meeting, which can then be matched against the original Account Holder Letter submitted by or on behalf of the relevant Scheme Creditor.
- 6.4 Notwithstanding that a vote by proxy is encouraged, the Scheme Company emphasises that it will be possible for Scheme Creditors who choose to attend the Scheme Meeting by remote means to vote at the Scheme Meeting, even if a Scheme Creditor should have submitted a proxy vote by the means described above beforehand.

7. Scheme Claim for the purposes of the Scheme Meeting

Subject always to the discretion of the Chairperson of the Scheme Meeting (including as noted below), for voting purposes at the Scheme Meeting, the Scheme Claim attributable to a Scheme Creditor is the aggregate amount in EUR of the principal amount owing to a Scheme Creditor in respect of its Existing Notes held at the Record Time. For the purpose of calculating the Scheme Claim attributable to a Scheme Creditor holding Existing Dollar Notes, the principal amount owing to a Scheme Creditor in USD in respect of the Existing Dollar Notes at the Record Time shall be converted into EUR using the Spot Rate of Exchange.

8. Important information regarding the calculation of each Scheme Creditor's Scheme Claim

- The Scheme Claim of Scheme Creditors will be calculated by the Information Agent based on information confidentially provided to the Scheme Company by the Information Agent. This information will be used by the Chairperson of the Scheme Meeting, and checked by the Information Agent acting in its capacity as independent scrutineer, to determine whether the resolution is passed at the Scheme Meeting.
- 8.2 Other than providing the details requested in the applicable Account Holder Letter, Scheme Creditors will not need to provide the Scheme Company with any information relating to the amount they are, or may be, owed in connection with their Scheme Claims in order for the Chairperson of the Scheme Meeting to determine their Scheme Claim. The Scheme Claim admitted by the Scheme Company, or by the Chairperson of the Scheme Meeting, for voting

- purposes does not (of itself) constitute an admission of the existence or amounts of any liability of the Scheme Company (or any company within the Group).
- 8.3 The Chairperson of the Scheme Meeting may reject any vote purportedly cast by a Scheme Creditor if the relevant Scheme Creditor has not complied with the applicable voting procedures and/or the instructions in relation to the Account Holder Letter.

9. Entitlement to elect to purchase New Notes

- 9.1 Each Scheme Creditor is entitled to purchase New Notes and/or to nominate one or more Nominated Participant(s) to do so in its place. Scheme Creditors who wish to purchase New Notes (and/or wish to nominate one or more Nominated Participant(s) to purchase New Notes) should ensure that the Account Holder Letter set out in Section V (*Account Holder Letter*) of this Scheme Document is validly completed and submitted to the Scheme Company via the Information Agent as soon as possible in accordance with the instructions contained therein.
- 9.2 Validly completed Account Holder Letters containing a Scheme Creditor's election to purchase the New Notes (and/or its election to nominate one or more Nominated Participant(s) to purchase New Notes) should be submitted to the Information Agent either online via the Scheme Website or via email at LM@glas.agency as soon as possible and, in any event, so as to be received by the Scheme Company by the New Notes Subscription Deadline. Acceptance of an Account Holder Letter by the Information Agent for the purposes of electing to purchase the New Notes is subject to the Information Agent receiving the required scheme creditor's custody instructions.
- 9.3 In the event that an Account Holder Letter is received by the Information Agent after the New Notes Subscription Deadline, the Scheme Creditor (and/or its Nominated Participant) on whose behalf such Account Holder Letter has been submitted shall not be entitled to purchase the New Notes.
- 9.4 In order to purchase New Notes, any Scheme Creditor or Nominated Participant must clear "know your customer" checks required by the Escrow Agent prior to the KYC Clearance Deadline.
- 9.5 Each Scheme Creditor and each Nominated Participant must submit all relevant KYC Documentation required of it by the KYC Information Deadline, unless the relevant Scheme Creditor or Nominated Participant and the Scheme Company is notified by the Escrow Agent in writing that it has previously cleared all "know your customer" checks of the Escrow Agent in relation to that Scheme Creditor or Nominated Participant.
- 9.6 If a Scheme Creditor or Nominated Participant fails to submit its KYC Documentation by the KYC Information Deadline, the Escrow Agent shall have discretion to accept KYC Documentation thereafter.
- 9.7 The Escrow Agent, each Scheme Creditor and each Nominated Participant shall take all reasonable steps and use their reasonable endeavours to ensure that each relevant party clears all "know your customer" checks required by the Escrow Agent prior to the KYC Clearance Deadline.
- 9.8 The Escrow Agent shall notify in writing (i) the relevant Scheme Creditor or Nominated Participant, (ii) the Information Agent and (iii) the Scheme Company promptly upon a Scheme Creditor or Nominated Participant clearing all "know your customer" checks.
- 9.9 If, for any reason, a Scheme Creditor or Nominated Participant fails to clear all "know your customer" checks required by the Escrow Agent prior to the KYC Clearance Deadline (with such clearance being determined by the Escrow Agent in its sole discretion), such Scheme Creditor or Nominated Participant shall not be entitled to purchase New Notes and shall not constitute a New Notes Purchaser and the Escrow Agent and Information Agent shall disregard in its entirety Part 3 of the relevant Scheme Creditor's Account Holder Letter (including any New Notes Purchaser Letter and Nominated Participant Deed submitted by the Scheme Creditor and/or its Nominated Participant(s)) previously submitted in respect of such Scheme Creditor or Nominated Participant. For the avoidance of doubt, failure to clear all "know your customer" checks with the Escrow Agent will not affect the right of a Scheme Creditor to vote on the Scheme.

- 9.10 Scheme Creditors and their Nominated Participants (if applicable) are strongly encouraged to contact LM@glas.agency as soon as possible for the purpose of completing any KYC process that may be required by the Escrow Agent in order to comply with the Money Laundering Regulations 2017 (and any other similar applicable laws or regulations). Scheme Creditors or their Nominated Participants (as applicable) who have not been confirmed by the Escrow Agent to have completed the requisite KYC process before the KYC Clearance Deadline (being 4.00 pm (London time) on 8 October), will not be entitled to purchase New Notes under the terms of the Scheme.
- 9.11 For the avoidance of doubt, no New Notes will be issued to a Disqualified Person.

PART I: FINANCIAL INFORMATION

1. Latest annual financial statements

- 1.1 This Section I, Part I (*Financial Information*) sets out certain financial information for the Group, which prepares its financial statements in accordance with IFRS-EU. It sets out the most recent annual audited consolidated financial information for the Group, including an audited income statement, a consolidated balance sheet and an audited statement of cash flows, each for the financial year ended 31 December 2019. The Group's full year consolidated financial statements for the year ended 31 December 2019 were signed off by Ernst & Young, S.L. on 28 February 2020.
- 2. Full versions of the full year consolidated financial statements for the financial year ended 31 December 2019 (and for prior years) can be found at: https://www.grupocodere.com/en/shareholders-investors/financial-information/annual-info/.

3. H1 2020 Earnings Results

- 3.1 Amongst other things, the 'H1 2020 Earnings Results' report issued by the Group on 9 September 2020 stated that:
 - (a) H1 2020 Operating Revenue decreased by 54.7 per cent. to EUR 317.6 million as a result of the mandatory temporary closings related to the Covid-19 pandemic. The Group's entire retail operation remained closed during most of Q2, with only a few markets reopening in May (Uruguayan racetracks) and June (Italy and Spain). The Group's online business remained operative with flat revenues as compared to H1 2019 due to the lack of relevant sporting events during most of Q2;
 - (b) H1 2020 Adjusted EBITDA was EUR 16.6 million, 89.5 per cent. below H1 2019, driven by a negative EBITDA of EUR 31.1 million in Q2 due to Covid-19 related closures. Online and Uruguay were the only markets with positive EBITDA in Q2;
 - (c) H1 2020 Adjusted EBITDA margin was 5.2 per cent, being 17.2 per cent. below H1 2019;
 - (d) in H1 2020, the Group generated a net loss of EUR 177.6 million compared with a net loss of EUR 23.9 million over the same period in 2019, as a result of the aforementioned decline in Adjusted EBITDA reflecting the full impact of the Covid-19 pandemic as well as from unfavourable exchange rate fluctuations of currencies in the Group's operating markets vis-à-vis the USD.
- 3.2 A full version of the 'H1 2020 Earnings Results' report can be found at: https://www.grupocodere.com/en/shareholders-investors/financial-information/quarterly-info/.

4. Consolidated Statement of Financial Position at 31 December 2019 (thousands of Euros)

_		At December 31
ASSETS	2019	2019
Non-current assets	1,337,559	1,137,037
Intangible assets	374,012	382,719
Right-of-use assets	254,689	-
Property, plant and equipment	350,584	402,134
Investment properties	52,669	51,501
Goodwill	232,292	230,375
Investments in equity-accounted investees	526	650
Non-current financial assets	19,957	22,153
Non-current loans	15,397	17,627
Held-to-maturity investments	4,560	4,526
Deferred tax assets	52,830	47,505
Current assets	312,963	307,527
Inventories	10,731	10,891
Accounts receivable	142,860	151,556
Trade receivables	28,752	32,248
Current tax assets	26,574	29,393
Sundry receivables	33,627	43,626
Accrued tax receivable	53,907	46,289
Financial assets	43,345	43,318
Other loans and investments	43,345	43,318
Prepaid expenses	12,930	19,987
Cash and cash equivalents	103,097	81,775
TOTAL ASSETS	1,650,522	1,444,564

5. Consolidated Statement of Financial Position at 31 December 2019 (thousands of Euros) (continued)

		At December 31
EQUITY AND LIABILITIES	2019	2018
Equity attributable to equity holders of the parent	-38,008	8,700
Issued capital	509,715	509,715
Share premium	563,178	563,178
Legal reserve and retained earnings	-911,729	-867,193
Revaluation reserves	3,343	3,497
Translation differences	-140,864	-160,086
Profit/(loss) for the year attributable to equity holders of the parent	-61,651	-40,411
Non-controlling interests	81,057	83,422
Total equity	43,050	92,122
Non-current liabilities	1,221,529	964,002
Deferred revenue	-	10
Non-current provisions	21,988	23,032
Non-current payables	1,103,815	846,369
Bank borrowings	76,990	37,337
Issued notes	787,931	761,985
Other borrowings	238,894	47,047
Deferred tax liabilities	95,726	94,591
Current liabilities	385,944	388,440
Provisions and other	7,396	8,715
Bank borrowings	20,646	40,004
Notes and other marketable securities	11,737	15,543
Other non-trade payables	229,819	203,292
Trade payables	92,203	82,035
Current tax liabilities	24,143	38,851
TOTAL EQUITY AND LIABILITIES	1,650,522	1,444,564

6. Consolidated Statement of Profit or Loss for the year ended 31 December 2019 (thousands of Euros)

		At December 31
	2019	2018
Operating income	1,389,414	1,435,304
Revenue	1,370,510	1,417,142
Other income	18,904	18,162
Operating expenses	-1,304,750	-1,333,376
Raw materials and consumables used and other external expenses	-44,502	-52,164
Employee benefits expense	-193,163	-215,521
Depreciation and amortization	-189,965	-120,516
Change in provisions for bad debt	-9,932	-5,472
Other operating expenses	-867,188	-939,703
Asset impairment	-	-
Gain/(loss) on de recognition/disposal of assets	-2,572	-5,071
OPERATING PROFIT	82,092	96,857
Finance income	5,018	3,657
Finance costs	-110,263	-74,913
Net exchange (losses)/gains	-9,679	-28,663
NET FINANCE COST	-114,924	-99,919
PROFIT/(LOSS) BEFORE TAX	-32,832	-3,062
Income tax	-29,656	-30,452
Share of profit/(loss) of equity-accounted investees	-155	-90
PROFIT/(LOSS) FOR THE PERIOD	-62,643	-33,604
Attributable to:		
Non-controlling interests	-992	6,807
Equity holders of the parent	-61,651	-40,411
Basic and diluted earnings per share (euros)	-0.54	-0.28
Basic and diluted earnings per share from continuing operations attributable to equity holders of the parent (euros)	-0.53	-0.34

7. Consolidated Statement of Cash Flows at 31 December 2019 (thousands of Euros)

	At December 31		
-	2019	2018	
Profit/(loss) before tax	(32,832)	(3,062)	
Net finance cost	114,925	99,919	
Operating profit/(loss)	82,093	96,857	
Non-cash expenses	201,223	144,504	
Depreciation and amortization	189,965	120,516	
Asset impairment.	105,502	120,010	
Other operating expenses	8,945	11,780	
Effect of inflation on earnings	2,313	12,208	
Non-cash income	(2,193)	(2,000)	
Changes in working capital	11,624	(4,790)	
Inventories	160	(889)	
Accounts receivable	10,382	3,350	
Accounts payable		(9,246)	
Other	(4,857)	(, ,	
	5,939	1,995	
Income tax paid	(40,783)	(51,757)	
NET CASH FLOWS FROM OPERATING ACTIVITIES	251,964	182,814	
Payment for purchases of property, plant and equipment	(97,817)	(103,094)	
Loans to establishment owners: cash outflows	(27,093)	(22,332)	
Loans to establishment owners: cash inflows	25,717	22,093	
Payments for investments	(1,497)	(7,157)	
Proceeds from disposals	-	-	
Proceeds from other financial assets	(2,313)	9,412	
Interest received	1,143	1,653	
CASH FLOWS USED IN INVESTING ACTIVITIES	(101,860)	(99,425)	
Drawdown of Codere's senior debt	50,000	-	
Repayment of Codere's senior debt	(15,000)	-	
Drawdown of other borrowings	29,306	_	
Repayment of other borrowings	(10,839)	(4,261)	
Change in borrowings	53,467	(4,261)	
Proceeds from bank loans	21,454	27,452	
Repayment of bank loans	(40,188)	(30,209)	
Change in other bank loans	(18,734)	(2,757)	
Capitalized lease payments (IFRS 16)	(69,797)	(=,,,,,,	
Dividend payments	(6,480)	(7,545)	
Payments for other financial borrowings	(5,669)	(2,024)	
Repayment of other financial borrowings	(467)	(542)	
Change in other financial borrowings	(6,136)	(2,566)	
Other cash flows due to impact of exchange rates on collections and	(/ /	(/ /	
	(7,536)	(11,468)	
payments	(2.572)	(920)	
Buyback of own equity instruments	(2,572)	(820)	
Disposal of own equity instruments	2,495	387	
Net investment in own shares	(77)	(433)	
Interest paid	(68,818)	(68,827)	
CASH FLOWS USED IN FINANCING ACTIVITIES	(124,111)	(97,857)	
NET INCREASE/(DECREASE) IN CASH AND CASH			
EQUIVALENTS	25,993	(14,468)	
Reconciliation			
Cash and cash equivalents, opening balance	81,775	104,538	
Effect of changes in exchange rates on cash and cash equivalents	(4,671)	(8,295)	
Cash and cash equivalents, closing balance	103,097	81,775	
Net increase/(decrease) in cash and cash equivalents	25,993	(14,468)	

PART J: SUMMARY OF THE TRANSACTION DOCUMENTS

1. Introduction

- 1.1 This Section I, Part J contains high-level summaries of the principal provisions of the key documents required to implement the Transaction. These summaries are not intended to be exhaustive or complete and are qualified in their entirety by reference to the documents themselves. Scheme Creditors should refer to the full text of the documents which are appended at Section VII (*Transaction Documents*) of this Scheme Document.
- 1.2 Copies of the Transaction Documents will be available for inspection on and from the date of this Scheme Document on the Scheme Website as well as at https://glas.agency/2020/07/13/codere-s-a/.

2. Documents required to amend the Existing Notes

Existing Notes A&R Supplemental Indenture

- On the Closing Date, the Scheme Company, Codere Finance, the Parent, the Guarantors, the Existing Notes Trustee, the Transfer Agent and the Paying Agent will enter into the Existing Notes A&R Supplemental Indenture.
- 2.2 The Existing Notes A&R Supplemental Indenture amends the Existing Notes Indenture pursuant to which Codere Finance issued the Existing Notes and to which the Scheme Company acceded as co-issuer by way of an amendment and accession agreement dated 23 July 2020. The Existing Notes Amendments include. *inter alia*:
 - (a) extension of the maturity of the Existing Notes from 1 November 2021 to 1 November 2023;
 - (b) an increase in the interest rate for the U.S. dollar-denominated Existing Notes, from 7.625 per cent. *per annum* to 10.375 per cent. cash / 11.625 per cent. PIK (as detailed below);
 - (c) an increase in the interest rate for the euro-denominated Existing Notes, from 6.750 per cent. *per annum* to 9.500 per cent. cash / 10.750 per cent. PIK (as detailed below);
 - (d) amendment of certain covenants, events of default and other provisions in the Existing Notes Indenture to:
 - (i) allow additional super senior debt capacity in respect of the New Notes; and
 - (ii) include the additional restrictions to covenants and baskets as set out in the announcement made by the Parent on 24 July 2020,
- addition of a liquidity covenant requiring the Parent and its "Restricted Group Members" under the Existing Notes A&R Supplemental Indenture to maintain a minimum of EUR 40 million of cash, cash equivalents and undrawn committed financing available, to be tested monthly unless (i) the Consolidated Net Leverage Ratio (as defined in the Existing Notes A&R Supplemental Indenture) is below 3.0x or (ii) the credit rating of the amended Existing Notes is at B-/B3 or higher.
- 2.4 The Existing Notes A&R Supplemental Indenture will be governed by, and construed in accordance with, the laws of the State of New York.

Existing Notes Amended Global Notes

2.5 On the Closing Date, the global notes for the Existing Notes will be amended to reflect the terms of the Existing Notes A&R Supplemental Indenture. As set forth in (ii) and (iii) of the description of the Existing Notes A&R Supplemental Indenture above, interest under the Existing Notes will be amended as indicated below:

U.S. dollar-denominated Existing Notes Amended Global Notes

2.6 Interest under the U.S. dollar-denominated Existing Notes will be increased from 7.625 per cent. per annum to a rate equal to 4.500 per cent. per annum in cash interest plus, either, at the sole discretion of Codere Finance and the Scheme Company (i) 5.875 per cent. per annum in cash interest or (ii) 7.125 per cent. in kind interest by increasing the outstanding principal amount of such Existing Notes Amended Global Note or issuing additional Existing Notes under the Existing Notes A&R Supplemental Indenture on the same terms and conditions as the Existing Notes offered in a principal amount equal to such interest.

Euro-denominated Existing Notes Amended Global Notes

- 2.7 Interest under the U.S. dollar-denominated Existing Notes will be increased from 6.750 per cent. per annum to a rate equal to 4.500 per cent. per annum in cash interest plus, either, at the sole discretion of Codere Finance and the Scheme Company (i) 5.000 per cent. per annum in cash interest or (ii) 6.250 per cent. in kind interest by increasing the outstanding principal amount of such Existing Notes Amended Global Note or issuing additional Existing Notes under the Existing Notes A&R Supplemental Indenture on the same terms and conditions as the Existing Notes offered in a principal amount equal to such interest.
- 2.8 On the Closing Date, there will be four Existing Notes Amended Global Notes, with amendments being effected in each of the: (i) U.S. dollar-denominated Existing Note originally offered and sold in reliance on Rule 144A of the Securities Act, (ii) U.S. dollar-denominated Existing Note originally offered and sold in reliance on Regulation S of the Securities Act, (iii) euro-denominated Existing Note originally offered and sold in reliance on Rule 144A of the Securities Act and (iv) euro-denominated Existing Note originally offered and sold in reliance on Regulation S of the Securities Act. Each of the four Existing Notes Amended Global Notes will have the same aggregate principal amount, ISIN and Common Code as the corresponding Existing Note. Each of the Existing Notes Amended Global Notes will be subject to certain transfer restrictions that are standard for similar issuances.
- 2.9 The Existing Notes will share the same security and guarantee package as the New Notes and Interim Notes. The New Notes will also be senior obligations of Codere Finance and the Scheme Company. The Existing Notes will rank equally in right of payment with all other existing and future senior indebtedness of Codere Finance and the Scheme Company.
- 2.10 The Existing Notes Amended Global Notes will be governed by, and construed in accordance with, the laws of the State of New York.

3. Documents required with respect to the New Notes

New Notes Global Notes

- 3.1 On the Closing Date, Codere Finance and the New Notes Trustee will enter into two New Notes Global Notes. The terms of the New Notes Global Notes will be substantively similar to the terms of the Interim Notes, except that, *inter alia*, the New Notes Global Notes will be issued in an aggregate principal amount of €165,000,000, will have interest accrue as of the Closing Date, and, as detailed below, may have separate identifiers.
- 3.2 The New Notes offered and sold in reliance on Section 4(a)(2) of the Securities Act will be issued in the form of a restricted global note (the "Restricted Global Note") and will be assigned the same ISIN and Common Code as the Interim Notes sold in reliance on Section 4(a)(2) of the Securities Act. The New Notes offered and sold in reliance on Regulation S of the Securities Act will be issued in the form of a Regulation S global note (the "Regulation S Global Note") and will, initially, be assigned a temporary ISIN and Common Code that will, following 40-days from the Closing Date, be replaced with the same ISIN and Common Codes as the Interim Notes sold in reliance on Regulation S of the Securities Act. Each of the Restricted Global Note and Regulation S Global Note will be subject to certain transfer restrictions that are standard for similar issuances.
- 3.3 The New Notes (together with the Interim Notes) will share the same security and guarantee package as the Existing Notes, including as amended pursuant to the Existing Note Amendments.

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The New Notes will also be super senior obligations of Codere Finance. Upon repayment and discharge of the RCF, the New Notes (together with the Interim Notes) will rank (i) equally in right of payment with all other existing and future super senior indebtedness of Codere Finance (including under the SBF and the Existing Notes) and (ii) super senior in respect of the enforcement of security alongside the SBF, and ahead of the Existing Notes.

3.4 The New Notes Global Notes will be governed by, and construed in accordance with, the laws of the State of New York.

New Notes Purchase Agreement

- 3.5 On 28 August 2020, Codere Finance, the Guarantors and the Backstop Purchasers entered into the New Notes Purchase Agreement. Each prospective New Notes Purchaser (including New Notes Purchasers that are Backstop Providers) will, subject to the requirements set forth in the Scheme and pursuant to and from the date of its New Notes Purchaser Letter (which is submitted to the Information Agent as part of the relevant Account Holder Letter), become a New Notes Purchaser and accede to the New Notes Purchase Agreement.
- 3.6 The New Notes Purchase Agreement sets forth the Backstop Purchasers' commitment to, in accordance with the terms of the Scheme, purchase New Notes not subscribed for by the New Notes Purchasers. The Backstop Purchasers will receive a combined backstop fee of €4,125,000, or 2.5 per cent. of the proposed aggregate principal amount of the offering.
- 3.7 Pursuant to the New Notes Purchase Agreement, the New Notes Purchasers commit to purchase, and Codere Finance commits to sell, €165,000,000 aggregate principal amount of New Notes. The New Notes Purchase Agreement includes, *inter alia*:
 - representations and warranties given by each of the Issuer, Guarantors, Backstop Purchasers and Purchasers as of the Closing Date (and with respect to the Backstop Purchasers, as of the execution date);
 - (b) covenants of the Issuer and Guarantors, including with respect to completion of the collateral documents, use of the proceeds of the New Notes to, among other things, repay and discharge all amounts outstanding under the Revolving Credit Facility and listing obligations;
 - (c) conditions precedent for the offering of the New Notes, including, among other things, delivery of opinions of counsel and ancillary certificates to the Backstop Providers, completion of the collateral documents, implementation of the Existing Notes Amendments and the absence of the occurrence of a material adverse change; and
 - (d) purchase price of the New Notes and description of the funds to be deposited in the Escrow Account by the Funding Deadline.
- 3.8 The New Notes Purchase Agreement is governed by, and construed in accordance with, the laws of the State of New York.

New Notes Supplemental Indenture

- 3.9 On the Closing Date, Codere Finance, the Parent and the New Notes Trustee will enter into the New Notes Supplemental Indenture.
- 3.10 The New Notes Supplemental Indenture, which supplements the Interim Notes Indenture:
 - (a) provides for the creation and issuance of the New Notes;
 - (b) provides that the New Notes will be consolidated with and form part of the same series as the Interim Notes issued pursuant to the Interim Notes Indenture;
 - (c) provides that the New Notes Global Notes will be issued substantially in the form provided in the Interim Notes Indenture; and

- (d) instructs the New Notes Trustee to authenticate the New Notes.
- 3.11 The New Notes Supplemental Indenture will be governed by, and construed in accordance with, the laws of the State of New York.

4. Documents required for funding and completion

Escrow Deed

- 4.1 The Escrow Deed is an English law deed between the Scheme Company, Codere Finance, the Escrow Agent, the Parent, the Information Agent and the Revolving Agent.
- 4.2 Pursuant to the terms of the Escrow Deed, the Escrow Agent confirms that the Escrow Account is open and that it will hold, for the purposes of funding the purchase of New Notes, the New Notes Subscription Amounts, Failed Funding New Notes Subscription Amounts (if any) and Backstop New Notes Subscription Amounts deposited into the Escrow Account on trust for the benefit of the relevant depositors. On the Completion Date, following completion of certain steps in relation to the amendment of the Existing Notes and execution and delivery of the New Notes, the Scheme Company will deliver an Escrow Release Notice to the Escrow Agent requiring the Escrow Agent to release the monies standing to the credit of the Escrow Account, pursuant to the terms of the Escrow Deed and as described in the Scheme.
- 4.3 The Escrow Deed also contains provisions relating to the return of moneys in the event that the Scheme Terminates or fails to complete before a specified long-stop date.
- 4.4 Furthermore, the Escrow Deed also contains provisions to hold certain amounts of pre-funded interest, funded by New Notes Purchasers and Backstop Purchasers in respect of the New Notes, on trust pending the first interest payment in respect of the New Notes and the Interim Notes following the Completion Date. The Escrow Deed provides a mechanism to distribute such prefunded interest amounts to holders of the New Notes and Interim Notes in the event that, inter alia, such interest payment is not made by Codere Finance within the applicable grace period or to Codere Finance if such interest payment is made.
- 4.5 The form of the Escrow Deed shall be substantially in the form set out in the Scheme.

Security Confirmation Documents

- 4.6 The Security Confirmation Documents are the documents confirming the continued effectiveness of certain Security Documents in light of the issuance of the New Notes and/or the Existing notes Amendments. These are:
 - (a) a master confirmation agreement relating to Security Documents governed by Luxembourg law;
 - (b) a Spanish law governed extension and ratification agreement relating to the Security Documents governed by Spanish law; and
 - (c) an amendment and/or the confirmation and extension agreements in respect of the Security Documents governed by Italian law.
- 4.7 A security amendment document relating to the Security Documents governed by Brazilian Law will be entered into within ten business days of the Closing Date.

Settlement and Information Agency Agreement

4.8 Prior to the Closing Date, Codere Finance, the Scheme Company and GLAS Specialist Services Limited as Information Agent and Settlement Agent will enter into the Agency Agreement. The Agency Agreement appoints GLAS in its role as Settlement Agent and Information Agent and delineates its respective obligations under such roles, including with respect to the appointment of and coordination with the Common Depositary, preparation of the Allocation Lists and all other obligations as required under the issuance of the New Notes and in accordance with the Scheme.

- 4.9 The Agency Agreement will be governed by, and construed in accordance with, English law.
- 5. Documents required to release parties of liability

Deed of Release

- On the Completion Date, and at the time set out in and in accordance with the terms of the Scheme, a deed of release will be executed and become effective between the Scheme Company, the Obligors, the Scheme Creditors, and Nominated Participants.
- Pursuant to the terms of the Deed of Release, each Scheme Creditor and Nominated Participant (on behalf of itself and any of its successors or assigns) will irrevocably and unconditionally, fully and finally waive and release and forever discharge to the fullest extent permitted by applicable law, any and all Liabilities, in each case that it ever had, may have or can, shall or may have, against the Released Parties (as defined in the Deed of Release), whatsoever and howsoever arising, in relation to, or in connection with or by reason of or resulting directly or indirectly from a Released Person's participation (as applicable) in the negotiation, preparation, entry into, and /or implementation of the Scheme, the amendments to the Existing Notes, or the issuance of the New Notes, in each case contemplated by the Scheme. In addition, Scheme Creditors and/or Nominated Participants shall not (nor shall any of their successors or assigns) commence or continue any claim, counterclaim or Proceeding (as defined in the Deed of Release) against any Released Person in respect of a Liability waived, released or discharged.
- 5.3 Furthermore, each Obligor will give a release substantially on terms as described in favour of the Scheme Creditor Released Persons (as such a term is defined in the Deed of Release) which includes each Scheme Creditor and each Nominated Participant.
- 5.4 The Deed of Release shall not, amongst other things, apply to any claim or liability in respect of fraud, wilful misconduct, gross negligence by any Released Person or Scheme Creditor Released Person.
- 5.5 The form of the Deed of Release shall be substantially in the form set out in the Scheme.

PART K: BOARD OF THE SCHEME COMPANY

1. The Scheme Company

- 1.1 Codere Finance 2 (UK) Limited, the Scheme Company is an English private limited company. The Parent owns 100 per cent. of the shares in the Scheme Company. The rights and obligations of the Parent, as shareholder of the Scheme Company, are set forth in the Scheme Company's articles of association together with any applicable provisions under relevant law.
- 1.2 The following table sets forth certain information with respect to members of the board of directors of the Scheme Company as at the date hereof.

Name	Title
Manuel Martinez-Fidalgo	Director
Matthew Charles Turner	Director

- 1.3 The business address of the directors of the Scheme Company is Suite 1, 3rd Floor, 11-12 St. James's Square, London, SW1Y 4LB.
- 1.4 Vistra Cosec Limited is the Scheme Company's appointed company secretary.
- 2. Scheme Company directors' interests in the Transaction
- 2.1 Section 897(2) of the Companies Act requires that this Explanatory Statement disclose:
 - (a) any material interest of the directors of the Scheme Company (whether as directors or as members or as creditors of the Group companies); and
 - (b) the effect on those interests of the compromise or arrangement, insofar as it is different from the effect on the like interests of other persons.
- 2.2 Manuel Martinez-Fidalgo and Matthew Charles Turner are both shareholders of the Parent, holding, respectively 0.025 per cent. and 0.016 per cent. of the outstanding shares of the Parent amounting to less than 0.041 per cent. of the Parent's issued share capital. On this basis, the Directors do not regard the holding of such *de minimis* shareholding in the Parent as giving rise to any conflict of interest in relation to the matters which are the subject of the Scheme. As such, Manuel Martinez-Fidalgo and Matthew Charles Turner have not recused themselves from voting in any discussions or decisions in relation to the Scheme.
- 2.3 Apart from the interests disclosed in paragraph 2.2 above, to the best of the Scheme Company's knowledge, none of its directors have any interest, direct or indirect, in the Scheme and the Scheme will have no effect on the interests of those directors.
- 2.4 No other non-monetary benefits are established in favour of the directors of the Scheme Company.
- 2.5 Neither of the directors of the Scheme Company has or has had any interest in any transaction which is or was unusual in its nature or conditions or significant to the business which was effected by the Group during the current or immediately preceding financial year, or which was effected during an earlier financial year and remains in any respect outstanding or underperformed.

PART L: RISK FACTORS

1. Introduction

- 1.1 All statements in this Scheme Document are to be read subject to, and are qualified in their entirety by, the matters referred to in this Section I, Part L.
- 1.2 Scheme Creditors should carefully consider the following discussion of risks and the other information contained in this Explanatory Statement. The risks and uncertainties described below are not the only risks facing the Group, especially given the inherent difficulties of anticipating future trading and macroeconomic conditions. Additional risks and uncertainties which are currently unidentified or believed to be immaterial may also affect the business, financial condition and results of operations of the Group. If any of the possible events described below were to occur, the business, financial condition and results of operations of the Group could be materially and adversely affected.
- 1.3 This Scheme Document also contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including the risks described below and elsewhere in this Explanatory Statement.
- 1.4 If a Scheme Creditor is in any doubt about the action it should take, such Scheme Creditor is advised to consult an appropriately authorised independent financial adviser who specialises in advising on the acquisition of equity, debt and other securities.

2. Risks relating to the Transaction

Adverse publicity

- 2.1 Adverse publicity relating to the Transaction or the financial condition of the Group or of other participants in the market(s) in which it operates may have a material adverse effect on the Group's customer and supplier relationships (including financial and insurance institutions) and/or the market perception of its business.
- 2.2 Existing suppliers may choose not to do business with the Group, may demand quicker payment terms and/or may not extend normal trade credit. The Group may find it difficult to obtain new or alternative suppliers. Ongoing negative publicity may have a long-term negative effect on the brand names owned or used in the Group.

Jurisdictional considerations

- 2.3 The Group contains entities organised under the laws of several jurisdictions. In the event that a member of the Group faces financial difficulty, it is not possible to predict with certainty in which jurisdictions insolvency or similar proceedings would be commenced or how these proceedings would be resolved. Any insolvency proceedings commenced in respect of a member of the Group would most likely be based on and governed by the insolvency laws of the jurisdictions under which it is organised. As a result, creditors will most likely be subject to the insolvency laws of that member of the Group's jurisdiction of incorporation. There can be no assurance as to how the insolvency laws of these jurisdictions will be applied in insolvency proceedings relating to several jurisdictions.
- 2.4 Further, one or more members of the Group may in the future take actions which result in the insolvency laws of a different or additional jurisdiction being applicable to them. In certain circumstances, those laws may conflict or one or more persons may dispute the applicability of any such insolvency laws.
- 2.5 The insolvency, administration and other laws of the jurisdiction in which each member of the Group is organised or operates may be materially different from, or conflict with, both each other and the laws under any creditor's country of incorporation. Some jurisdictions may be less favourable to the interests of certain creditors than others, which may affect, amongst other things: the ability to obtain post-petition interest; the duration of proceedings; preference periods; and the priority of governmental and other creditors in any insolvency proceeding.

- Effectiveness of the Scheme requires the approval of Scheme Creditors
- 2.6 In order for the Scheme to be approved by Scheme Creditors, more than 50 per cent. in number representing not less than 75 per cent. in value of those Scheme Creditors who vote at the Scheme Meeting must vote in favour of the Scheme. If the requisite majorities of Scheme Creditors do not vote in favour of the Scheme at the Scheme Meeting, the Scheme will be withdrawn and the Transaction will not be implemented pursuant to the Scheme or possibly at all. Although certain Scheme Creditors have given an undertaking to vote in favour of the Scheme, such undertaking may cease to be binding in the circumstances set out under the terms of the Revised Lock-Up Agreement.
 - The Scheme Meeting may not be completed on the timeline envisaged in this Explanatory Statement or by the Long-Stop Date
- 2.7 Factors unknown to the Scheme Company and the Parent at the date of this Explanatory Statement may result in delays to the completion of the Transaction. There is no guarantee that the Completion Date will occur before the Long-Stop Date as described in the Scheme.
 - Even if the Scheme Creditors approve the Scheme, the Transaction may not be completed before the Group runs out of cash
- Absent an unexpected deterioration in trading or a material change in supplier terms, the Group should not run out of cash prior to the Scheme becoming effective. However, if the Transaction is not completed by the Long-Stop Date, one or more of the Group companies may determine that they have no option but to take steps to put that themselves into some form of insolvency proceeding.
 - Even if the Scheme Creditors approve the Scheme, the Scheme may be objected to and may not be completed
- 2.9 Even if the Scheme is approved at the Scheme Meeting, it is possible for a person with an interest in the Scheme (whether a Scheme Creditor or otherwise) to object to the Scheme and to attend or be represented at the Scheme Sanction Hearing in order to make representations that the Scheme should not be approved and to appeal against the granting of the Court Order. Therefore, it is possible that objections will be made at or before the Scheme Sanction Hearing or that an appeal will be made against the granting of the Court Order by the Court and that any such objections or appeal will delay or possibly prevent the Transaction.
 - Effectiveness of the Scheme requires the sanction of the Court
- 2.10 In order for the Scheme to become effective under English law, it must receive the sanction of the Court and the Court Order must be lodged with the Registrar of Companies.
- 2.11 The Court will not sanction the Scheme unless it is satisfied that it has jurisdiction to do so, that the correct procedures have been followed, that the proposed arrangements are fair and that there are no other reasons why the Scheme should not be approved. There can be no assurance as to the Court's decision in this regard.
- 2.12 If the Court does not approve the Scheme, or approves it subject to conditions or amendments which (i) the Group deems unacceptable or (ii) would have (directly or indirectly) a detrimental effect on the interests of any Scheme Creditors and such conditions or amendments are not approved by the Scheme Creditors, the Scheme will not become effective and the Transaction may not be implemented.
 - The Transaction is subject to a number of conditions and failure to fulfil any one of those conditions will result in the Transaction not proceeding
- 2.13 Even if the Scheme is approved by the requisite majorities of Scheme Creditors and the Scheme Effective Time occurs, in order for the Transaction to be implemented there are other conditions that need to be fulfilled, namely the Transaction Implementation Conditions. If the Scheme does not become effective and/or if any one of the Transaction Implementation Conditions is not

- satisfied (or waived in accordance with the provisions of the Scheme or the terms of the Transaction Documents) the Transaction will not take effect.
- 2.14 There is a risk that one or more of these steps may not be completed or satisfied, in which case the Transaction will not occur. If the Transaction does not occur, the Group will not benefit from the injection of funds pursuant to the New Notes, and the amendments contemplated to be made to the Existing Notes upon completion of the Transaction will not take effect.
 - If the Transaction does not occur or is materially delayed, the directors of one or more of the Group companies, including the Scheme Company and the Parent, may have to take steps to put those companies into a form of insolvency proceeding
- 2.15 The boards of the Group companies have been able to permit the Group companies to continue to conduct business largely due to both the continued support of certain of its creditors (in general, in agreeing to forbear on accelerating certain indebtedness by entering into the Revised Lock-Up Agreement and the RCF Standstill) and their reasonable belief that the Transaction is likely to be implemented in a timely manner. Without the support of certain of its creditors, one or more of the Group companies may determine that they have no option but to take steps to put such company into some form of insolvency procedure to protect the assets of that company for the benefit of all of their creditors.
- 2.16 If the Transaction does not occur and one or more of the Group companies is forced to enter into an insolvency procedure, the proceeds available to Scheme Creditors may be reduced to a level considerably less than the potential value of the consideration they would receive under the Scheme.
 - The RCF Lenders may accelerate the RCF
- 2.17 Steps taken by the Group to effect the Transaction and the occurrence of certain other matters have resulted in certain events of default under the RCF. The RCF Lenders have agreed to temporarily waive those events of default and not to take any enforcement action against the Group (including acceleration of amounts due under the RCF) pursuant to the RCF Standstill. Prior to the Scheme becoming effective, the RCF Standstill is terminable in a number of specified circumstances, whereupon the relevant creditors are entitled to accelerate repayment of amounts due under the RCF. The RCF Standstill will terminate if the Revised Lock-Up Agreement terminates.
- 2.18 If the Transaction is not completed and the RCF Standstill terminates and the RCF becomes due and payable either by acceleration or at maturity on 15 November 2020, and no alternative financing arrangements are entered into to repay or discharge in full all of the amounts due under the RCF, then the holders of more than 66^{2/3} per cent. of the total commitments under the RCF may accelerate such indebtedness.
- 2.19 The Group does not have sufficient cash resources to repay all amounts outstanding under the RCF. The relevant creditors under the RCF may also seek to enforce their rights against other members of the Group, including Existing Notes Guarantors, which represent the material part of the Group by value.
- 3. Risks relating to the Group's business, industry and capital structure
- 3.1 The following are some of the material risks which relate to the Group's market and its business. If the Scheme is not implemented, Scheme Creditors should note that these risks, as well as others disclosed previously by the Scheme Company or Codere Finance to the holders of the Existing Notes will continue to apply to the Group's business and industry.
 - The Group relies on licences to conduct operations and termination of these licences would have a material adverse effect on results of operations
- 3.2 The Group is required to continue to maintain licences in order to conduct operations. Gaming authorities may deny, revoke, suspend or refuse to renew licences and impose fines or seize assets if a violation of any of these regulations is found, which could have a material adverse effect on the Group's business, results of operations and financial condition. The Group (and individual members of the Group) may also have difficulty or face uncertainty in renewing existing gaming licences or obtaining new licences, particularly where legislation is non-existent, unclear, subject

- to legislative changes or is newly enacted. It cannot be assured that any gaming licences will be renewed or that they will be renewed on satisfactory terms.
- 3.3 Closures of Group establishments may occur in the future on the basis of regulatory reasons which are difficult to foresee. There can be no assurance that significant costs will not be incurred in relation to these closures, or that venues which have been closed by the authorities will be allowed to reopen.
- 3.4 Moreover, an event of insolvency or the entry into formal insolvency proceedings may constitute a breach of certain key licences or lead to their revocation either directly or indirectly. There can be no assurance that it would be possible to maintain operating licences in the event of insolvency or other financial difficulty.
 - The gaming industry is subject to extensive regulation and oversight
- 3.5 The jurisdictions in which the Group operates are subject to a wide range of highly complex regulations governing a host of gaming-related activities and/or require licensing. If a licence, approval or finding of suitability is required by a regulatory authority and the necessary approval or licence is not obtained, the Group may be prohibited from providing products or services for use in the particular jurisdiction.
- 3.6 The Group's ability to successfully pursue an interactive gaming strategy depends on the law and regulations relating to internet gaming and interactive channels. The systems, controls and procedures adopted by the Group may not be sufficient to comply with all applicable online gaming rules and regulations in the jurisdictions in which the Group will conduct online gaming activities. Failure to comply could result in civil, criminal or administrative proceedings, injunctions, fines and penalties and substantial litigation expenses that could strain the Group's management resources and materially adversely affect its business, results of operations and financial condition.
- 3.7 Changes in existing laws or regulations which have a direct or indirect impact on the gaming industry (such as anti-smoking and labour laws), or changes in their interpretation, could impair profitability and restrict the Group's ability to operate its business.
- 3.8 Any acquisitions, mergers, restructurings or similar activities the Group undertakes may be subject to local antitrust rules and regulations.
 - Changes in taxation or the interpretation or application of tax laws could have an adverse effect on results of operations and financial condition.
- 3.9 The gaming industry is subject to significant gaming taxation in most of the countries in which the Group operates and which is subject to periodic legislative change. Gaming taxes may be increased or new categories of gaming taxes created. The resulting increased cost of regulatory or tax compliance could have a material adverse effect on the Group's business, results of operations and financial condition. This risk may be increasingly significant in the normalisation phase following the impact of the Covid-19 pandemic, due to pressure on budgetary balances in many of the jurisdictions in which the Group operates, which may lead to tax increases being imposed either directly on the Group or its clients (consequently resulting in a reduction of its disposable income).
- 3.10 Furthermore, certain licences are subject to taxation upon renewal, and the renewal fee or canon tax surcharge attributable to those licences cannot be determined in advance. Difficulty in anticipating and planning for such increases may render the affected operations unprofitable and have a material adverse effect on the Group's business, results of operations and financial condition.
 - The Group's international operations are subject to a variety of political, economic and currency risks
- 3.11 The Group's Latin American operations expose the Group to substantial political, economic and currency risks because many Latin American countries have experienced significant recessions, inflation, unemployment and social unrest and their economies are more volatile than those situated in the European Union or the United States. Government measures in Latin American countries concerning these issues, including currency controls, have had and may continue to have a material adverse effect on private sector entities, including the Group's operations. In addition, in certain of

these markets, the gaming industry and taxation and related regulatory environment are not well developed or are inconsistent, and/or governments lack capacity to enforce actions and regulations. Certain of the Group's Latin American operations will also expose the Group to the threat of extortion by groups engaged in illegal activities. The Group's inability to manage such risks could have a material adverse effect on business, results of operations and financial condition.

- 3.12 In particular, operations in Argentina have been, and could be in the future, adversely affected. The financial condition and performance of the Group's local operations have been impacted to a significant extent by Argentina's political, social and economic conditions, as well as by Argentine government measures including measures related to foreign exchange controls, currency exchange rates, interest rates and inflation. Since 2008, there have been a number of negative economic and political developments that have increased the level of uncertainty.
- 3.13 This is significant because in the 12 months ended 31 March 2020, operating revenue from the Group's operations in Argentina accounted for 23 per cent. of the Group's consolidated operating revenue and EBITDA from operations in Argentina accounted for 25.0 per cent. of the Group's consolidated EBITDA (in each case, before corporate headquarters revenue and expenses).
- 3.14 The Argentine government has adopted various rules and regulations since late 2011 that have established restrictive controls on capital flows and the transfer of funds into and out of Argentina. Among other measures, the Argentine government requires official approval to buy US dollars, and the Group is required to obtain the consent of the Central Bank of Argentina prior to repatriating earnings from Argentina through such mechanism, which is very difficult to obtain. Therefore, in order to repatriate funds, the Group has resorted in the past to making Argentine peso purchases of US dollar-denominated Argentine sovereign securities (the "Eligible Securities"), which after a holding period are sold outside of Argentina for US dollars. In selling these securities, the Group has incurred losses because the sale price of Eligible Securities in foreign markets differs materially from the official exchange rate at which the Argentine peso is translated into Euro in the Group's consolidated financial statements.
- 3.15 There can be no assurance that the Argentine government will not impose further exchange controls or restrictions on the movement of capital and take other measures in the future in response to capital flight or a significant depreciation of the Argentine peso. If it is not possible to repatriate funds from Argentina due to government measures, the Group will not be able to use the cash flow from its Argentine operations to finance operating requirements elsewhere or to satisfy the Group's debt obligations, including in respect of the Existing Notes.
- 3.16 In addition, in 2021 the Group initiates a new cycle of license renewals in Argentina (with 8 licenses being renewed between 2021 and 2024). The local government has not yet defined the terms of such renewals. There can be no assurance that the Province of Buenos Aires government will renew the Group's licenses in attractive or reasonable terms or will not launch a bidding process for those licenses. As such, the Group may not be able to renew all of its current licenses or to do so in economic terms similar to those that currently apply.
 - The Group is currently and may in the future be party to a number of legal disputes
- 3.17 Due to the nature of the Group's business it is, and will continue to be, subject to a number of legal, administrative and arbitration proceedings, including tax and other disputes with regulatory authorities, and could become involved in additional legal, administrative and arbitration proceedings or investigations by government authorities in the future. The Group is also subject to a number of tax-related claims in Latin America and Italy and may be subject to additional claims in the future. The Group cannot be assured that it will prevail in these disputes or in any future disputes, and any adverse decision could have a material adverse effect on business, results of operations and financial condition.
- 3.18 A portion of the Group financial debt will be floating rate and subject to market shifts in interest rates
- 3.19 The Group is party to loan agreements and other variable rate financing arrangements at both the corporate and operating company level. As such, financing costs will be subject to changes in

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market interest rates and any such increase could have a material adverse effect on the Group's business, results of operation and financial condition.

Joint venture, shareholder, and operator agreements may affect the Group's ability to pursue competitive business strategies

- 3.20 The Group's joint venture, shareholder and operator agreements will limit influence over, and, in certain cases, the cash flow that can be derived from, certain of the Group's businesses, and the Group will be subject to certain agreements that limit the ability to pursue new gaming opportunities.
- 3.21 Differences in views with partners or other shareholders may result in delayed decisions or in failures to agree on major matters, potentially adversely affecting the business, results of operations and financial condition of such businesses and consequently the business, results of operations and financial condition of the Group. This will be compounded if relevant shareholder or joint venture agreements do not include definitive dispute resolution procedures in the event of deadlock.

The Group depends on the skill and experience of its management and key personnel. The loss of key management, technical and other personnel, or an inability to attract such personnel, could adversely impact the Group's business

3.22 If the services of certain members of the management team or other key personnel are lost, the Group's business may be significantly impaired. It cannot be assured that the Group will be able to retain existing senior executive and management personnel or attract additional qualified senior executive and management personnel.

The Group's operations may be subject to work stoppages or other labour disputes

- 3.23 Some Group employees are covered by collective bargaining agreements. There can be no assurance that existing collective bargaining agreements will be extended or renewed at current terms, or that the Group will be able to negotiate collective bargaining agreements in a favourable and timely manner.
- 3.24 Future consultation processes and negotiations with the unionised work force could have a material impact on financial results. If a material disagreement between management and unions arises, or if employees engage in a prolonged work stoppage or strike at any of the Group's facilities, business, financial condition and results of operations could be negatively affected.

Changes in consumer preferences could harm the Group's business

3.25 Changes in consumer preferences and any inability on the Group's part to anticipate and react to such changes could result in reduced demand for offerings and erosion of the Group's competitive and financial position. Gaming competes with other leisure activities as a form of consumer entertainment and may lose popularity as new leisure activities arise or as other leisure activities become more popular. Changes in social mores could result in reduced acceptance of gaming as a leisure activity.

Increased competition could reduce EBITDA and profitability

3.26 A number of competitors exist in the local markets in which the Group operates. The presence of competitors in close proximity to the Group's gaming halls may result in a significant decrease in attendance at gaming halls, which could materially adversely affect their revenue and profitability. In addition, the presence of a number of competitors in the urban areas in which the Group operates limits expansion opportunities. Other competitors may also have greater financial resources, meaning they are able to make their halls more attractive to customers.

Gaming machines operated at non-specialised locations

3.27 Success in acquiring new gaming machine sites often depends on offering the best financial package to site owners. Increased competition is likely to result in increases in these foregoing payments and expenses and could reduce the Group's future profit margins and cash flows.

Competition from gaming resorts, online gaming and new gaming technologies

3.28 The Group companies face significant competitive threats from other forms of gaming including gaming resorts, online gaming and new gaming technologies. The Group also competes with illegal gaming activities which may drain significant portions of betting volumes away from the regulated industry. In jurisdictions that authorise internet gaming, there can be no assurance that the Group will be successful in selling technology, content and services to internet gaming operators. These factors and others could have a material adverse effect on business, results of operations and financial condition.

Global or local economic conditions could impair the solvency of the Group's suppliers and other counterparties

3.29 There could be a number of adverse effects from a challenging economic environment. Failures of other counterparties, including banks, insurance providers, and counterparties to comply with contractual arrangements could negatively impact the Group's business.

A disruption in the Group's information technology systems could adversely affect its operations.

- 3.30 The Group's business activities rely to a significant degree on the efficient and uninterrupted operation of its various computer and communications systems and those of third-party outsourcers. In addition, the Group's online offering depends on the continued operation of its website. Any significant breakdown of plant or equipment, accident such as a serious flood or fire or other significant disruption to the online offering and the Group's information technology systems more widely, could have a detrimental effect on the Group's business, financial condition and results.
- 3.31 The Group can provide no assurance that its IT system is fully protected against third-party intrusions, viruses, hacker attacks, information or data theft or other similar threats. The risk of a security breach or disruption, particularly through cyber-attack or cyber intrusion, including by computer hackers, foreign governments and cyber terrorists, has risen as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. Any third-party intrusions, viruses, hacker attacks, information or data theft or similar threats against the Group and its IT systems may have a material adverse effect on its business, financial condition and results of operations.

4. Risks relating to the Covid-19 pandemic

The recent Covid-19 pandemic has had and is expected to continue to have an adverse effect on the Group's business and results of operation

4.1 In late 2019, Covid-19 was first detected in Wuhan, China. In March 2020, the World Health Organization declared Covid-19 a global pandemic, and governmental authorities around the world have implemented measures to reduce the spread of Covid-19. These measures have adversely affected workforces, customers, consumer sentiment, economies, and financial markets, and, along with decreased consumer spending, have led to an economic downturn in many of the Group's markets.

The Group's business has been and may continue to be materially and adversely affected by the spread of Covid-19

- 4.2 The Group's operations have been significantly disrupted by the Covid-19 pandemic and the resulting "lockdown" imposed in each of the Group's operating markets. As explained by the Parent in various public announcements made during and since March 2020, the Group suffered a complete shutdown of its gaming hall operations due to mandatory restrictions and lockdowns for several months. Whilst phased re-openings have been possible across some of the Group's markets, namely Italy, Spain, its racetracks in Uruguay and a few halls in Mexico, the majority of its operations remain closed. Revenue levels in the reopened markets remain below those experienced prior to the start of the Covid-19 pandemic.
- 4.3 Although the Group's online gaming offering has been able to operate throughout the period, the suspension of major sports leagues and events world-wide as a result of the pandemic has negatively impacted sports betting activity via the Group's online facilities.

- 4.4 The closure of the Group's physical locations for a long period coupled with lower revenue levels upon re-opening, and the fact that major live sporting events were, on the whole, suspended in a number of countries for several months, has had an adverse impact on the cash flow of the Group.
- 4.5 While the Group believes the impact on revenue levels and cash flow will be temporary and it has taken significant steps to mitigate any negative effects, there is a potential risk of an increase in the number of Covid-19 cases, which could result in a second "lockdown" imposed in some or all of the Group's operating markets. This could have further impact the Group's business due to the possible suspension of major sports events and closure of the Group's physical locations once again.
- 4.6 The medium- and long-term impacts of the pandemic may have different consequences in the gaming industry in general and on the operations and financials of the Group in particular. Customer preferences may change, and the Group's customers may shift to other entertainment options or channels (such as online gaming), or simply avoid attendance to retail premises. In addition, governments may maintain additional health-related measures (such as social distancing) indefinitely which may make the operation of our halls more difficult or restrict attendance to our venues. Additionally, governments, due to difficult macroeconomic environment after the pandemic, may change gaming regulation, increase taxation on the activity or on consumers that may directly or indirectly impact our revenues and/or profitability.

5. Risks relating to the New Notes

The indenture governing the New Notes contains restrictive debt covenants that may limit the Group's ability to finance its future operations and capital needs and to pursue business opportunities and activities

- 5.1 The indenture governing the New Notes will restrict, among other things, certain members of the Group's ability to:
 - (a) incur or guarantee additional indebtedness and issue certain preferred stock;
 - (b) create or incur certain liens;
 - (c) make certain payments, including dividends or other distributions;
 - (d) prepay or redeem subordinated debt or equity;
 - (e) make certain investments;
 - (f) sell, lease or transfer certain assets, including stock of restricted subsidiaries;
 - (g) engage in certain transactions with affiliates;
 - (h) enter into unrelated businesses or engage in prohibited activities;
 - (i) consolidate or merge with other entities;
 - (j) impair the security interest for the benefit of the holders of the New Notes; and
 - (k) amend certain documents.
- 5.2 All of these limitations will be subject to significant exceptions and qualifications.

The Group may not be able to generate sufficient cash to service all of its indebtedness and may be forced to take other actions to satisfy its obligations under its indebtedness, which may not be successful

5.3 A significant portion of the Group's cash flow from operations is and is expected to be dedicated to the payment of principal and interest obligations on its outstanding indebtedness. The Group's ability to make payments on its indebtedness and to fund working capital needs and planned capital expenditures will depend on its ability to generate cash in the future. This, to a certain extent, is subject to general economic, financial, competitive, business, legislative, regulatory and other

factors that are beyond its control. See "Risks relating to the Group's business, industry, and capital structure" and "Risks relating to the Covid-19 pandemic."

5.4 If the Group's business does not generate sufficient cash flow from operations or if future borrowings are not available in an amount sufficient to enable it to pay its indebtedness or to fund its other liquidity needs, the Group may need to refinance all or a portion of its indebtedness on or before the maturity thereof, sell assets, reduce or delay capital investments or seek to raise additional capital, any of which could have a material adverse effect on its operations. In addition, the Group may not be able to effect any of these actions, if necessary, on commercially reasonable terms or at all. The terms of existing or future debt instruments may limit or prevent the Group from taking any of these actions.

Codere Finance is a finance subsidiary that has no revenue generating operations of its own and depends on cash flow generated by certain of the Group's subsidiaries

Codere Finance is a finance subsidiary that was formed by the Parent in order to offer and issue debt securities and conducts no business operations of its own. Accordingly, repayment of its indebtedness, including the New Notes, is dependent, to a significant extent, on the generation of cash flow by certain of the Group's subsidiaries. Unless they are guarantors of the New Notes, these subsidiaries do not have any obligation to pay amounts due on the New Notes or to make funds available for that purpose. Each subsidiary is a distinct legal entity and, under certain circumstances, legal and contractual restrictions may limit Codere Finance's ability to obtain cash from those subsidiaries. Although the indenture governing the New Notes limits the ability of the Group's restricted subsidiaries and certain of its affiliates from entering into consensual restrictions on their ability to pay dividends and make payments, there are significant qualifications and exceptions to such limitations, and governing law in the local jurisdictions of the guarantors (including in Luxembourg, Argentina, Mexico, Italy, Spain, Panama) may provide additional restrictions. In the event that subsidiaries do not make distributions, Codere Finance may be unable to make required principal and interest payments on its indebtedness, including the New Notes.

Not all of the Group's subsidiaries will guarantee the New Notes, and any claim by Codere Finance or any of its creditors, including the holders of the New Notes, against such non-guarantor subsidiaries will be structurally subordinated to all of the claims of creditors of those non-guarantor subsidiaries

- 5.6 Some, but not all, of the Group's subsidiaries will guarantee the New Notes. Generally, holders of indebtedness of, and trade creditors of, non-guarantor subsidiaries, including lenders under bank financing agreements, are entitled to payments of their claims from the assets of such subsidiaries before these assets are made available for distribution to any Existing Notes Guarantors, as direct or indirect shareholders.
- Accordingly, in the event that any of the Group's non-guarantor subsidiaries become insolvent, liquidate, reorganise, dissolve or otherwise wind up, the assets of such non-guarantor subsidiaries will not be subject to claims from the holders of the New Notes to satisfy their respective credits against the Group and will be used first to satisfy the claims of such non-guarantor subsidiaries' creditors, including trade creditors, banks and other lenders. Consequently, any claim by the Group or its creditors, including holders of the New Notes, against a non-guarantor subsidiary will be structurally subordinated to all of the claims of the creditors of such non-guarantor subsidiary.

Holders of the New Notes may not control certain decisions regarding the collateral

- The New Notes will be secured by substantially the same collateral securing the obligations under the Existing Notes, the Interim Notes, the SBF and certain hedging obligations. In addition, under the terms of the indenture governing the New Notes, the Group may incur additional indebtedness and other obligations that would be secured by the same collateral.
- 5.9 Pursuant to the Intercreditor Agreement, a common security agent serves as the Security Agent for the secured parties under the SBF, Existing Notes, New Notes, certain hedging agreements and certain other indebtedness. Subject to certain limited exceptions, the Security Agent will act with respect to such collateral only at the direction of an "Instructing Group". The Security Agent may disregard any instructions from any other person to enforce the collateral and may disregard any

instructions to enforce any collateral if those instructions are inconsistent with the Intercreditor Agreement. The Security Agent is not obliged to enforce the collateral if it is not appropriately indemnified by the relevant creditors. The holders of the New Notes will not have separate rights to enforce the collateral and will not be able to instruct the Security Agent, force a sale of collateral or otherwise independently pursue the remedies of a secured creditor under the relevant security documents (the "Security Documents"), unless they comprise an Instructing Group which is entitled to give such instructions, which, in turn, will depend on conditions and circumstances described above. Disputes may occur between the holders of the New Notes, holders of the Interim Notes, holders of the Existing Notes and creditors under the SBF, the counterparties to certain hedging agreements or holders of any permitted additional indebtedness as to the appropriate manner of pursuing enforcement remedies and strategies with respect to the collateral. In such an event, the holders of the New Notes will be bound by any decisions of the Instructing Group, which may result in enforcement action in respect of the collateral, whether or not such action is approved by the holders of the New Notes or may be adverse to such holders. Further, if the Security Agent sells collateral comprising shares of any of the Group's subsidiaries as a result of an enforcement action in accordance with the Intercreditor Agreement, claims under the New Notes and the guarantees and the liens over any other assets securing the New Notes and the guarantees may be released.

The value of the collateral securing the New Notes and the guarantees may not be sufficient to satisfy the Group's obligations under the New Notes

- 5.10 The New Notes and the guarantees will be secured by security interests in collateral that also secures the obligations under, among others, the Existing Notes, the Interim Notes and the SBF. The collateral may also secure additional debt to the extent permitted by the terms of the indenture governing the New Notes, any SBF and the Intercreditor Agreement.
- No appraisal of the value of the collateral securing the New Notes has been made in connection with the offering of the New Notes and the value of the collateral in the event of liquidation will depend on market and economic conditions, the availability of buyers and other factors. Consequently, liquidating the collateral securing the New Notes may not produce proceeds in an amount sufficient to pay all or any amounts due on the New Notes.

Certain assets will be excluded from the collateral securing the New Notes

5.12 If an event of default occurs and the payment obligations under the New Notes are accelerated, the New Notes and the related guarantees will rank equally with the holders of other unsubordinated and unsecured indebtedness of the relevant entity with respect to such excluded assets. As a result, if the value of the assets pledged as security for the New Notes is less than the value of the claims of the holders of the New Notes and the other creditors secured by the collateral on a *pari passu* basis, those claims may not be satisfied in full before the claims of unsecured creditors are paid.

The Group will in most cases have control over and use of the collateral securing the New Notes, and the sale of particular assets could reduce the pool of assets securing the New Notes and the guarantees for the New Notes

- 5.13 The collateral documents allow certain members of the Group to remain in possession of, retain exclusive control over, freely operate, and collect, invest and dispose of any income from, the collateral securing the New Notes and the related guarantees. Your rights to the collateral may be diluted by any increase in the first-priority debt secured by the collateral or a reduction of the collateral securing the New Notes.
 - It may be difficult to realise the value of the collateral securing the New Notes and the collateral is subject to casualty risks
- 5.14 The collateral securing the New Notes is subject to any and all exceptions, defects, encumbrances, liens and other imperfections as may be accepted by the collateral trustee for the New Notes and any other creditors that have the benefit of first liens on the collateral securing the New Notes from time to time, whether on or after the date the New Notes are issued. The existence of any such exceptions, defects, encumbrances, liens and other imperfections could adversely affect the value of the collateral securing the New Notes as well as the ability of the collateral agent to realise or

foreclose on such collateral. Further, following a partial or complete loss, insurance proceeds may not compensate for such loss on the pledged collateral.

5.15 In addition, the security interest of the New Notes Trustee will be subject to practical problems generally associated with the realisation of security interests in collateral, including the need to obtain consent from a third party to enforce a security interest or issues with transferability (as a result of the security's own terms or as a result of applicable law.) Accordingly, the New Notes Trustee may not have the ability to foreclose upon those assets and the value of the collateral may significantly decrease.

The guarantees under the New Notes may be limited by applicable insolvency and administrative laws or subject to certain defences that may limit their validity and enforceability

- 5.16 The Group and its subsidiary guarantors are organised under the laws of varying jurisdictions whose laws may limit holders' ability to enforce their rights under the New Notes.
- 5.17 Enforcement of the guarantees against any guarantor may be subject to certain defences available to guarantors in the relevant jurisdiction. Although laws differ among jurisdictions, such laws and defences generally include those that relate to corporate purpose or benefit, fraudulent conveyance or transfer, voidable preference, insolvency or bankruptcy challenges, financial assistance, preservation of share capital, thin capitalisation, capital maintenance or similar laws, regulations or defences affecting the rights of creditors generally. If one or more of these laws and defences are applicable, a guarantor may have no liability or decreased liability under its guarantee depending on the amounts of its other obligations and applicable law.
- 5.18 Although laws differ among jurisdictions, under bankruptcy or insolvency law and other laws, a court could avoid or invalidate all or a portion of a guarantor's obligations under its guarantee, direct that holders return any amounts paid under a guarantee to the relevant guarantor or to a fund for the benefit of the guarantor's creditors or take other action that is detrimental to holders of the New Notes.

The insolvency laws of Luxembourg may differ from comparable provisions of the laws of other jurisdictions with which security holders are familiar

5.19 Because Codere Finance is incorporated under the laws of Luxembourg, an insolvency proceeding relating to Codere Finance, would likely involve Luxembourg insolvency laws, the procedural and substantive provisions of which may differ from comparable provisions of the laws of other jurisdictions with which the security holders are familiar. The differences in insolvency laws across jurisdictions engender a multitude of issues, especially with respect to the recognition of the claims of foreign creditors and recognition and enforcement of foreign insolvency proceedings and judgments. These risks and related uncertainties should be analysed carefully by Scheme Creditors.

An active trading market for the New Notes may not develop

- An application has been, or is shortly expected to be, made to The International Stock Exchange, being the Channel Islands securities exchange for the listing and quotation of the New Notes on The International Stock Exchange. No assurance can be given that Codere Finance will obtain a listing of the New Notes or be able to maintain a listing of the New Notes on the official list of The International Stock Exchange or that an active trading market for the New Notes will develop or as to the liquidity or sustainability of any such market, the ability of security-holders to sell their New Notes or the price at which security-holders will be able to sell their New Notes.
- 5.21 No assurance, warranty or guarantee is given on the tax treatment to security-holders in respect of the interest (including arrears of interest and additional interest amounts) payable to them. Scheme Creditors should therefore consult their own accounting and tax advisers regarding the Luxembourg income tax consequences of their acquisition, holding and disposal of the New Notes.

PART M: SUMMARY OF THE CHAPTER 15 ORDER

- 1. The Scheme Company will apply for relief (subject to the Court sanctioning the Scheme) in the US Bankruptcy Court in a case filed under Chapter 15 of the US Bankruptcy Code.
- 2. The Scheme Company intends to seek relief that includes, amongst other things, that:
- 2.1 recognises the Scheme as a foreign main proceeding (as defined in section 1502 of the US Bankruptcy Code) and grants the Scheme Company all of the relief afforded to such proceedings pursuant to section 1520 of the US Bankruptcy Code;
- 2.2 recognises Manuel Martinez-Fidalgo or, if he is unable to so act, Matthew Charles Turner as a "foreign representative" (the "Foreign Representative") as defined in section 101(24) of the US Bankruptcy Code in respect of the Scheme;
- 2.3 entrusts the administration of any and all of the Scheme Company's assets within the territorial jurisdiction of the United States to the Foreign Representative;
- 2.4 provides that the Court Order and the Scheme are recognised, granted comity, entitled to full force and effect against all entities (as that term is defined in section 101(15) of the US Bankruptcy Code) in accordance with their terms, and that such terms shall be binding and fully enforceable on all Scheme Creditors and New Notes Purchasers;
- 2.5 permanently enjoins all Scheme Creditors, the Backstop Purchasers, and the New Notes Purchasers from commencing or continuing in any manner, directly or indirectly, including by way of counterclaim, any action, suit or other proceeding (including, without limitation, arbitration, mediation or any judicial, quasi-judicial, or administrative action, proceeding or process whatsoever in any judicial, arbitral, administrative or other forum), employing any process, or performing any act to collect, recover or offset any debt cancelled, discharged or restructured under the Scheme, in each case, to the extent inconsistent with the Scheme;
- 2.6 permanently enjoins Scheme Creditors, the Backstop Purchasers and the New Notes Purchasers from (i) transferring, relinquishing or disposing of any property of the debtor parties located within the territorial jurisdiction of the United States (the "**Debtor Parties**"), or (ii) taking or continuing any act to obtain possession of or exercise control over, such property, in each case, to the extent inconsistent with the Scheme;
- 2.7 permanently enjoins all entities (as that term is defined in section 101(15) of the US Bankruptcy Code) subject to the US Bankruptcy Court's jurisdiction from taking any action inconsistent with the Scheme, including, without limitation, against the Debtor Parties or any property of Debtor Parties within the territorial jurisdiction of the United States;
- 2.8 permanently enjoins all Scheme Creditors, the Backstop Purchasers, and the New Notes Purchasers from commencing or continuing in any manner, directly or indirectly, including by way of counterclaim, any action, suit or other proceeding (including, without limitation, arbitration, mediation or any judicial, quasi-judicial, or administrative action, proceeding or process whatever in any judicial, arbitral, administrative or other forum), or employing any process, against the Foreign Representative (personally or in such capacity), the Scheme Company or the other Debtor Parties in respect of any claim or cause of action, in law or in equity, arising out of or relating to any action taken or omitted to be taken in connection with the Chapter 15 case or the Scheme;
- 2.9 provides that no action taken by the Foreign Representative in preparing, disseminating, applying for, implementing or otherwise in connection with the Scheme, the Transaction Documents, any order entered in respect of the petition, the Chapter 15 case, any further order for additional relief in the Chapter 15 case, or any adversary proceedings or contested matters in connection therewith, will be deemed to constitute a waiver of any immunity afforded the Foreign Representative, including without limitation pursuant to section 1510 of the US Bankruptcy Code;
- 2.10 provides that the US Bankruptcy Court shall retain jurisdiction with respect to the effect, enforcement, amendment or modification of such order or orders; and
- 2.11 provides such other and further relief as the US Bankruptcy Court deems proper and just.

PART N: DEFINITIONS AND INTERPRETATION

1. DEFINITIONS AND INTERPRETATION

- 1.1 In this Scheme Document, save the Scheme, unless the context otherwise requires or otherwise expressly provides for:
- 1.2 references to a 'Section' or 'Part' are references to a section or part of this Scheme Document;
- 1.3 references to a 'person' include references to an individual, firm, partnership, company, corporation, unincorporated body of persons or any state or state agency;
- 1.4 references to a statute or statutory provision include the same as subsequently modified, amended or re-enacted from time to time;
- 1.5 references to time are to London time;
- 1.6 the singular includes the plural and vice versa and words importing one gender shall include all genders;
- 1.7 a reference to any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall in respect of any jurisdiction other than England be deemed to include what most nearly approximates the English legal term in that jurisdiction and references to any English statute or enactment shall be deemed to include any equivalent or analogous laws or rules in any other jurisdiction; and
- 1.8 headings are for ease of reference only and shall not affect the interpretation of this Scheme Document.

"Account Holder"	means the holder of an account with a Clearing System;
"Account Holder Letter"	means the account holder letter substantially in the form set out in out in Section V (Account Holder Letter) to this Scheme Document;
"Act"	means the Companies Act 2006 of England and Wales (as amended);

"Ad Hoc Committee"

has the meaning given to that term in Section I, Part C, paragraph 3.1;

"Advisers"

- (a) Clifford Chance LLP and its Affiliates, legal adviser to the Scheme Company and the Group;
- (b) Cleary Gottlieb Steen & Hamilton LLP and its Affiliates, legal adviser to the Scheme Company and the Group;
- (c) PJT Partners (UK) Ltd., financial adviser to the Ad Hoc Committee;
- (d) Milbank LLP, legal adviser to the Ad Hoc Committee;
- (e) Proskauer Rose (UK) LLP, legal adviser to the Existing Notes Trustee, the Information Agent, the Security Agent, the New Notes Trustee, the Paying Agent, the Registrar, the Transfer Agent and the Escrow Agent;
- (f) Gómez-Acebo & Pombo, legal adviser to the Ad Hoc Committee;
- (g) any other legal adviser to the Ad Hoc Committee and/or one or more members of the Group, in each case appointed by/or with the written consent of the Scheme Company or the Parent;

- (h) Deloitte LLP, adviser to the Scheme Company and the Group in respect of certain matters referred to in the Explanatory Statement; and
- (i) any of the foregoing's partners, employees and affiliated partnerships and the partners and employees of such affiliated partnerships and their respective subsidiaries and Holding Companies and any other counsel engaged by any of the foregoing on behalf of their client or by the client directly in connection with the Transaction;

"Affiliate"

means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company or a Related Fund, and any other person who controls, is controlled by, or is under common control with that person, which control relationship may arise by means of ownership of securities, contract, the terms of any organisational documents, or any other documented and legally binding arrangement;

"Agency Agreement"

means the settlement and information agency agreement between, amongst others, Codere Finance, the Information Agent and GLAS Specialist Services Limited as the "Settlement Agent";

"Agreement Amongst Lenders" has the meaning given to that term in Section I, Part B, paragraph 4.4;

"AHC Advisers' Fees"

has the meaning given to that term in Section I, Part G, paragraph 3.22;

"Alternative Scenario 1"

has the meaning given to that term in Section I, Part D, paragraph 7.7;

"Alternative Scenario 2"

has the meaning given to that term in Section I, Part D, paragraph 7.7;

"Amendments and New Money Term Sheet" has the meaning given to that term in Section I, Part C, paragraph 3.3;

"Backstop Commitment"

has the meaning given to that term in Section I, Part C, paragraph 10.1;

has the meaning given to that term in Section I, Part C, paragraph 11.7;

"Backstop New Notes"

"Backstop Fee"

has the meaning given to that term in Section I, Part E, paragraph4.15;

"Backstop New Notes Allocated Principal Amount"

has the meaning given to it in Schedule 1 (New Notes Entitlements and New Notes Subscription Amounts) to the Scheme;

"Backstop New Notes Deduction Amount" has the meaning given to it in Schedule 1 (New Notes Entitlements and New Note Subscription Amounts) to the Scheme;

"Backstop New Notes Pre-Funded Interest Amount"

has the meaning given to that term in Section I, Part E, paragraph 4.16;

"Backstop New Notes Pre-Funded Interest Overpayment Amount" means the amount of interest which would accrue on a Backstop Purchaser's Backstop New Notes Allocated Principal Amount from (and including) the Completion Date to (and including) 30 October 2020;

"Backstop New Notes Prehas the meaning given to that term in the New Notes Purchase Funded Refund Amount" Agreement; "Backstop New Notes has the meaning given to that term in Section I, Part E, **Subscription Amount"** paragraph 4.17; has the meaning given to that term in Section I, Part E, "Backstop New Notes Total **Subscription Amount"** paragraph 4.22; "Backstop Purchaser" has the meaning given to that term in Section I, Part C, Paragraph 10.1; means Title 11 of the United States Code entitled "Bankruptcy", "Bankruptcy Code" as now and hereafter in effect, or any successor statute; "Bankruptcy Court" means the United States Bankruptcy Court for the Southern District of New York or other court of competent jurisdiction presiding over the Chapter 15 Proceedings seeking, among other things, entry of the Chapter 15 Order; "Beneficiary" has the meaning given to that term in the Escrow Deed; "Brussels (Recast) means Regulation (EU) No 1215/2012 on Jurisdiction and Regulations" Recognition and Enforcement of Judgments in Civil and Commercial Matters; "Business Day" means each day that is not a Saturday, Sunday or other day on which banking institutions in London, Madrid or New York are authorised by law to close; "Chairperson" means the chairperson of the Scheme Meeting; "Calculation Advisers" means the Advisers listed in sub-paragraph (a) to (e) of the definition of Advisers. "Chapter 15 Filing" means the filing before the US Bankruptcy Court for the purpose of seeking the Chapter 15 Order; "Chapter 15 Hearing" means the hearing before the Bankruptcy Court for the purpose of seeking the Chapter 15 Order; "Chapter 15 Order" means, in respect of the Scheme, a recognition order from the Bankruptcy Court; "Chapter 15 Proceedings" means a case commenced in the Bankruptcy Court under Scheme and related relief;

chapter 15 of the Bankruptcy Code seeking recognition of the

"Chapter 15 Recognition"

has the meaning given to that term in Section I, Part C, paragraph 14.1;

"Clearing System"

means either or both of Clearstream Banking S.A., or Euroclear Bank SA/NV, as applicable;

"Co-Obligor Accession"

has the meaning given to that term in Section I, Part C, paragraph 13.3;

"Code"

means US Internal Revenue Code of 1986, as amended;

"Codere Affiliate"

means:

- (a) the Parent;
- (b) any direct or indirect subsidiary of the Parent immediately prior to the Completion Date; and
- without limiting paragraph (b) above, the Scheme (c) Company and Codere Finance;

"Codere Finance" means Codere Finance 2 (Luxembourg) S.A., a public limited

> liability company (société anonyme) incorporated and existing under the laws of the Grand Duchy of Luxembourg, having its registered office at 6c, rue Gabriel Lippmann, L-5365 Munsbach, Grand Duchy of Luxembourg, and registered with the Luxembourg Register of Commerce and Companies under

number B 199.415;

"Common Depositary" has the meaning given to that term in the Existing Notes

Indenture;

"Completion" has the meaning given to it in the Scheme;

"Completion Date" means the second Business Day immediately following the date

> on which the last of the Transaction Implementation Conditions has been satisfied or waived in accordance with all relevant Transaction Documents (or, if the Scheme Company so determines (acting reasonably), the next following Business

Day);

"Completion Steps" has the meaning given to that term in Section I, Part E,

paragraph 7.1;

"Completion Time" has the meaning given to that term in Section I, Part E,

paragraph 9.7;

"Consent Fee" has the meaning given to that term in Section I, Part C,

paragraph 11.4;

"Consent Fee Notification

Date"

has the meaning given to that term in Section I, Part C, paragraph 11.2;

"Consenting Noteholders" has the meaning given to that term in Section I, Part C,

paragraph 6.2;

"Court" means the High Court of Justice of England and Wales, the

Court of Appeal of England and Wales, and the UK Supreme

"Court Order" means the order of the Court sanctioning the Scheme under

section 899 of the Companies Act 2006;

"CSSF" means Commission de Surveillance du Secteur Financier;

"Custody Instructions" means the custody instructions delivered to Euroclear Bank

> SA/NV, or Clearstream Banking S.A.,, as the case may be, to "block" the Existing Notes identified in an Account Holder

Letter as being held in such Clearing System;

"Custody Instructions

Deadline"

means 4.00 pm (London time) on 24 September 2020;

"Custody Instruction

Reference Number"

means the refence number provided to an Existing Noteholder

in respect of its Custody Instructions;

"Debtor Parties" has the meaning given to that term in Section I, Part M,

paragraph 2.6;

"Deed of Release" means the deed of release in substantially the form set out at

Appendix 2 to the Scheme;

"Deloitte" means Deloitte LLP;

"Director" means any person who is or was at any time a director, manager,

general partner, officer (or equivalent) of a member of the

"Disqualified Person" means a US Person (as defined under Regulation S) or a person

who is a citizen of, or domiciled or resident in, or subject to the

laws of, any jurisdiction where the offer to issue to or subscription by such person of any New Notes is prohibited by law or would, or would be likely to, result in the Parent or any of its subsidiaries being required to comply with any filing, registration, disclosure or other onerous (as may be decided by the board of the Parent or any such subsidiary at their sole discretion) requirement in such jurisdiction and with respect to offers and sales of New Notes in the United States, a Disqualified Person is any person who is not a QIB;

"Downwards Adjustment"

has the meaning given to that term in Section I, Part E, paragraph 4.10;

"Early Bird Consent Fee"

has the meaning given to that term in Section I, Part C, paragraph 11.1;

"EEA"

means European Economic Area;

"Eligible Securities"

has the meaning given to that term in Section I, Part L, paragraph 3.14;

"ERISA"

means the US Employee Retirement Income Security Act, as amended;

"Escrow Account"

has the meaning given to that term in Section I, Part E, paragraph 2.1;

"Escrow Account Balance"

has the meaning given to that term in Section I, Part E,

paragraph 4.24

"Escrow Agent"

has the meaning given to that term in Section I, Part E,

paragraph 2.1;

"Escrow Deed"

has the meaning given to that term in Section I, Part E,

paragraph 2.2;

"Escrow Funding Condition"

has the meaning given to that term in Section I, Part E, paragraph 5.1;

"Escrow Long-Stop Date"

has the meaning given to that term in Section I, Part E, paragraph 2.5;

"Escrow Payment Confirmation" has the meaning given to that term in Section I, Part E, paragraph 9.4;

"Escrow Release Notice"

means a notice substantially in the form set out at Schedule 1 of the Escrow Deed;

"EUR"

means the lawful currency for the time being of participating member states for the purposes of the European Monetary

"Euroclear"

means Euroclear Bank SA/NV:

"Existing Dollar Noteholder"

has the meaning given to that term in Section I, Part A, paragraph 1.2;

"Existing Dollar Notes"

shall have the meaning given to that term in Section I, Part A, paragraph 1.1;

"Existing Euro Noteholder"

has the meaning given to that term in Section I, Part A, paragraph 1.2;

"Existing Euro Notes"

has the meaning given to that term in Section I, Part A, paragraph 1.1;

"Existing Noteholders"

has the meaning given to that term in Section I, Part A, paragraph 1.2;

"Existing Notes" has the meaning given to that term in Section I, Part A, paragraph 1.1; "Existing Notes Amended means the amended form of the global notes for the Existing Global Notes" Notes, substantially in the form set out at Section VII (Transaction Documents) to this Scheme Document; "Existing Notes has the meaning given to that term in Section I, Part C, Amendments" paragraph 4.2; "Existing Notes A&R means a supplemental indenture to the Existing Notes Indenture **Supplemental Indenture**" substantially in the form set out in Appendix 3 to the Scheme; "Existing Notes Guarantor" means a 'Guarantor' under and as defined in the Existing Notes Indenture; "Existing Notes Indenture" has the meaning given to that term in Section I, Part A, paragraph 1.1; "Existing Notes Trustee" has the meaning given to that term in Section I, Part A, paragraph 1.1; "Explanatory Statement" means this Section I to this Scheme Document given in accordance with section 897 of the Act; "Failed Funder" has the meaning given to that term in Section I, Part E, paragraph 5.1; "Failed Funding Event" means that the Escrow Account Balance as at the Funding Deadline is less than the Required Escrow Subscription Amount: "Failed Funding New Notes" has the meaning given to that term in Section I, Part E, paragraph 5.2; "Failed Funding New Notes has the meaning given to that term in Annex 2 (Failed Funding **Entitlement**" New Notes Entitlements and Failed Funding New Notes Subscription Amounts) to Schedule 2 (Failed Funding Process) of the Scheme; "Failed Funding New Notes has the meaning given to that term in Section I, Part E, **Election Letter**" paragraph 5.2; "Failed Funding New Notes has the meaning given to that term in Section I, Part E, **Pre-Funded** Interest paragraph 5.2; Amount" has the meaning given to that term in Section I, Part E, "Failed Funding New Notes paragraph 5.2; **Subscription Amount"** "Failed Funding New Notes has the meaning given to that term in Section I, Part E, **Subscription Deadline**" paragraph 5.3; "Failed Funding New Notes means a notice, substantially in the form set out in Annex 1 Notice" (Failed Funding New Notes Notice) to Schedule 2 (Failed Funding Process) of the Scheme; "Failed Funding New Notes has the meaning given to that term in Section I, Part E, Allocated Principal Amount" paragraph 5.2; "Failed Funding Notice" means a notice from the Information Agent notifying Eligible Purchasers of certain information (as further specified in paragraph 4.5 of the Scheme) and requiring Eligible Purchasers

to deliver funds to the Escrow Account in respect of their prospective purchase of Failed Funding New Notes;

"Fifth Covid-19 Statement"

has the meaning given to that term in Section I, Part C, paragraph 2.1, and which appears here;

"First Covid-19 Statement"

has the meaning given to that term in Section I, Part C, paragraph 2.1, and which appears here;

"Foreign Representative"

has the meaning given to that term in Section I, Part M, paragraph 2.2;

"Fourth Covid-19 Statement" has the meaning given to that term in Section I, Part C, paragraph 2.1, and which appears here;

"Funding Deadline"

means 4.00 pm on the Funding Deadline Date;

"Funding Deadline Date"

means the fifth Business Day after Funding Notices are sent in accordance with Clause 6.1 (Funding Notices) of the Scheme;

"Funding Notice"

means a notice from the Information Agent notifying New Notes Purchasers and Backstop Purchasers of certain information (as further specified in Clause 5.1 of the Scheme) and requiring New Notes Purchasers and Backstop Purchasers to deliver funds to the Escrow Account pursuant to the terms of the New Notes Purchase Agreement;

"Funds Flow"

means a funds flow which details payments to be made on the Completion Date in accordance with the terms of the Escrow Deed;

"GLAS"

means GLAS Trust Corporation Limited;

"Group"

means the Parent and all of its direct and indirect Subsidiaries, including (for the avoidance of doubt) the Scheme Company, Codere Finance, and each of the Guarantors;

"Guarantor"

means an Existing Notes Guarantor and a 'Guarantor' under and as defined in the Interim Notes Indenture;

"Holding Company"

means, in relation to a company, corporation or partnership, any other company, corporation or partnership in respect of which it is a Subsidiary;

"IFRS"

means the International Financial Reporting Standards, as endorsed by the European Union;

"Information Agent"

means GLAS Specialist Services Limited, in its capacity as Information Agent for the Scheme Company and the Group;

"Initial Allocations"

has the meaning given to that term in Section I, Part E, paragraph 4.11;

"Initial Failed Funding Deadline"

has the meaning given to that term in Section I, Part E, paragraph 5.1;

"Intercreditor Agreement"

has the meaning given to that term in Section I, Part B, paragraph 4.3;

"Interim Notes"

has the meaning given to that term in Section I, Part B, paragraph 3.3;

"Interim Notes Documents"

has the meaning given to that term in Section I, Part C, paragraph 8.2;

"Interim Notes Indenture"

means the indenture relating to the Interim Notes dated 29 July 2020 (as amended, restated and/or supplemented from time to time), and made between, among others, Codere Finance, the Parent, and the New Notes Trustee;

"Interim Notes Purchasers"

has the meaning given to that term in Section I, Part C, paragraph 8.1;

"Intermediary"

means a person who holds an interest at the Record Time in any Existing Notes on behalf of another person or other persons who do not hold that interest as an Account Holder;

"KYC"

means Know-Your-Customer;

"KYC Clearance Deadline"

means 4.00 pm (London time) on the date which is the fourth Business Day after the New Notes Subscription Deadline;

"KYC Documentation"

means the documentation and information required by the Escrow Agent in order to validly complete its "know your customer" process in respect of a Scheme Creditor and/or Nominated Participant who wishes to become a New Notes Purchaser;

"KYC Information Deadline"

means 12.00 pm (London time) on the date which is the second Business Day after the New Notes Subscription Deadline;

"Liability" or "Liabilities"

means any present or future obligation, liability, claim, counterclaim or debt at any time including without limitation, for the payment of money, performance of an act or obligation, or otherwise, whether in respect of principal, interest or otherwise, whether actual or contingent, whether fixed or undetermined, whether owed jointly or severally and whether owed as principal, surety or in any capacity whatsoever and whether it arises at common law, in equity, in contract, in tort, by statute in the State of New York or England and Wales or in any other jurisdiction under whatever applicable law, under any legal theory, and in any manner whatsoever, including any amount which would constitute such a liability but for any discharge, non-provability, unenforceability or non- allowance of the same in any insolvency or other Proceeding including any claim for breach of representation, warranty or undertaking or on an event of default or under any indemnity given under or in connection with any document or agreement evidencing or constituting any other Liability falling within this definition, and any claim for damages or restitution;

"LMV"

means Royal Legislative Decree 4/2015 of 23 October 2015, approving the consolidated text of the Securities Market Law (Real Decreto Legislativo 4/2015, de 23 de octubre, por el que se aprueba el texto refundido de la Ley del Mercado de Valores);

"Long-Stop Date"

means 31 December 2020;

"Maximum New Notes Commitment" has the meaning given to that term in Section I, Part E, paragraph 4.7;

"Majority Scheme Creditors" means those Scheme Creditors holding over 50 per cent. in value of all Scheme Claims;

"MiFID II"

means Directive 2014/65/EU, as amended;

"Minimum Escrow Cash Completion Amount" means EUR 155 million:

(a) plus the aggregate of the New Notes Total Pre-Funded Interest Amount, the Backstop New Notes Total Pre-Funded Interest Amount and the Funding New Notes Pre-Funded Interest Amount; and

(b) minus the aggregate of the New Notes Total Deduction Amount and the Backstop New Notes Total Deduction Amount:

"New Notes"

has the meaning given to that term in Section I, Part C, paragraph 4.2;

"New Notes Allocated Principal Amount"

has the meaning given to that term in Section I, Part E, paragraph 4.14;

"New Notes Authentication and Delivery Order"

means a notice substantially in the form of Annex C to Schedule E to the New Notes Purchase Agreement;

"New Notes Compliance with Authentication Order"

means a notice substantially in the form of Annex G to Schedule E to the New Notes Purchase Agreement;

"New Notes Deduction Amount" has the meaning given to it in Schedule 1 (New Notes Entitlements and New Notes Subscription Amounts) to the Scheme;

"New Notes Entitlement"

has the meaning given to that term in Section I, Part E, paragraph 4.8(b);

"New Notes Global Notes"

means the global notes for the New Notes in the form set out at Exhibits A-1 and A-2 to the Interim Notes Indenture;

"New Notes Instruction"

means a notice substantially in the form of Annex D to Schedule E to the New Notes Purchase Agreement;

"New Notes Pre-Funded Interest Amount" has the meaning given to that term in Section I, Part E, paragraph 4.16;

"New Notes Purchase Agreement"

means the note purchase agreement dated 28 August 2020 (as amended, restated and/or supplemented from time to time), and originally made between Codere Finance and the Backstop Purchasers in relation to the purchase of New Notes in the form set out at Section VII (*Transaction Documents*) of this Scheme Document;

"New Notes Purchaser"

has the meaning given to that term in Section I, Part D, paragraph 4.1;

"New Notes Purchaser Letter" means a letter, including an accession to the New Notes Purchase Agreement, in substantially the form set out at Section 4 of Part 3 of the Account Holder Letter;

"New Notes Subscription Amount" has the meaning given to that term in Section I, Part E, paragraph 4.16;

"New Notes Subscription Deadline"

has the meaning given to that term in Section I, Part D, paragraph 4.2;

"New Notes Supplemental Indenture"

means the supplemental indenture to the Interim Notes Indenture, substantially in the form set out at Schedule E to the New Notes Purchase Agreement;

"New Notes Total Allocated Principal Amount"

has the meaning given to that term in Section I, Part E, paragraph 4.14;

"New Notes Total Pre-Funded Interest Amount" means the aggregate of the New Notes Pre-Funded Interest Amounts of all New Notes Purchasers, taken together;

"New Notes Total Subscription Amount"

means the aggregate of the New Notes Subscription Amounts of all New Notes Purchasers, taken together;

"New Notes Trustee"

means GLAS Trustees Limited, as trustee under the Interim Notes Indenture (including as amended pursuant to the New Notes Supplemental Indenture);

"Nominated Participant"

means an Affiliate or Related Fund of a Scheme Creditor who:

- (a) has been nominated by that Scheme Creditor to take up part or all of its right to purchase New Notes in the relevant parts of a validly completed Account Holder Letter, which is submitted to the Information Agent (alongside a validly completed New Notes Purchaser Letter, Nominated Participant Deed and such other information as is required by the Information Agent to be submitted as set out in the Account Holder Letter) by no later than the New Notes Subscription Deadline; and
- (b) holds an account with the same Account Holder as the Scheme Creditor, and agrees to receive its New Notes into the same account:

"Nominated Participant Deed"

means a deed, executed by a Nominated Participant, substantially in the form set out at part 3 of the Account Holder Letter;

"Notice of Scheme Meeting"

means the notice to Scheme Creditors regarding the Scheme Meeting, substantially in the form set out at Section IV (*Notice of the Scheme Meeting*) to this Scheme Document;

"Objecting Scheme Creditor"

has the meaning given to that term in Section I, Part G, paragraph 3.25;

"Obligors"

has the meaning given to that term in Section I, Part B, paragraph 4.2;

"October Coupon"

has the meaning given to that term in Section I, Part D, paragraph 7.3;

"Order"

means the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005;

"Original Lock-Up Agreement"

has the meaning given to that term in Section I, Part C, paragraph 5;

"Overallocation Amount"

has the meaning given to that term in Section I, Part E, paragraph 4.11;

"Oversubscriber"

has the meaning given to that term in Section I, Part E, paragraph 4.9;

"Parent"

means Codere, S.A.;

"Paving Agent"

means:

- (a) Banco Bilbao Vizcaya Argentaria, S.A. with respect to the Existing Notes; and
- (b) Global Loan Agency Services, Limited, with respect to the Interim Notes and New Notes;

"Pre-Completion Date New Notes Purchase Conditions Precedent" means the conditions set forth in Section 5 (Conditions of the Obligations of the Purchasers) of the New Notes Purchase Agreement that are capable of being satisfied prior to the Completion Date;

"PRIIPs Regulation"

means Regulation (EU) No 1286/2014, as amended;

"Pro Rata Purchaser"

has the meaning given to that term in Section I, Part E, paragraph 4.9;

"Protected Parties"

each of: (i) any or all of the Directors; (ii) the Advisers; (iii) the Ad Hoc Committee; (iv) the Existing Notes Trustee; (v) the New Notes Trustee; (vi) the Security Agent; (vii) each member

of the Group; (viii) Affiliates of the Scheme Company; and (ix) for the avoidance of doubt, each and any of such parties' partners, members, employees, consultants and other representatives;

"QIB" means a qualified institutional buyer;

"RCF" has the meaning given to that term in Section I, Part B,

paragraph 3.1;

"RCF Agents" has the meaning given to that term in Section I, Part B,

paragraph 3.1;

"RCF Agreement" means a EUR 95 million super senior revolving credit facilities

agreement originally dated 24 October 2016, as amended, modified or supplemented from time to time between, amongst others, the Parent, Codere Newco S.A.U., the lenders named

therein and the Security Agent;

"RCF Finance Document" has the meaning given to the term "Finance Document" in the

RCF Agreement;

"RCF Lenders" has the meaning given to that term in Section I, Part B,

paragraph 3.1;

"RCF Settlement Amount" means the aggregate amount required to discharge all Liabilities

under the RCF Finance Documents on the Completion Date;

"RCF Standstill" has the meaning given to that term in Section I, Part C,

paragraph 7.1;

"Record Date" means 25 September 2020;

"Record Time" has the meaning given to that term in Section I, Part A,

paragraph 1.2;

"Refund Interest Amount" has the meaning given to that term in Section I, Part E,

paragraph 4.19;

"Registrar" means GLAS Americas LLC, as registrar for the Existing

Notes, the Interim Notes, and the New Notes;

"Registrar of Companies" means the registrar of companies within the meaning of the Act;

"Regulation S" means Regulation S under the Securities Act;

"Related Fund" means in relation to a fund (the "First Fund") a fund which is

(i) managed or advised by the same investment manager or investment adviser as the First Fund or (ii) if it is managed by a different investment manager or investment adviser, a fund whose investment manager or investment adviser is an Affiliate of the investment manager or investment adviser of the First

Fund:

"Released Person" means each of the following:

(a) the Scheme Company;

(b) Codere Finance;

(c) the Parent;

(d) the Guarantors;

(e) each Scheme Creditor;

(f) each Nominated Participant;

- (g) each Backstop Purchaser;
- (h) the Advisers;
- (i) the Existing Notes Trustee;
- (i) the New Notes Trustee;
- (k) the Security Agent;
- (l) the Registrar;
- (m) the Transfer Agent;
- (n) each Paying Agent;
- (o) the Directors;
- (p) the Information Agent;
- (q) the Escrow Agent; and
- (r) the Tabulation Agent,

and each of their respective Affiliates, Related Persons, Related Funds and all of their respective present, past or future partners, officers, Directors, employees, assigns, transferees, principals, agents, representatives and advisers (in each case excluding, for the avoidance of doubt, any past or present auditors of the Group and including, for the avoidance of doubt, members of the Ad Hoc Committee who are Scheme Creditors or Affiliates or Related Funds of Scheme Creditors).

"Relevant New Notes Entitlement" has the meaning given to that term in Section I, Part E, paragraph 4.5;

"Remote Participation Methods" has the meaning given to that term in Section III, paragraph 5.2;

"Revised Lock-Up Agreement" has the meaning given to that term in Section I, Part C, paragraph 6.1;

"Revolving Agent"

has the meaning given to that term in the Intercreditor Agreement;

"Required Escrow Subscription Amount"

means the aggregate of the New Notes Total Subscription Amount and the Backstop New Notes Total Subscription Amount;

"SBF"

has the meaning given to that term in Section I, Part B, paragraph 3.2;

"Scenario 1"

has the meaning given to that term in Section I, Part D, paragraph 7.7;

"Scheme"

means the scheme of arrangement proposed by the Scheme Company made pursuant to Part 26 of the Companies Act 2006 in the form or substantially in the form set out in Section II (*The Scheme*) to this Scheme Document or subject to any modification, addition or condition which the Court may think fit to approve or impose;

"Scheme Claim"

means, in relation to a Scheme Creditor, the principal amount of all Existing Notes beneficially held by such Scheme

Creditor, together with accrued but unpaid interest thereon, calculated as at the Record Time and with all amounts denominated in USD being notionally converted into EUR at the Spot Rate of Exchange;

"Scheme Company"

means Codere Finance 2 (UK) Limited;

"Scheme Comparator Analysis" has the meaning given to that term in Section I, Part D, paragraph 7.7;

"Scheme Creditor"

has the meaning given to that term in Section I, Part A, paragraph 1.2;

"Scheme Document"

means this document:

"Scheme Effective Time"

means the time at which an office copy of the Court Order is delivered to the Registrar of Companies for registration;

"Scheme Meeting"

means the meeting of the Scheme Creditors convened in accordance with the order of the Court pursuant to section 896 of the Act to consider, and if thought fit, approve, the Scheme, including any adjournment thereof;

"Scheme Party"

means a Scheme Creditor, a Nominated Participant, or an Undertaking Party;

"Scheme Sanction Hearing"

means a hearing of the Court for the purpose of sanctioning the Scheme, including any adjournment thereof;

"Scheme Website"

means https://glas-agency.appiancloud.com/suite/sites/codere;

"SEC"

means the US Securities and Exchange Commission;

"Second Covid-19 Statement" has the meaning given to that term in Section I, Part C, paragraph 2.1, and which appears here;

"Second Failed Funding Deadline"

has the meaning given to that term in Section I, Part E, paragraph 5.3;

"Second Failed Funding Event"

has the meaning given to that term in Section I, Part E, paragraph 5.1;

"Securities Act"

means the US Securities Act of 1933, as amended;

"Security Agent"

has the meaning given to that term in the Intercreditor Agreement;

"Security Confirmation Documents"

means:

- (a) the master confirmation agreement relating to Security Documents governed by Luxembourg law;
- (b) the Spanish law governed extension and ratification agreement relating to the Security Documents governed by Spanish law; and
- (c) the amendment and/or the confirmation and extension agreements in respect of the Security Documents governed by Italian law;

"Security Documents"

has the meaning given to that term in Section I, Part L, paragraph 5.9;

"Shortfall Amount"

has the meaning given to that term in Section I, Part E, paragraph 4.12;

"Similar Law"

has the meaning given to that term in the Important Notices to US Investors;

"Spot Rate of Exchange"	means a publicly available spot rate of exchange selected by the Information Agent (acting reasonably) at or about 11.00 am on the Business Day immediately preceding the Record Time;
"Subsidiary"	means a subsidiary within the meaning of section 1159 of the Companies Act 2006 and a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006;
"Successful Failed Funding Process"	has the meaning given to that term in Section I, Part E, paragraph 5.3(c);
"Super-Majority Consenting Noteholders"	has the meaning given to that term in Section I, Part C, paragraph 6.5;
"Tabulation Agent"	means GLAS Specialist Services Limited, in its capacity as tabulation agent for the Scheme Meeting;
"Third Covid-19 Statement"	has the meaning given to that term in Section I, Part C, paragraph 2.1, and which appears here ;
"Total Failed Funding Amount"	has the meaning given to that term in Section I, Part C, paragraph 5.1;
"Transaction"	has the meaning given to that term in Section I, Part C, paragraph 4.2;
"Transaction Document"	means each of the following documents: (a) the Agency Agreement;
	(b) the Deed of Release;
	(c) the Escrow Deed;
	(d) the Existing Notes A&R Supplemental Indenture;
	(e) the Existing Notes Amended Global Notes
	(f) the New Notes Purchase Agreement;
	(g) the New Notes Supplemental Indenture;
	(h) the New Notes Global Notes; and
	(i) the Security Confirmation Documents;

means:

"Transaction Implementation Conditions"

- (a) the Scheme Effective Time has occurred;
- (b) the Chapter 15 Order has been made;
- (c) the Funding Notices have been sent and, if applicable, any Failed Funding Notices have been sent;
- (d) the Escrow Agent has confirmed to the Scheme Company that:
 - (i) the Escrow Account Balance as at the Funding Deadline is equal to the Required Escrow Subscription Amount; or
 - (ii) if a Failed Funding Event has occurred, the Total Failed Funding Amount has been funded

into the Escrow Account by the Initial Failed Funding Deadline; or

- (iii) if a Second Failed Funding Event has occurred either:
 - (A) the Total Failed Funding New Notes Subscription Amount has been funded into the Escrow Account by the Second Failed Funding Deadline; or
 - (B) the Escrow Account Balance as at the Second Failed Funding Deadline is equal to at least the Minimum Escrow Cash Completion Amount;
- (e) the Escrow Agent has received a Funds Flow showing all payments to be made under Clause 7.3.1(c)(i) of the Scheme other than the payment set out in Clause 7.3.1(c)(i)(A) of the Scheme; and
- (f) all of the Pre-Completion Date New Notes Purchase Conditions Precedent have been satisfied or waived in accordance with the New Notes Purchase Agreement

"Transfer Agent"

means GLAS Americas LLC, as transfer agent for the Existing Notes, the Interim Notes, and the New Notes;

"Trustee"

Means GLAS Trust Corporation;

"Undersubscriber"

has the meaning given to that term in Section I, Part E, paragraph 4.9;

"Undertaking"

means, in relation to an Undertaking Party, an undertaking to be bound by and to perform the obligations contemplated to be performed by it under or in connection with this Scheme, on terms acceptable to the Scheme Company (acting reasonably);

"Undertaking Party"

means each of the following parties who have given Undertakings:

- (a) Codere Finance;
- (b) each Guarantor (including, for the avoidance of doubt, the Parent);
- (c) each Nominated Participant;
- (d) the Information Agent;
- (e) the Escrow Agent;
- (f) the Existing Notes Trustee;
- (g) the Security Agent;
- (h) the Settlement Agent; and
- (j) the New Notes Trustee;

"UK"

means the United Kingdom;

"US Bankruptcy Court"

means the United States Bankruptcy Court for the Southern District of New York or other appropriate forum in a case filed under Chapter 15 of the US Bankruptcy Code;

"USD"

means United States dollars;

"Voting Deadline" means 4.00 pm (London time) on 25 September 2020;
"Voting Sections of the Account Holder Letter; and Account Holder Letter"

"Work Fee" has the meaning given to that term in Section I, Part C, paragraph 11.9.

SECTION II: THE SCHEME

CHANCE

CR-2020-003544

THE HIGH COURT OF JUSTICE

BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES INSOLVENCY AND COMPANIES LIST (ChD)

IN THE MATTER OF CODERE FINANCE 2 (UK) LIMITED

- AND -

IN THE MATTER OF THE COMPANIES ACT 2006

SCHEME OF ARRANGEMENT (under Part 26 of the Companies Act 2006)

BETWEEN

CODERE FINANCE 2 (UK) LIMITED

AND

THE SCHEME CREDITORS (as hereinafter defined)

255212-3-737-v3.0 66-40747934

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1. **INTERPRETATION**

1.1 **Definitions**

In this Scheme the definitions in Schedule 2 (Failed Funding Process) shall apply, unless indicated to the contrary, and the following terms have the following meanings:

"Account Holder" means the holder of an account with a Clearing System.

"Account Holder Letter" means an account holder letter in the form set out at Section V (*Account Holder Letter*) of the Scheme Document.

"Ad Hoc Committee" means the ad hoc committee of Scheme Creditors and/or Affiliates, Related Persons or Related Funds of Scheme Creditors, whose role in relation to the Transaction is more particularly described in the Explanatory Statement.

"Adviser Fees" means, with respect to an Adviser, the amount of its fees, costs, and expenses incurred in connection with the Scheme and the Transaction, as set out in the Funds Flow.

"Advisers" means:

- (a) Clifford Chance LLP and its Affiliates, legal adviser to the Scheme Company and the Group;
- (b) Cleary Gottlieb Steen & Hamilton LLP and its Affiliates, legal adviser to the Scheme Company and the Group;
- (c) PJT Partners (UK) Ltd., financial adviser to the Ad Hoc Committee;
- (d) Milbank LLP, legal adviser to the Ad Hoc Committee;
- (e) Proskauer Rose (UK) LLP, legal adviser to the Existing Notes Trustee, the Information Agent, the Security Agent, the New Notes Trustee, the Paying Agent, the Registrar, the Transfer Agent and the Escrow Agent;
- (f) Gómez-Acebo & Pombo, legal adviser to the Ad Hoc Committee;
- (g) any other legal adviser to the Ad Hoc Committee and/or one or more members of the Group, in each case appointed by/or with the written consent of the Scheme Company or the Parent;
- (h) Deloitte LLP, adviser to the Scheme Company and the Group in respect of certain matters referred to in the Explanatory Statement; and
- (i) any of the foregoing's partners, employees and affiliated partnerships and the partners and employees of such affiliated partnerships and their respective subsidiaries and Holding Companies and any other counsel engaged by any of the foregoing on behalf of their client or by the client directly in connection with the Transaction.

"Affiliates" means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company or a Related Fund, and any other person who controls, is controlled by, or is under common control with that person, which control relationship may arise by means of ownership of securities, contract, the terms of any organisational documents, or any other documented and legally binding arrangement.

"Agency Agreement" means the settlement and information agency agreement between, amongst others, Codere Finance, the Information Agent and GLAS Specialist Services Limited as the "Settlement Agent".

"Backstop New Notes" has the meaning given to it in Clause 6.2 (*Backstop New Notes Allocated Principal Amount*) of this Scheme.

"Backstop New Notes Allocated Principal Amount" has the meaning given to it in Schedule 1 (New Notes Entitlements and New Notes Subscription Amounts) to this Scheme.

"Backstop New Notes Deduction Amount" has the meaning given to it in Schedule 1 (New Notes Entitlements and New Notes Subscription Amounts) to this Scheme.

"Backstop New Notes Pre-Funded Interest Amount" has the meaning given to it in Schedule 1 (New Notes Entitlements and New Notes Subscription Amounts) to this Scheme.

"Backstop New Notes Pre-Funded Interest Overpayment Amount" means the amount of interest which would accrue on a Backstop Purchaser's Backstop New Notes Allocated Principal Amount from (and including) the Completion Date to (and including) 30 October 2020.

"Backstop New Notes Pre-Funded Interest Refund Amount" means, in respect of a Backstop Purchaser, the total of:

- (a) its Backstop New Notes Pre-Funded Interest Overpayment Amount; and
- (b) if any, its Failed Funding New Notes Pre-Funded Interest Overpayment Amount.

"Backstop New Notes Subscription Amount" means the amount that a Backstop Purchaser is required to fund into the Escrow Account in order to purchase its Backstop New Notes being, in respect of each Backstop Purchaser, the sum of (i) its Backstop New Notes Allocated Principal Amount *less* (ii) its Backstop New Notes Deduction Amount plus (iii) its Backstop New Notes Pre-Funded Interest Amount, in each case calculated in accordance with Schedule 1 (*New Notes Entitlements and New Notes Subscription Amounts*) to this Scheme.

"Backstop New Notes Total Deduction Amount" has the meaning given to it in Schedule 1 (New Notes Entitlements and New Notes Subscription Amounts) to this Scheme.

"Backstop New Notes Total Pre-Funded Interest Amount" means the aggregate of the Backstop New Notes Pre-Funded Interest Amounts of all Backstop Purchasers, taken together.

- "Backstop New Notes Total Subscription Amount" means the aggregate of the Backstop New Notes Subscription Amounts of all Backstop Purchasers, taken together.
- "Backstop Pro Rata Percentage" means, in relation to each Backstop Purchaser, a figure, expressed as a percentage, calculated as (a) the amount of New Notes that it has agreed to purchase on the terms and subject to the conditions of the New Notes Purchase Agreement prior to reduction for the New Notes Total Allocated Principal Amount that New Notes Purchasers have committed to purchase pursuant to New Notes Purchaser Letters and on the terms of the New Notes Purchase Agreement; divided by (b) €165,000,000, (c) multiplied by 100.
- "Backstop Purchaser" has the meaning given to that term in the New Notes Purchase Agreement.
- "Bankruptcy Code" means Title 11 of the United States Code entitled "Bankruptcy", as now and hereafter in effect, or any successor statute.
- "Bankruptcy Court" means the United States Bankruptcy Court for the Southern District of New York or other court of competent jurisdiction presiding over the Chapter 15 Proceedings seeking, among other things, entry of the Chapter 15 Order.
- "Business Day" means each day that is not a Saturday, Sunday or other day on which banking institutions in London, Madrid or New York are authorised by law to close.
- "Calculation Advisers" means the Advisers listed in sub-paragraph (a) to (e) of the definition of Advisers.
- "Chapter 15 Order" means, in respect of the Scheme, a recognition order from the Bankruptcy Court.
- "Chapter 15 Proceedings" means a case commenced in the Bankruptcy Court under chapter 15 of the Bankruptcy Code seeking recognition of the Scheme and related relief.
- "Clearing System" means either or both of Clearstream Banking S.A., or Euroclear Bank SA/NV, as applicable.
- "Codere Finance" means Codere Finance 2 (Luxembourg) S.A., a public limited liability company (*société anonyme*) incorporated and existing under the laws of the Grand Duchy of Luxembourg, having its registered office at 6c, rue Gabriel Lippmann, L-5365 Munsbach, Grand Duchy of Luxembourg, and registered with the Luxembourg Register of Commerce and Companies under number B 199.415.
- "Common Depositary" means, as applicable, in respect of the Existing Notes, the Interim Notes and the New Notes, Bank of America N.A., London Branch at 2 King Edward Street, London EC1A 1HQ, United Kingdom, as common depositary for Euroclear and/or Clearstream, or any successor Person thereto.
- "Completion" means the implementation of the steps set out in Clause 7 (*Completion Steps*).

"Completion Announcement" means a public announcement confirming that all of the steps set out in sub-Clause 7.1 (Execution of certain Transaction Documents) to sub-Clause 7.5 (Execution of the Deed of Release) (inclusive) have occurred.

"Completion Date" means the second Business Day immediately following the date on which the last of the Transaction Implementation Conditions has been satisfied or waived in accordance with all relevant Transaction Documents and/or this Scheme (or, if the Scheme Company so determines (acting reasonably), the next following Business Day).

"Completion Date New Notes Purchase Conditions Precedent" has the meaning given to that term in the New Notes Purchase Agreement.

"Completion Time" has the meaning set out in Clause 7.6.1.

"Consent Fee" has the meaning given to that term in the Lock-Up Agreement.

"Consent Fee Creditor" means a Scheme Creditor who is eligible to receive a Consent Fee in accordance with the Lock-Up Agreement.

"Court" means the High Court of Justice of England and Wales, the Court of Appeal of England and Wales, and the UK Supreme Court.

"Court Order" means the order of the Court sanctioning the Scheme under section 899 of the Companies Act 2006.

"Deed of Release" means the deed of release substantially in the form set out at Appendix 2 to this Scheme.

"Director" means any person who is or was at any time a director, manager, general partner, officer (or equivalent) of a member of the Group.

"Early Bird Consent Fee" has the meaning given to that term in the Lock-Up Agreement.

"Early Bird Creditor" means a Scheme Creditor who is eligible to receive an Early Bird Consent Fee in accordance with the Lock-Up Agreement.

"Escrow Account" has the meaning given to that term in the Escrow Deed.

"Escrow Account Balance" means, as at a given time, the balance standing to the credit of the Escrow Account at that time.

"Escrow Agent" means GLAS Trustees Limited, in its capacity as Escrow Agent under the Escrow Deed.

"Escrow Deed" means the escrow deed dated 2 September 2020 and made between Codere Finance, the Parent, the Scheme Company, the Revolving Agent, the Information Agent and the Escrow Agent, in the form set out in Appendix 1 to this Scheme.

"Escrow Funding Condition" means the condition set out in paragraph (d) of the definition of "Transaction Implementation Conditions" set out in Clause 1.1 (*Definitions*) of this Scheme.

"Escrow Payment Confirmation Notice" means a notice substantially in the form set out at Schedule 4 to the Escrow Deed.

"Escrow Release Notice" means a notice substantially in the form set out at Schedule 1 of the Escrow Deed.

"Existing Notes" means the EUR 500 million 6.750 per cent. senior secured notes due 2021, and the USD 300 million 7.625 per cent. senior secured notes due 2021, in each case issued by the Scheme Company and Codere Finance pursuant to the Existing Notes Indenture.

"Existing Notes A&R Supplemental Indenture" means a supplemental indenture to the Existing Notes Indenture substantially in the form set out in Appendix 3 to this Scheme.

"Existing Notes Amended Global Notes" means the amended form of the global notes for the Existing Notes, substantially in the form set out at Part A of Section VII (*Transaction Documents*) of the Scheme Document.

"Existing Notes Guarantor" means a 'Guarantor' under and as defined in the Existing Notes Indenture.

"Existing Notes Paying Agent" means Banco Bilbao Vizcaya Argentaria, S.A..

"Existing Notes Indenture" means the indenture dated as of 8 November 2016 (as amended, restated and/or supplemented from time to time), and originally made between, among others, Codere Finance, the Parent, and the Existing Notes Trustee, and to which the Scheme Company acceded as co-issuer by way of an amendment and accession agreement dated 23 July 2020.

"Existing Notes Trustee" means GLAS Trust Corporation Limited, as trustee under the Existing Notes Indenture.

"Explanatory Statement" means the explanatory statement in relation to this Scheme which appears at Section I (*Explanatory Statement*) of the Scheme Document.

"Failed Funding Event" means that the Escrow Account Balance as at the Funding Deadline is less than the Required Escrow Subscription Amount.

"Failed Funding Long-Stop Time" means 5.00 pm (London time) on 28 October 2020.

"Failed Funding New Notes Election Letter" has the meaning given to it in Schedule 2 (Failed Funding Process) to this Scheme.

"Failed Funding New Notes Pre-Funded Interest Amount" has the meaning given to it in Schedule 2 (Failed Funding Process) to this Scheme.

"Failed Funding New Notes Pre-Funded Interest Overpayment Amount" has the meaning given to it in Schedule 2 (Failed Funding Process) to this Scheme.

"Failed Funding New Notes Total Pre-Funded Interest Amount" means the aggregate of the Failed Funding New Notes Pre-Funded Interest Amount of all Eligible Purchasers, taken together.

"Funding Deadline" means 4.00 pm (London time) on the Funding Deadline Date.

"Funding Deadline Date" means the fifth Business Day after Funding Notices are sent in accordance with Clause 6.1 (*Funding Notices*).

"Funding Notice" means a notice from the Information Agent notifying New Notes Purchasers and Backstop Purchasers of certain information (as further specified in Clause 6.1) and requiring New Notes Purchasers and Backstop Purchasers to deliver funds to the Escrow Account pursuant to the terms of the New Notes Purchase Agreement.

"Funds Flow" means a funds flow, to be delivered to the Escrow Agent by the Scheme Company, which details payments to be made on the Completion Date in accordance with the terms of the Escrow Deed.

"Group" means the Parent and all of its direct and indirect Subsidiaries, including (for the avoidance of doubt) the Scheme Company, Codere Finance, and each of the Guarantors.

"Guarantor" means an Existing Notes Guarantor and a 'Guarantor' under and as defined in the Interim Notes Indenture.

"Holding Company" means, in relation to a company, corporation or partnership, any other company, corporation or partnership in respect of which it is a Subsidiary.

"Individual Information" means, in relation to a Scheme Creditor, Nominated Participant, or Backstop Purchaser as applicable, information in relation to:

- (a) its holding (or lack of holding) of Existing Notes;
- (b) its agreement to purchase (or decision not to purchase) New Notes; and
- (c) the amount of New Notes it has agreed to purchase (if any).

"Information Agent" means GLAS Specialist Services Limited, in its capacity as Information Agent for the Scheme Company and the Group.

"Intercreditor Agreement" means the intercreditor agreement dated 7 November 2016 (as amended, restated and/or supplemented from time to time, including as amended and restated on 23 July 2020), and made between, among others, the Parent, Codere Newco S.A.U., the Scheme Company, Codere Finance, and GLAS Trust Corporation Limited as senior secured note trustee and security agent.

"Interim Notes" means the EUR 85 million super senior secured notes due 2023 issued by Codere Finance pursuant to the Interim Notes Indenture.

"Interim Notes Document" means the Interim Notes Indenture and any other document relating to the Interim Notes Indenture.

"Interim Notes Indenture" means the indenture relating to the Interim Notes dated 29 July 2020 (as amended, restated and/or supplemented from time to time), and made between, among others, Codere Finance, the Parent, and the New Notes Trustee.

"KYC Clearance Deadline" means 4.00 pm (London time) on the date which is the fourth Business Day after the New Notes Subscription Deadline.

"KYC Documentation" means the documentation and information required by the Escrow Agent in order to validly complete its "know your customer" process in respect of a Scheme Creditor or Nominated Participant who wishes to become a New Notes Purchaser.

"KYC Information Deadline" means 12.00 pm (London time) on the date which is the second Business Day after the New Notes Subscription Deadline.

"Liability" or "Liabilities" means any present or future obligation, liability, claim, counterclaim or debt at any time including without limitation, for the payment of money, performance of an act or obligation, or otherwise, whether in respect of principal, interest or otherwise, whether actual or contingent, whether fixed or undetermined, whether owed jointly or severally and whether owed as principal, surety or in any capacity whatsoever and whether it arises at common law, in equity, in contract, in tort, by statute in the State of New York or England and Wales or in any other jurisdiction under whatever applicable law, under any legal theory, and in any manner whatsoever, including any amount which would constitute such a liability but for any discharge, non-provability, unenforceability or non- allowance of the same in any insolvency or other Proceeding including any claim for breach of representation, warranty or undertaking or on an event of default or under any indemnity given under or in connection with any document or agreement evidencing or constituting any other Liability falling within this definition, and any claim for damages or restitution.

"Lock-Up Agreement" means the lock-up agreement dated 21 July 2020 (as amended, restated and/or supplemented from time to time) and originally made between, amongst others, the Parent, Codere Finance, the Original Consenting Noteholders, the NSSN Underwriters (each as defined therein), and the Information Agent, and to which the Scheme Company acceded on 23 July 2020.

"Long-Stop Date" means 31 December 2020.

"Majority Scheme Creditors" means those Scheme Creditors holding over 50% in value of all Scheme Claims.

"Minimum Escrow Cash Completion Amount" means EUR 155 million:

- (a) *plus* the aggregate of the New Notes Total Pre-Funded Interest Amount, the Backstop New Notes Total Pre-Funded Interest Amount and the Failed Funding New Notes Total Pre-Funded Interest Amount; and
- (b) *minus* the aggregate of the New Notes Total Deduction Amount and the Backstop New Notes Total Deduction Amount.

"Minimum Failed Funding Notes Principal Completion Amount" means EUR 155 million.

"New Notes" means the EUR 165 million additional super senior secured notes, to be issued under the Interim Notes Indenture (as amended by the New Notes Supplemental Indenture) and which will be part of the same series, and treated as the same class, as the Interim Notes and to be purchased by the New Notes Purchasers pursuant to the New Notes Purchase Agreement.

"New Notes Allocated Principal Amount" has the meaning given to it in Schedule 1 (New Notes Entitlements and New Notes Subscription Amounts) to this Scheme.

"New Notes Authentication and Delivery Order" means a notice substantially in the form of Annex C to Schedule F to the New Notes Purchase Agreement.

"New Notes Compliance with Authentication Order" means a notice substantially in the form of Annex G to Schedule F to the New Notes Purchase Agreement.

"New Notes Deduction Amount" has the meaning given to it in Schedule 1 (New Notes Entitlements and New Notes Subscription Amounts) to this Scheme.

"New Notes Document" means the New Notes Purchase Agreement, the New Notes Global Notes, each New Notes Purchaser Letter, the New Notes Supplemental Indenture and any other documents relating to the New Notes.

"New Notes Entitlement" means a Scheme Creditor's entitlement to purchase New Notes, calculated in accordance with Schedule 1 (New Notes Entitlements and New Notes Subscription Amounts) to this Scheme.

"New Notes Global Notes" means the global notes for the New Notes substantially in the form set out at in Part B of Section VII (*Transaction Documents*) of the Scheme Document.

"New Notes Instruction to Common Depositary" means a notice substantially in the form of Annex D to Schedule F to the New Notes Purchase Agreement.

"New Notes Pre-Funded Interest Amount" has the meaning given to it in Schedule 1 (New Notes Entitlements and New Notes Subscription Amounts) to this Scheme.

"New Notes Pre-Funded Interest Overpayment Amount" means the amount of interest which would accrue on a New Notes Purchaser's New Notes Allocated Principal Amount from (and including) the Completion Date to (and including) 30 October 2020.

"New Notes Pre-Funded Interest Refund Amount" means, in respect of a New Notes Purchaser, the total of:

- (a) its New Notes Pre-Funded Interest Overpayment Amount; and
- (b) if any, its Failed Funding New Notes Pre-Funded Interest Overpayment Amount.

"New Notes Purchase Agreement" means the note purchase agreement dated 28 August 2020 (as amended, restated and/or supplemented from time to time), and originally made between Codere Finance, the guarantors named therein and the Backstop Purchasers in relation to the purchase of New Notes, in the form set out at Part D of Section VII (*Transaction Documents*) of the Scheme Document.

"New Notes Purchaser" means each Scheme Creditor and each Nominated Participant who in each case has agreed to purchase the New Notes in accordance with Clause 3 (New Notes Purchasers) of this Scheme.

"New Notes Purchaser Letter" means a letter, including an accession to the New Notes Purchase Agreement, in substantially the form set out at Section 4 of Part 3 of the Account Holder Letter.

"New Notes Subscription Amount" means the amount that a New Notes Purchaser is required to fund into the Escrow Account in order to purchase its New Notes being, in respect of each New Notes Purchaser, the sum of (i) its New Notes Allocated Principal Amount less (ii) its New Notes Deduction Amount plus (iii) its New Notes Pre-Funded Interest Amount, in each case calculated in accordance with Schedule 1 (New Notes Entitlements and New Notes Subscription Amounts) to this Scheme.

"New Notes Subscription Deadline" means 4.00 pm (London time) on the date which is three Business Days after the date on which the Scheme Meeting concludes.

"New Notes Supplemental Indenture" means the supplemental indenture to the Interim Notes Indenture, substantially in the form set out in Part C of Section VII (*Transaction Documents*) of the Scheme Document.

"New Notes Total Allocated Principal Amount" means the aggregate of the New Notes Allocated Principal Amounts of all New Notes Purchasers, taken together.

"New Notes Total Deduction Amount" has the meaning given to it in Schedule 1 (New Notes Entitlements and New Notes Subscription Amounts) to this Scheme.

"New Notes Total Pre-Funded Interest Amount" means the aggregate of the New Notes Pre-Funded Interest Amounts of all New Notes Purchasers, taken together.

"New Notes Total Subscription Amount" means the aggregate of the New Notes Subscription Amounts of all New Notes Purchasers, taken together.

"New Notes Trustee" means GLAS Trustees Limited, as trustee under the Interim Notes Indenture (including as amended pursuant to the New Notes Supplemental Indenture).

"Nominated Participant" means an Affiliate or Related Fund of a Scheme Creditor who:

(a) has been nominated by that Scheme Creditor to take up part or all of its right to purchase New Notes in the relevant parts of a validly completed Account Holder Letter, which is submitted to the Information Agent (alongside a validly completed New Notes Purchaser Letter, Nominated Participant Deed and such other information as is required by the Information Agent to be submitted as set

- out in the Account Holder Letter) by no later than the New Notes Subscription Deadline; and
- (b) holds an account with the same Account Holder as the Scheme Creditor, and agrees to receive its New Notes into the same account.

"Nominated Participant Deed" means a deed, executed by a Nominated Participant, substantially in the form set out at Section 3 of Part 3 of the Account Holder Letter.

"Obligor" means the Scheme Company, Codere Finance and each of the Guarantors.

"Parent" means Codere S.A.

"Paying Agent" means Global Loan Agency Services Limited with respect to the Existing Notes (as amended by the Existing Notes Amendments), the Interim Notes and New Notes.

"Pre-Completion Date New Notes Purchase Conditions Precedent" has the meaning given to that term in the New Notes Purchase Agreement that are capable of being satisfied prior to the Completion Date.

"Proceeding" means any process, suit, action, legal or other proceeding in any jurisdiction, including without limitation any arbitration, mediation, alternative dispute resolution, judicial review, adjudication, demand, execution, distraint, restraint, forfeiture, re-entry, seizure, lien, enforcement of judgment or enforcement of any security.

"RCF Agreement" means a EUR 95 million super senior revolving credit facilities agreement originally dated 24 October 2016, as amended, modified or supplemented from time to time between, amongst others, the Parent, Codere Newco S.A.U., the lenders named therein and the Security Agent.

"RCF Confirmation Notice" means the notice to be sent by the Revolving Agent to the Scheme Company, Codere Finance and the Escrow Agent pursuant to Clause 7.3 of the Escrow Deed.

"RCF Escrow Amount" has the meaning given to that term in the Escrow Deed.

"RCF Finance Document" has the meaning given to the term "Finance Document" in the RCF Agreement.

"RCF Late Payment Contingency Amount" means the amount of interest which would accrue on the outstanding Loans (as such term is defined in the RCF Agreement) under the RCF Agreement for a period of one day.

"RCF Settlement Amount" means the aggregate amount required to discharge all Liabilities under the RCF Finance Documents on the Completion Date plus the RCF Late Payment Contingency Amount, as set out in the RCF Confirmation Notice.

"Record Time" means 4.00 pm (London time) on 25 September 2020.

"Refund Interest Amount" has the meaning given to that term in the Escrow Deed.

"Registrar" means GLAS Americas LLC, as registrar for the Existing Notes, the Interim Notes, and the New Notes.

"Registrar of Companies" means the registrar of companies within the meaning of the Companies Act 2006.

"Related Fund" means in relation to a fund (the "First Fund") a fund which is (i) managed or advised by the same investment manager or investment adviser as the First Fund or (ii) if it is managed by a different investment manager or investment adviser, a fund whose investment manager or investment adviser is an Affiliate of the investment manager or investment adviser of the First Fund.

"Related Person" means with respect to a person:

- (a) in the case of a body corporate:
 - (i) any Affiliate of that body corporate; or
 - (ii) an entity which is managed or advised by the same investment manager or investment adviser as such body corporate (or its Affiliates) or, if it is managed by a different investment manager or investment adviser, an entity whose investment manager or investment adviser is an Affiliate of the investment manager or investment adviser of such body corporate (or its Affiliates), in each case from time to time; and
- (b) in the case of an investment fund or account, any entity which is an investment manager, investment adviser, investment sub-adviser, collateral manager or agent to that entity; and
- (c) in the case of a limited partnership or a limited liability partnership, any nominee or trustee of the limited partnership or limited liability partnership, the partners in that limited partnership or limited liability partnership or their nominees, any investment manager or investment adviser to the limited partnership or limited liability partnership and any parent undertaking or subsidiary undertaking of that investment manager or investment adviser and any other investment fund managed or advised by any such person and/or any investor in any fund that directly or indirectly holds interests in the limited partnership or limited liability partnership.

"Released Party" means any Released Person and/ or any Scheme Creditor Released Person (together, the "Released Parties").

"Released Person" means each of the following:

- (a) the Scheme Company;
- (b) Codere Finance;
- (c) the Parent;
- (d) the Guarantors;

- (e) each Scheme Creditor;
- (f) each Nominated Participant;
- (g) each Backstop Purchaser;
- (h) the Advisers;
- (i) the Existing Notes Trustee;
- (j) the New Notes Trustee;
- (k) the Security Agent;
- (1) the Registrar;
- (m) the Transfer Agent;
- (n) the Paying Agent;
- (o) the Existing Notes Paying Agent;
- (p) the Directors;
- (q) the Information Agent;
- (r) the Escrow Agent;
- (s) the Tabulation Agent,

and each of their respective Affiliates, Related Persons, Related Funds and all of their respective present, past or future partners, officers, Directors, employees, assigns, transferees, principals, agents, representatives and advisers (in each case excluding, for the avoidance of doubt, any past or present auditors of the Group and including, for the avoidance of doubt, members of the Ad Hoc Committee who are Scheme Creditors or Affiliates or Related Funds of Scheme Creditors).

"Required Escrow Subscription Amount" means the aggregate of the New Notes Total Subscription Amount and the Backstop New Notes Total Subscription Amount.

"Retained Interest Amount" has the meaning given to that term in the Escrow Deed.

"Revolving Agent" has the meaning given to that term in the Intercreditor Agreement.

"Scheme" means this scheme of arrangement made pursuant to Part 26 of the Companies Act 2006 in its present form or subject to any modification, addition or condition which the Court may think fit to approve or impose.

"Scheme Claim" means, in relation to a Scheme Creditor, the principal amount of all Existing Notes beneficially held by such Scheme Creditor, together with accrued but unpaid interest thereon, calculated as at the Record Time and with all amounts denominated in USD being notionally converted into EUR at the Spot Rate of Exchange.

"Scheme Company" means Codere Finance 2 (UK) Limited.

"Scheme Creditor" means a person with a beneficial interest as principal in the Existing Notes held in global form through the Common Depositary as at the Record Time.

"Scheme Creditor Released Person" means:

- (a) each Scheme Creditor;
- (b) each Nominated Participant;
- (c) each Backstop Purchaser; and
- (d) the Advisers;

and each of their respective Affiliates, Related Persons, Related Funds, and all of their respective present, past or future partners, officers, directors, employees, assigns, transferees, principals, agents, representatives and advisers (including, for the avoidance of doubt, members of the Ad Hoc Group who are Scheme Creditors or Affiliates or Related Funds of Scheme Creditors and each of their respective present, past or future partners, officer, Directors, employees, assigns, transferees, principals, agents, representatives and advisers).

"Scheme Document" means the scheme document sent to Scheme Creditors on 14 September 2020, of which this Scheme forms a part.

"Scheme Effective Time" means the time at which an office copy of the Court Order is delivered to the Registrar of Companies for registration.

"Scheme Meeting" means the meeting of the Scheme Creditors convened in accordance with the order of the Court pursuant to section 896 of the Act to consider, and if thought fit, approve, the Scheme, including any adjournment thereof.

"Scheme Party" means a Scheme Creditor, a Nominated Participant, or an Undertaking Party.

"Scheme Website" means https://glas-agency.appiancloud.com/suite/sites/codere.

"Security Agent" means GLAS Trust Corporation Limited in its capacity as security trustee for the Secured Parties under, and as defined in, the Intercreditor Agreement.

"Security Confirmation Documents" means:

- (a) the master confirmation agreement relating to Security Documents governed by Luxembourg law;
- (b) the Spanish law governed extension and ratification agreement relating to the Security Documents governed by Spanish law; and
- (c) the amendment and/or the confirmation and extension agreements in respect of the Security Documents governed by Italian law.

"Security Documents" has the meaning given to that term in the Intercreditor Agreement.

"**Spot Rate of Exchange**" means a publicly available spot rate of exchange selected by the Information Agent (acting reasonably) at or about 11.00 am on the Business Day immediately preceding the Record Time.

"Subsidiary" means a subsidiary within the meaning of section 1159 of the Companies Act 2006 and a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006.

"Surviving Provisions" means Clauses 1, 8, 10, 11, 12, and 14 of this Scheme.

"Tabulation Agent" means GLAS Specialist Services Limited, in its capacity as tabulation agent for the Scheme Meeting.

"**Transaction**" means the transaction contemplated by this Scheme, the Transaction Documents and the Explanatory Statement, taken as a whole.

"Transaction Document" means each of the following documents:

- (a) the Agency Agreement;
- (b) the Deed of Release;
- (c) the Escrow Deed;
- (d) the Existing Notes A&R Supplemental Indenture;
- (e) the Existing Notes Amended Global Notes
- (f) the New Notes Purchase Agreement;
- (g) the New Notes Supplemental Indenture;
- (h) the New Notes Global Notes; and
- (i) the Security Confirmation Documents.

"Transaction Implementation Conditions" means:

- (a) the Scheme Effective Time has occurred;
- (b) the Chapter 15 Order has been made;
- (c) the Funding Notices have been sent and, if applicable, any Failed Funding Notices have been sent;
- (d) the Escrow Agent has confirmed to the Scheme Company that:
 - (i) the Escrow Account Balance as at the Funding Deadline is equal to the Required Escrow Subscription Amount; or

- (ii) if a Failed Funding Event has occurred, the Total Failed Funding Amount has been funded into the Escrow Account by the Initial Failed Funding Deadline; or
- (iii) if a Second Failed Funding Event has occurred either:
 - (A) the Total Failed Funding New Notes Subscription Amount has been funded into the Escrow Account by the Second Failed Funding Deadline; or
 - (B) the Escrow Account Balance as at the Second Failed Funding Deadline is equal to at least the Minimum Escrow Cash Completion Amount;
- (e) the Escrow Agent has received a Funds Flow showing all payments to be made under Clause 7.3.1(c)(i) other than the payment set out in Clause 7.3.1(c)(i)(A); and
- (f) all of the Pre-Completion Date New Notes Purchase Conditions Precedent have been satisfied or waived in accordance with the New Notes Purchase Agreement.

"Transfer Agent" means GLAS Americas LLC, as transfer agent for the Existing Notes, the Interim Notes, and the New Notes.

"Undertaking" means, in relation to an Undertaking Party, an undertaking to be bound by and to perform the obligations contemplated to be performed by it under or in connection with this Scheme, on terms acceptable to the Scheme Company (acting reasonably).

"Undertaking Party" means each of the following parties who have given Undertakings:

- (a) Codere Finance;
- (b) each Guarantor (including, for the avoidance of doubt, the Parent);
- (c) each Nominated Participant;
- (d) the Information Agent;
- (e) the Escrow Agent;
- (f) the Existing Notes Trustee;
- (g) the Security Agent;
- (h) the Settlement Agent; and
- (i) the New Notes Trustee.

1.2 Principles of construction

In this Scheme, unless the context otherwise requires:

- 1.2.1 references to "Clauses" are to clauses of this Scheme;
- 1.2.2 references to a "public announcement" or cognates are to a public announcement made by way of an announcement with the Comisión Nacional del Mercado de Valores, the Irish Stock Exchange, the International Stock Exchange or any other means approved by the Scheme Company (acting reasonably);
- 1.2.3 references to a document being "validly completed" are to a document containing all such information as it is required to contain on its face, and being duly executed and/or delivered in the manner contemplated by that document (including, if applicable, as a deed), and submitted together with or in connection with the taking of any other required procedural steps (including submitting any required custody instruction or other required instruction to or through a Clearing System);
- 1.2.4 references to a person include references to an individual, firm, partnership, company, corporation, unincorporated body of persons or any state or state agency;
- all references to "€" or "EUR" are references to the lawful currency for the time being of participating member states for the purposes of the European Monetary Union:
- 1.2.6 all references to "\$" or "USD" are references to the lawful currency of the United States of America;
- 1.2.7 references to a statute or statutory provision include the same as subsequently modified, amended or re-enacted from time to time;
- 1.2.8 references to an agreement include the same as subsequently amended and/or restated from time to time;
- 1.2.9 references to time are to London time;
- 1.2.10 the singular includes the plural and *vice versa* and words importing one gender shall include all genders; and
- 1.2.11 **"includes"**, **"included"** and **"including"** shall be construed without limitation; and
- 1.2.12 headings are for ease of reference only and shall not affect the interpretation of this Scheme.

1.3 Escrow Account Balance

Any diminution of the balance standing to the credit of the Escrow Account due to the impact of negative interest rates shall be disregarded in its entirety for all purposes

under and in respect of this Scheme and the Escrow Agent shall be entitled to disregard any such diminution for the purposes of providing any confirmation or notification under this Scheme. All references to the "Escrow Account Balance" shall be construed accordingly.

2. SCHEME EFFECTIVE TIME

- 2.1 The compromise and arrangement effected by this Scheme shall be binding on the Scheme Company and each Scheme Party and its successors, assigns, and transferees on and from the Scheme Effective Time.
- 2.2 Without limitation to the generality of Clause 2.1, on and from the Scheme Effective Time:
 - 2.2.1 Codere Finance (in its capacity as co-issuer of the Existing Notes) and each Existing Notes Guarantor shall benefit from the compromise and arrangement effected by this Scheme including, without limitation, the amendment to the terms of the Existing Notes Indenture as contemplated by, and subject to the terms and conditions of, the Existing Notes A&R Supplemental Indenture; and
 - 2.2.2 this Scheme shall bind all Scheme Creditors, together with any person to whom it may assign or transfer all or any part of its interest in and/or title to the Existing Notes or otherwise all or any part of its Scheme Claim.
- 2.3 The Scheme Company shall make, or shall procure that the Parent makes, a public announcement confirming that the Scheme Effective Time has occurred as soon as reasonably practicable following the Scheme Effective Time.

3. **NEW NOTES PURCHASERS**

- 3.1 Each Scheme Creditor shall have the opportunity to purchase and/or nominate one or more Nominated Participant(s) to purchase New Notes in an amount equal to at least that Scheme Creditor's New Notes Entitlement, calculated in accordance with Schedule 1 (New Notes Entitlements and New Notes Subscription Amounts) and subject to the terms and conditions of the New Note Purchase Agreement and this Scheme.
- 3.2 Nothing in this Scheme requires a Scheme Creditor to become, or nominate a Nominated Participant to become, a New Notes Purchaser.
- 3.3 Subject to Clause 10.3 (Account Holder Letters, New Notes Purchaser Letters, and Nominated Participant Deeds) and Clause 4 ("Know Your Customer" Checks) a Scheme Creditor shall become a New Notes Purchaser:
 - 3.3.1 by submitting (or ensuring that its Account Holder submits) the relevant parts of its validly completed Account Holder Letter (which shall include a validly completed New Notes Purchaser Letter) to the Information Agent by no later than the New Notes Subscription Deadline; and
 - 3.3.2 if the Escrow Agent confirms to the Scheme Creditor and the Scheme Company that it has cleared all "know your customer" checks required by the Escrow Agent in respect of that Scheme Creditor by the KYC Clearance Deadline in accordance with Clause 4 ("Know You Customer" Checks).

- 3.4 Subject to Clause 10.3 (Account Holder Letters, New Notes Purchaser Letters, and Nominated Participant Deeds) and Clause 4 ("Know Your Customer" Checks), a Scheme Creditor may nominate one or more Nominated Participant(s) to purchase New Notes and a Nominated Participant shall become a New Notes Purchaser:
 - 3.4.1 by the Scheme Creditor submitting (or ensuring that its Account Holder submits) the relevant parts of its validly completed Account Holder Letter to the Information Agent by no later than the New Notes Subscription Deadline;
 - 3.4.2 by that Nominated Participant completing and submitting a validly completed New Notes Purchaser Letter and Nominated Participant Deed to the Information Agent by no later than the New Notes Subscription Deadline; and
 - 3.4.3 if the Escrow Agent confirms to the Nominated Participant and the Scheme Company that it has cleared all "know your customer" checks required by the Escrow Agent in respect of that Nominated Participant by the KYC Clearance Deadline in accordance with Clause 4 ("Know You Customer" Checks).
- 3.5 Any election, nomination, submission and accession to the New Notes Purchase Agreement made by a Scheme Creditor or Nominated Participant in accordance with this Scheme shall be irrevocable.

4. "KNOW YOUR CUSTOMER" CHECKS

- 4.1 In order to purchase New Notes, a Scheme Creditor (and for the remainder of this Clause 4, reference to a Scheme Creditor will mean a Scheme Creditor who wishes to purchase New Notes) and a Nominated Participant must clear "know your customer" checks required by the Escrow Agent prior to the KYC Clearance Deadline.
- 4.2 Each Scheme Creditor and each Nominated Participant must submit all relevant KYC Documentation required of it by the KYC Information Deadline, unless the relevant Scheme Creditor or Nominated Participant and the Scheme Company is notified by the Escrow Agent in writing that it has previously cleared all "know your customer" checks of the Escrow Agent in relation to that Scheme Creditor or Nominated Participant.
- 4.3 If a Scheme Creditor or Nominated Participant fails to submit its KYC Documentation by the KYC Information Deadline, the Escrow Agent shall have discretion to accept KYC Documentation thereafter.
- 4.4 The Escrow Agent, each Scheme Creditor and each Nominated Participant shall take all reasonable steps and use their reasonable endeavours to ensure that each relevant party clears all "know your customer" checks required by the Escrow Agent prior to the KYC Clearance Deadline.
- 4.5 The Escrow Agent shall notify in writing (i) the relevant Scheme Creditor or Nominated Participant, (ii) the Information Agent and (iii) the Scheme Company promptly upon a Scheme Creditor or Nominated Participant clearing all "know your customer" checks.
- 4.6 If, for any reason, a Scheme Creditor or Nominated Participant fails to clear all "know your customer" checks required by the Escrow Agent prior to the KYC Clearance Deadline (with such clearance being determined by the Escrow Agent in its sole discretion), such Scheme Creditor or Nominated Participant shall not be entitled to

purchase New Notes and shall not constitute a New Notes Purchaser and the Escrow Agent and Information Agent shall disregard in its entirety Part 3 of the relevant Scheme Creditor's Account Holder Letter (including any New Notes Purchaser Letter and Nominated Participant Deed submitted by the Scheme Creditor and/or its Nominated Participant(s)) previously submitted in respect of such Scheme Creditor or Nominated Participant. For the avoidance of doubt, failure to clear all "know your customer" checks with the Escrow Agent will not affect the right of a Scheme Creditor to vote on the Scheme.

4.7 Each Scheme Creditor and each Nominated Participant confirms that the Escrow Agent shall not be liable or responsible for any loss or damage which may result from its inability to purchase New Notes pursuant to this Clause 4, provided that such loss or damage does not arise and is not caused by the Escrow Agent's gross negligence, fraud, or wilful default.

5. **POWER OF ATTORNEY AND INSTRUCTION**

- 5.1 With effect on and from the Scheme Effective Time to and including the Completion Time, in consideration of the rights provided to the Scheme Creditors under this Scheme, each Scheme Creditor:
 - 5.1.1 irrevocably appoints, and shall for all purposes be treated as having irrevocably appointed, the Scheme Company as its attorney and agent and irrevocably authorises, directs, instructs and empowers the Scheme Company (represented by any duly authorised representative) to:
 - (a) enter into, execute and deliver (whether as deed or otherwise, and including, if applicable, before a notary in any jurisdiction), for and on behalf of such Scheme Creditors, the Deed of Release;
 - (b) complete, date and release the Deed of Release in accordance with this Scheme, and deliver a copy thereto to any party named or other person contemplated therein;
 - (c) give effect to any amendment to a Transaction Document as permitted in accordance with Clause 10 (*Modifications*); and
 - (d) take all such further steps, deliver all such further notices, and do all such further things, as may be reasonably necessary or desirable to give effect to this Scheme and the Transaction, including (without limitation) to ensure that this Scheme and the Deed of Release are legal, valid, binding, and enforceable upon the parties to them; and
 - 5.1.2 irrevocably authorises and instructs the Existing Notes Trustee to undertake such steps as it considers necessary for it to take for the purposes of facilitating the implementation of this Scheme, including (without limitation) entering into and executing the Transaction Documents to which it is a party and any document that it reasonably considers necessary or advisable to implement this Scheme.

- 5.2 The authority and power granted and conferred on the Scheme Company under Clause 5.1 shall be treated, for all purposes whatsoever and without limitation, as having been granted and conferred by deed.
- 5.3 Each Scheme Creditor agrees to and shall be bound by and shall comply with, and shall for all purposes be treated as having agreed to and be bound by, the Deed of Release after it has been executed by the Scheme Company on its behalf pursuant to Clause 5.1.
- Once the Deed of Release has been fully executed, dated, released and (if applicable, delivered and/or notarised), the authority granted by each Scheme Creditor to the Scheme Company under Clause 5.1 shall expire automatically in respect of the Deed of Release at that time and, thereafter, the Deed of Release may only be amended in accordance with its terms.
- 5.5 Any appointment, authorisation or instruction granted by the Scheme Creditors to the Scheme Company and/ or the Existing Notes Trustee under Clause 5.1 shall not extend or apply to any step or action taken by the Scheme Company and/or the Existing Notes Trustee following the Completion Time.
- 5.6 Each Scheme Creditor agrees to, and to use all reasonable endeavours to procure that any of its Nominated Participants, execute and/or deliver (whether as deed or otherwise, and including, if applicable, before a notary in any jurisdiction), within any reasonably requested time period, such documents, including any further power of attorney, and perform such acts as are necessary or reasonably desirable to give full effect to this Scheme.
- 5.7 With respect to each Undertaking Party, in consideration for each of the consents and undertakings given in its Undertaking, each Undertaking Party shall be entitled to rely upon, enjoy the benefit of, and enforce each of the rights conferred on it by this Scheme.

6. **PRE-COMPLETION STEPS**

6.1 **Funding Notices**

- 6.1.1 As soon as reasonably practical following the Scheme Effective Time, and in any event within five Business Days of the New Notes Subscription Deadline, the Information Agent shall:
 - (a) calculate (with the assistance of the Calculation Advisers):
 - (i) the New Notes Allocated Principal Amount and the Backstop New Notes Allocated Principal Amount;
 - (ii) the New Notes Deduction Amount and Backstop New Notes Deduction Amount;
 - (iii) the New Notes Pre-Funded Interest Amount and the Backstop New Notes Pre-Funded Interest Amount; and
 - (iv) the New Notes Subscription Amount and the Backstop New Notes Subscription Amount,

of each New Notes Purchaser and Backstop Purchaser, as applicable, in accordance with Schedule 1 (*New Notes Entitlements and New Notes Subscription Amounts*) to this Scheme;

- (b) notify (through the Funding Notices) each New Notes Purchaser and each Backstop Purchaser of:
 - (i) each item applicable to it listed in sub-Clause (a) above;
 - (ii) the details of the Escrow Account into which its New Notes Subscription Amount or Backstop New Notes Subscription Amount should be funded;
 - (iii) the Funding Deadline; and
 - (iv) the Completion Date;
- (c) send the applicable Funding Notices to:
 - (i) each New Notes Purchaser and Backstop Purchaser;
 - (ii) each New Notes Purchaser's Account Holder and each Backstop Purchaser's Account Holder; and
 - (iii) the Escrow Agent; and
- (d) calculate and notify the Scheme Company and the Backstop Purchasers of the New Notes Total Subscription Amount and the Backstop New Notes Total Subscription Amount in accordance with the terms of the Scheme.

6.2 Backstop New Notes Allocated Principal Amount

The Backstop Purchasers have agreed to purchase all of the New Notes less the New Notes Total Allocated Principal Amount in accordance with, and subject to the terms and conditions of, the New Notes Purchase Agreement. If, for any reason, after the application of all allocation rounds in accordance with paragraph 4 of Schedule 1 (New Notes Entitlements and New Notes Subscription Amount) there remains any amount of New Notes that has not been allocated to Scheme Creditors or their Nominated Participants (the "Backstop New Notes"), each Backstop Purchaser shall purchase an amount of Backstop New Notes equal to its Backstop New Notes Allocated Principal Amount in accordance with Schedule 1 (New Notes Entitlements and New Notes Subscription Amounts) to this Scheme and in accordance with, and subject to the terms and conditions of, the New Notes Purchase Agreement.

6.3 **Obligation to fund**

6.3.1 Each New Notes Purchaser and each Backstop Purchaser shall ensure that its New Notes Subscription Amount or Backstop New Notes Subscription Amount, as applicable, is paid into the Escrow Account by no later than the Funding Deadline.

6.3.2 If, for any reason, a New Notes Purchaser or Backstop Purchaser fails to pay its New Notes Subscription Amount or Backstop New Notes Subscription Amount, as applicable, into the Escrow Account by the Funding Deadline in accordance with Clause 6.3.1, such New Notes Purchaser or Backstop Purchaser shall not be entitled to purchase New Notes, other than in the circumstances set out in Schedule 2 (*Failed Funding Process*) of this Scheme.

6.4 Escrow Account Balance

- 6.4.1 As soon as practicable following the Funding Deadline and in any event on the Funding Deadline Date, the Escrow Agent shall notify the Scheme Company, the Information Agent and the Backstop Purchasers of the Escrow Account Balance as at the Funding Deadline. In the event that the Escrow Account Balance is less than the Required Escrow Subscription Amount, a Failed Funding Event shall occur and the terms of Schedule 2 (*Failed Funding Process*) shall apply.
- 6.4.2 Clause 6.4.1 and the terms of Schedule 2 (*Failed Funding Process*) are without prejudice to any rights that the Scheme Company, Codere Finance, or any other person has or may at any time have (whether under this Scheme, the New Notes Purchase Agreement, under the general law, or otherwise) against a New Notes Purchaser or Backstop Purchaser who fails to pay its New Notes Subscription Amount or Backstop New Notes Subscription Amount, as applicable, into the Escrow Account by the Funding Deadline in accordance with Clause 6.3.1.

6.5 Transaction Implementation Conditions

- 6.5.1 The Scheme Company shall use commercially reasonable efforts to satisfy the Transaction Implementation Conditions as soon as reasonably practicable following the Scheme Effective Time.
- 6.5.2 Neither the Scheme Company, nor any Scheme Party shall take any action to delay or frustrate the satisfaction of the Transaction Implementation Conditions.
- 6.5.3 Promptly following satisfaction of the Transaction Implementation Conditions, the Scheme Company shall make (or shall procure that the Parent makes) a public announcement confirming:
 - (a) that the Transaction Implementation Conditions have been satisfied; and
 - (b) giving notice of the Completion Date.

6.6 **RCF Pre-Completion Notice**

- 6.6.1 As soon as reasonably practicable after 9.00 am on the date on which the Transaction Implementation Conditions are satisfied, the Escrow Agent (on behalf of the Scheme Company) shall notify the Revolving Agent:
 - (a) that the Transaction Implementation Conditions have been satisfied; and
 - (b) of the anticipated Completion Date.

- 6.6.2 Promptly following receipt by the Scheme Company, Codere Finance and the Escrow Agent of a notice from the Revolving Agent of the final RCF Settlement Amount in accordance with the Escrow Deed, the Scheme Company shall deliver a Funds Flow to the Escrow Agent showing all payments to be made under Clause 7.3.1(c)(i).
- 6.6.3 As soon as reasonably practicable following receipt of the RCF Confirmation Notice, the Escrow Agent shall send the RCF Pre-Completion Notice (as defined in the Escrow Deed) to the Revolving Agent, in accordance with the Escrow Deed.

7. **COMPLETION STEPS**

Completion shall occur as soon as reasonably practicable after 10.00 am on the Completion Date. On the Completion Date, the steps set out in Clauses 7.1 to 7.5 inclusive shall occur in the following order, and the Scheme Company and all Scheme Parties shall use all commercially reasonable efforts to ensure that they occur on the same Business Day.

7.1 Step 1: Execution of certain Transaction Documents

The Scheme Company and each Scheme Party named as a party thereto shall enter into the following documents (in the case of each Scheme Party (other than the parties listed in sub-paragraphs (d) to (i) of the definition of Undertaking Party, who will be executing on their own behalf), by the Scheme Company acting as its attorney), each of which shall become fully effective in accordance with their terms with simultaneous effect:

- 7.1.1 the Existing Notes A& R Supplemental Indenture;
- 7.1.2 the Existing Notes Amended Global Notes; and
- 7.1.3 the Security Confirmation Documents identified in (b) and (c) of that definition.

7.2 Step 2: Execution and Delivery of New Notes

- 7.2.1 Immediately following satisfaction or waiver of all of the Completion Date New Notes Purchase Conditions Precedent, Codere Finance and the New Notes Trustee shall execute the following documents, each of which shall become fully effective in accordance with their terms with simultaneous effect:
 - (a) the New Notes Supplemental Indenture; and
 - (b) the New Notes Global Notes.
- 7.2.2 The following Scheme Parties shall execute the following documents, each of which shall become fully effective in accordance with their terms with simultaneous effect:
 - (a) Codere Finance shall execute and send to the New Notes Trustee the New Notes Authentication and Delivery Order;

- (b) the New Notes Trustee shall execute and deliver to Codere Finance the New Notes Compliance with Authentication Order;
- (c) Codere Finance shall execute and send to the Common Depositary the New Notes Instruction to Common Depositary; and
- (d) the Settlement Agent shall upon instructions by Codere Finance deliver to the Clearing Systems an allocation list in the form of a spreadsheet containing all New Notes Allocated Principal Amounts and Backstop New Notes Allocated Principal Amounts for each New Notes Purchaser and Backstop Purchaser, substantially in the form scheduled to the Agency Agreement.
- 7.2.3 Immediately following completion of the steps set out in Clause 7.2.1 and 7.2.2, Codere Finance shall deliver the New Notes to the Common Depositary.

7.3 Step 3: Release of escrow

- 7.3.1 Immediately following completion of the steps in Clause 7.2, the Scheme Company shall deliver (on behalf of itself and each Beneficiary as defined in the Escrow Deed) the Escrow Release Notice to the Escrow Agent, whereupon:
 - (a) the Escrow Agent shall hold an amount standing to the credit of the Escrow Account equal to the RCF Settlement Amount to the order of the Revolving Agent pending completion of the payment set out at Clause 7.3.1(c)(i)(A);
 - (b) the beneficial interest in:
 - (i) the Refund Interest Amount shall transfer to the New Notes Purchasers and Backstop Purchasers;
 - (ii) the Retained Interest Amount shall transfer to the New Notes Trustee; and
 - (iii) all other amounts standing to the credit of the Escrow Account shall transfer to Codere Finance; and
 - (c) the Escrow Agent shall, in accordance with the terms of the Escrow Deed:
 - (i) issue irrevocable payment instructions for the payment:
 - (A) to the Revolving Agent of the RCF Settlement Amount;
 - (B) to each New Notes Purchaser of its New Notes Total Pre-Funded Interest Refund Amount;
 - (C) to each Backstop Purchaser its Backstop New Notes Pre-Funded Interest Refund Amount:

- (D) subject to Clause 7.3.3 below, to each Early Bird Creditor of its Early Bird Consent Fee;
- (E) subject to Clause 7.3.3 below, to each Consent Fee Creditor of its Consent Fee;
- (F) to each Adviser its Adviser Fees; and
- (ii) retain in the Escrow Account the Retained Interest Amount; and
- (iii) issue an irrevocable payment instruction to pay the balance to Codere Finance in accordance with the Escrow Deed.
- 7.3.2 The Escrow Agent shall send to the Scheme Company the Escrow Payment Confirmation Notice promptly upon issuance of the irrevocable payment instructions for the amounts referred to under Clause 7.3.1(c)(i) above.
- 7.3.3 If the Escrow Agent is unable to pay an Early Bird Consent Fee or a Consent Fee to an Early Bird Creditor or a Consent Fee Creditor (including, without limitation, as a result of such Early Bird Creditor or Consent Fee Creditor having supplied inaccurate or incomplete account information):
 - (a) the Escrow Agent shall promptly notify the Scheme Company, the Parent, and Codere Finance of the same and shall pay all such Early Bird Consent Fee and Consent Fee amounts to Codere Finance;
 - (b) the Scheme Company, the Parent, and Codere Finance shall use commercially reasonable efforts to make or procure the payment of such fees within five Business Days of the Completion Date; and
 - (c) this shall not prevent or delay the steps in the remainder of this Clause 7 (*Completion Steps*) from occurring.
- 7.3.4 The Retained Interest Amount is to be retained in the Escrow Account and released in accordance with the terms of the Escrow Deed.

7.4 Step 4: Notarisation

As soon as reasonably practicable following receipt by the Scheme Company of the Escrow Payment Confirmation Notice, the Scheme Company shall procure that:

- 7.4.1 the Existing Notes A&R Supplemental Indenture is notarised; and
- 7.4.2 the New Notes Supplemental Indenture is notarised.

7.5 Step 5: Execution of the Deed of Release

As soon as reasonably practicable following completion of the steps set out in Clause 7.1 to 7.4 above, the Scheme Company, each Obligor, each Nominated Participant and each Scheme Creditor (and in the case of the Scheme Creditors and Nominated Participants, by the Scheme Company acting as their attorney), shall enter into the Deed

of Release and the Deed of Release shall become immediately effective in accordance with its terms.

7.6 **Step 6: Completion Time**

- 7.6.1 The "**Completion Time**" will occur with immediate effect upon completion of the steps set out in Clause 7.5 (*Step 5: Execution of the Deed of Release*).
- 7.6.2 As soon as reasonably practicable following completion of the steps set out in Clause 7.5 (*Step 5: Execution of the Deed of Release*), the Scheme Company shall make (or procure that the Parent makes) the Completion Announcement.
- 7.6.3 If, for any reason, the Completion Time does not occur as contemplated by this Scheme, the Scheme Company, each Undertaking Party and each Scheme Creditor understands and agrees that any steps taken pursuant to this Scheme, and in particular, those steps set out at Clauses 7.1 to 7.5 above shall be rescinded (in so far as legally possible) and declared void *ab initio* and the Scheme Company, each Undertaking Party and each Scheme Creditor shall take all necessary steps required to restore each other relevant party to its position prior to any steps being taken pursuant to this Scheme.

8. CALCULATIONS

- 8.1 In carrying out all of the calculations to be performed by it in accordance with this Scheme, the Information Agent:
 - shall be entitled to rely in good faith upon information and documents supplied to it, including in Account Holder Letters, New Notes Purchaser Letters and Nominated Participant Deeds;
 - 8.1.2 may, but is not required, to take account of any information or documents supplied to it after any applicable deadline for the provision of such information; and
 - 8.1.3 shall work in consultation with the Scheme Company and the Calculation Advisers, as appropriate. Each Scheme Creditor, Nominated Participant, and Backstop Purchaser acknowledges that its Individual Information may be provided to the Scheme Company and the Calculation Advisers for this purpose (but not to any other Scheme Creditor, Nominated Participant, or Backstop Purchaser, or any of their Affiliates or Related Funds, including without limitation, any member of the Ad Hoc Committee).
- 8.2 Any calculation performed by the Information Agent in accordance with this Scheme shall (in the absence of manifest error) be final and binding, and shall not be disputed by any Scheme Party.
- 8.3 The Information Agent shall, as soon as reasonably practicable, provide any Scheme Creditor, Nominated Participant, or Backstop Purchaser with such information relating to any calculation performed by the Information Agent as that Scheme Creditor, Nominated Participant, or Backstop Purchaser may reasonably request for the purpose of evaluating and checking its New Notes Entitlement or New Notes Subscription Amount, provided that no such information shall be provided where it would or might

(in the Information Agent's reasonable opinion) result in the disclosure of any Individual Information relating to any other Scheme Creditor, Nominated Participant or Backstop Purchaser.

8.4 The Information Agent shall not be liable or responsible for any liabilities or inconvenience which may result from anything done or omitted to be done by it in accordance with the provisions of the Scheme and shall bear no obligation or responsibility to any person in respect of the Scheme unless such liability arises as a result of gross negligence, fraud, or wilful default on the part of the Information Agent. Under no circumstances shall the Information Agent be liable for any consequential or special loss, or indirect, consequential or punitive damages, however caused or arising (including loss of business, goodwill, opportunity, or profit) even if advised of the possibility of such loss or damage.

9. WAIVER AND RELEASE

- 9.1 With effect on and from the Completion Time but subject to Clause 9.4 below, each Scheme Creditor and Nominated Participant (in each case on behalf of itself and any of its successors or assigns) irrevocably and unconditionally, fully and finally waives and releases and forever discharges to the fullest extent permitted by applicable law, any and all Liabilities, in each case that it ever had, may have or hereafter can, shall or may have, against each Released Person whatsoever and howsoever arising, in relation to, or in connection with or by reason of or resulting directly or indirectly from a Released Person's participation (as applicable) in the negotiation, preparation, entry into, and/or implementation of the Scheme, the amendments to the Existing Notes, or the issuance of the New Notes, in each case contemplated by the Scheme.
- 9.2 No Scheme Creditor or Nominated Participant shall (nor in each case shall any of its successors or assigns) commence or continue any claim, counterclaim or Proceeding against any Released Person in respect of a Liability waived, released or discharged under Clause 9.1 above.
- 9.3 Each Released Person and each Scheme Creditor Released Person shall be entitled to rely upon, enjoy the benefit of, and enforce this Clause 9 (*Waiver and Release*), even if it is not a Scheme Party.
- 9.4 The releases, waivers and undertakings in Clauses 9.1 to 9.3 shall not:
 - 9.4.1 have the effect of waiving, releasing or discharging (i) any Liability of a Released Person or (ii) any rights of any Scheme Creditor or Nominated Participant:
 - (a) arising under the Scheme;
 - (b) arising from or in connection with any breach of any term of the Lock-Up Agreement or any Transaction Document or any actual or purported rescission or repudiation of the Lock-Up Agreement or a Transaction Document;

- (c) arising from any report or advice provided by any Adviser, on which report or advice such Scheme Creditor or Nominated Participant is expressly entitled to rely;
- (d) arising from or pursuant to any New Notes Document or Interim Notes Document;
- 9.4.2 apply to any Liability of any Adviser arising under or relating to a duty of care to such Adviser's client or arising under a duty of care to another person which has been specifically accepted or acknowledged in writing by the relevant Adviser;
- 9.4.3 apply to any Liability in respect of a Released Person's actual fraud, wilful misconduct, or gross negligence; or
- 9.4.4 require a Scheme Creditor or a Nominated Participant to procure any undertaking or acknowledgement from, or action by, any entity from which such Scheme Creditor acquired its rights in respect of any Scheme Claim and/or to whom such Scheme Creditor or a Nominated Participant has transferred or transfers it rights in respect of any Scheme Claim or other entitlement under the Scheme.
- 9.5 With effect on and from the Completion Time but subject to Clause 9.7 below, each Obligor (on behalf of itself and any of its successors or assigns) irrevocably and unconditionally, fully and finally waives and releases and forever discharges to the fullest extent permitted by applicable law, any and all Liabilities, in each case that it ever had, may have or hereafter can, shall or may have, against each Scheme Creditor Released Person whatsoever and howsoever arising, in relation to, or in connection with or by reason of or resulting directly or indirectly from a Scheme Creditor Released Person's participation (as applicable) in the negotiation, preparation, entry into, and/or implementation of the Scheme, the amendments to the Existing Notes, or the issuance of the New Notes, in each case contemplated by the Scheme.
- 9.6 No Obligor shall (nor shall any of its successors or assigns) commence or continue any claim, counterclaim or Proceeding against any Scheme Creditor Released Person in respect of a Liability waived, released or discharged under Clause 9.5 above.
- 9.7 The releases, waivers and undertakings in Clauses 9.5 and 9.6 shall not:
 - 9.7.1 have the effect of waiving, releasing or discharging (i) any Liability of a Scheme Creditor Released Person or (ii) any rights of any Obligor:
 - (a) arising under the Scheme;
 - (b) arising from or in connection with any breach of any term of the Lock-Up Agreement or any Transaction Document or any actual or purported rescission or repudiation of the Lock-Up Agreement or a Transaction Document;
 - (c) arising from any report or advice provided by any Adviser, on which report or advice such Obligor is expressly entitled to rely;

- (d) arising from or pursuant to any New Notes Document or Interim Notes Document;
- 9.7.2 apply to any Liability of any Adviser arising under or relating to a duty of care to such Adviser's client or arising under a duty of care to another person which has been specifically accepted or acknowledged in writing by the relevant Adviser;
- 9.7.3 apply to any Liability in respect of a Scheme Creditor Released Person's actual fraud, wilful misconduct, or gross negligence.

10. **MODIFICATIONS**

10.1 Amendments

- 10.1.1 Subject to Clauses 10.1.2 to 10.3, this Scheme can only be amended with the consent of the Scheme Company and all Scheme Creditors and any Undertaking Party adversely affected by such modification.
- 10.1.2 The Scheme Company may, at any hearing of the Court to sanction this Scheme, consent on behalf of all Scheme Creditors to any modification of this Scheme or any Transaction Document that the Court may think fit to approve or impose. However, if such modifications could reasonably be expected to (a) have an adverse effect on the rights or interests of a Scheme Creditor (taking into account for this purpose only its rights and interests as a Scheme Creditor); or (b) impose any additional or new obligation on any Scheme Creditor, then the Scheme Company may not give such consent without the prior written consent of that Scheme Creditor.
- 10.1.3 With effect on and from the Scheme Effective Time and until the Completion Time, each Scheme Creditor irrevocably authorises, directs, instructs and empowers the Scheme Company (represented by any duly authorised representative) to, in respect of the Transaction Documents:
 - (a) agree on their behalf to any amendments which the Scheme Company may deem necessary or desirable in order to correct any manifest error or otherwise to make any non-material amendments for the purposes of ensuring that such Transaction Documents reflect the terms of this Scheme and the transactions intended to be entered into in order to effect the Transaction;
 - (b) complete any blanks including, without limitation, any dates, times, figures, bank account details, notice provisions or legal entity names, lists of parties and/or signature blocks, in each case in accordance with any relevant provisions of such Transaction Document and/or any relevant information or instruction provided to it in connection therewith;
 - (c) make any other minor or technical amendments which would not have an adverse effect on the interests of the Scheme Company or the Scheme Creditors or impose any additional obligation on any Scheme Creditor; and/or

- (d) take into account any modification of, or addition to, this Scheme and/or the Transaction Documents approved or imposed by the Court in accordance with this Clause 10.1.
- 10.1.4 Any Transaction Implementation Condition may be amended or waived with the consent of the Scheme Company and the Majority Scheme Creditors.

10.2 **Severability**

If any provision of this Scheme (or any document to be executed under this Scheme) is illegal or unenforceable, such provision shall be severed from the Scheme and the rest of the Scheme shall continue in full force and effect as if the severed provision had not been included.

10.3 Account Holder Letters, New Notes Purchaser Letters and Nominated Participant Deeds

The Information Agent may, with the consent of the Scheme Company (in its absolute discretion), accept as validly completed any Account Holder Letter, New Notes Purchaser Letter, or Nominated Participant Deed notwithstanding any minor defects as the Scheme Company may approve, and subject to such assurances as the Scheme Company may require with respect to the rectification of such defects within such timeframe as the Scheme Company may require.

11. **TERMINATION**

- 11.1 This Scheme shall terminate:
 - 11.1.1 (unless otherwise agreed in writing by the Scheme Company, Codere Finance and the Majority Scheme Creditors) if the Escrow Funding Condition has not been satisfied by the Failed Funding Long-Stop Time;
 - 11.1.2 if the Completion Time has not occurred on or before the Long-Stop Date; or
 - 11.1.3 if the Bankruptcy Court enters a final, non-appealable order or an order which the Scheme Company confirms to the Scheme Creditors that it does not intend to appeal, declining to make the Chapter 15 Order.
- 11.2 The Scheme Company shall (or shall procure that the Parent) make a public announcement promptly following termination of this Scheme.
- 11.3 Upon termination of this Scheme, the rights of all Scheme Parties prior to the Scheme shall be reinstated and all of the compromises and arrangements provided by the Scheme and any releases granted pursuant to the Scheme shall be of no effect and the Scheme Parties' obligations shall continue as if the Scheme had never become effective, any events of default under the Existing Notes and any consequences thereof, including any alleged deemed or actual acceleration shall be reinstated as if such event of default has been continuing since the date it originally occurred or was deemed to occur and the Scheme Parties shall do all such things and execute all such documents as may be necessary to give effect to such reinstatement of the rights of the Scheme Parties.
- 11.4 The Surviving Provisions shall survive termination of this Scheme.

12. **NOTICES**

- 12.1 Any notice or other communication to be given under or in relation to this Scheme (including any service of process in connection with a breach of this Scheme) shall be given in writing and shall be deemed to have been duly given if it is delivered by email:
 - 12.1.1 in the case of the Scheme Company:

Codere Finance 2 (UK) Limited

Attention: The Directors

Email: codere.finance2.uk@codere.com

12.1.2 in the case of the legal advisers to the Scheme Company:

Clifford Chance LLP

Attention: Iain White and Tim Lees

Email: ProjectClimb2020@CliffordChance.com

12.1.3 in the case of the legal advisers to the Ad Hoc Committee:

Milbank LLP

Attention: Jacqueline Ingram and Kate Colman

Email: Casino Milbank@milbank.com

- 12.1.4 in the case of a Scheme Creditor or Nominated Participant, the email address notified in its Account Holder Letter or New Notes Purchaser Letter, as applicable; and
- 12.1.5 in the case of an Undertaking Party, the email address notified in its Undertaking.
- 12.2 Subject to Clause 12.3 below, any notice or other written communication to be given under or in relation to this Scheme shall be deemed to have been delivered and served when actually received in readable form provided that, if such receipt in readable form is on a non-Business Day, it shall be deemed to have been delivered and served at 9.00 am in the place of receipt on the next following Business Day.
- 12.3 Any notice or other written communication to be given under or in relation to the Scheme that is posted on the Scheme Website shall be deemed to have been delivered and served when published on the Scheme Website.
- 12.4 The accidental omission to send any notice, written communication or other document in accordance with this Clause 12 or the non-receipt of any such notice by any Scheme Creditor, shall not affect the provisions of this Scheme or its enforceability against any or all of the Scheme Creditors.

13. ASSIGNMENTS AND TRANSFERS

- 13.1 Subject to Clause 13.2 below, the Scheme Company shall be under no obligation to recognise any assignment or transfer of a Scheme Claim on or after the Record Time, provided that where the Scheme Company has received from the relevant parties notice in writing of such assignment or transfer, the Scheme Company may, in its sole discretion and subject to the production of such other evidence as it may require and to any other terms and conditions which it may consider necessary or desirable, agree to recognise such assignment or transfer. It shall be a term of such recognition that the assignee or transferee of a Scheme Claim so recognised by the Scheme Company shall be bound by the terms of this Scheme, and shall agree for the purposes of this Scheme to be a Scheme Creditor.
- 13.2 Clause 13.1 above shall not prevent or restrict any Scheme Creditor from:
 - 13.2.1 appointing one or more Nominated Participants to take up its entitlement to purchase New Notes in accordance with this Scheme; or
 - 13.2.2 assigning or transferring all or any part of its interest in the Existing Notes or the New Notes on and from the Completion Time.

14. GOVERNING LAW AND JURISDICTION

- 14.1 This Scheme and any non-contractual obligations arising under, out of, or in connection with it shall be governed by and construed in accordance with English law. Each Scheme Party agrees that the Courts shall have exclusive jurisdiction to hear and determine any suit, action or Proceeding and to settle any dispute which arises out of or in connection with the terms of this Scheme or its implementation or out of any action taken or omitted to be taken under this Scheme or in connection with the administration of this Scheme and for such purposes each Scheme Party irrevocably submits to the jurisdiction of the Courts.
- 14.2 Clause 14.1 is without prejudice to any provision of a Transaction Document which is expressly governed by the law of another jurisdiction, or subject to the jurisdiction of any other court, tribunal, or authority.

SCHEDULE 1 NEW NOTES ENTITLEMENTS AND NEW NOTES SUBSCRIPTION AMOUNTS

The Information Agent shall calculate the New Notes Entitlement of each Scheme Creditor, with the assistance of the Calculation Advisers, in accordance with paragraph 2 below, and the New Notes Subscription Amount of each New Notes Purchaser, and the Backstop New Notes Subscription Amount of each Backstop Purchaser, in accordance with paragraphs 3 to 6 below.

1. Relevant Scheme Claims

In this Schedule 1, a New Notes Purchaser's "Relevant Scheme Claim" means:

- (a) in relation to a Scheme Creditor, the amount of its Scheme Claim *less* the amount (if any) that has been allocated to one or more Nominated Participant(s) under such Scheme Creditor's validly submitted Account Holder Letter; and
- (b) in relation to a Nominated Participant, the amount of the Scheme Claim of the Scheme Creditor who has nominated it as its Nominated Participant that has been allocated to that Nominated Participant under such Scheme Creditor's validly submitted Account Holder Letter.

2. New Notes Entitlement

The Information Agent shall calculate the entitlement of each Scheme Creditor to New Notes by applying the following formula:

$$\frac{A}{R}$$
 × €165,000,000

where:

A is equal to the Scheme Claim of that Scheme Creditor; and

B is equal to the aggregate of all Scheme Claims,

and provided that:

- (i) if a Scheme Creditor's New Notes Entitlement would be less than €20,000, its New Notes Entitlement shall be €20,000; and
- (ii) the New Notes Entitlement of each Scheme Creditor may be rounded up or down to the nearest integral multiple of €1,000.

3. Maximum New Notes Commitments

- 3.1 Where a Scheme Creditor:
 - (a) wishes to purchase New Notes on its own account and also nominates one or more Nominated Participant(s) to purchase New Notes; or

(b) does not wish to purchase New Notes on its own account but nominates more than one Nominated Participant to purchase New Notes,

that Scheme Creditor must specify in the relevant part of its Account Holder Letter the amount of its New Notes Entitlement that is to be allocated to it and/or its Nominated Participant(s) (as applicable), the amount of its New Notes Entitlement (i.e. the principal amount of New Notes) allocated to itself or a Nominated Participant (as applicable) being its "Relevant New Notes Entitlement".

- 3.2 The Relevant New Notes Entitlement of a Scheme Creditor that is not appointing any Nominated Participants will be equal to its New Notes Entitlement.
- 3.3 Each Scheme Creditor who either wishes to purchase New Notes and/or nominate one or more Nominated Participant(s) to purchase New Notes shall specify in the relevant part of its Account Holder Letter:
 - (a) if it is agreeing to purchase New Notes, the maximum amount of New Notes it commits to purchase; and/or
 - (b) if it is nominating one or more Nominated Participant(s) to purchase New Notes, the maximum amount of New Notes that each Nominated Participant commits to purchase,

which may be, in each case, more than, equal to or less than that Scheme Creditor's and/or Nominated Participant's Relevant New Notes Entitlement,

provided that the amount specified must be:

- (c) not less than $\in 20,000$;
- (d) not more than €165,000,000; and
- (e) an integral multiple of $\in 1,000$,

the maximum amount of New Notes that a Scheme Creditor and/or Nominated Participant commits to purchase being its "Maximum New Notes Commitment".

- 3.4 A New Notes Purchaser whose Maximum New Notes Commitment is:
 - (a) greater than its Relevant New Notes Entitlement is an "**Oversubscriber**";
 - (b) equal its Relevant New Notes Entitlement is a "Pro Rata Purchaser"; or
 - (c) less than its Relevant New Notes Entitlement is an "Undersubscriber".

4. New Notes Allocations

- 4.1 Each New Notes Purchaser shall be allocated:
 - (a) in respect of an Oversubscriber and a Pro Rata Purchaser, an amount of New Notes equal to its Relevant New Notes Entitlement; and

(b) in respect of an Undersubscriber, an amount of New Notes equal to its Maximum New Notes Commitment,

provided that in the event that the allocations of New Notes made pursuant to this paragraph 4.1 would, in aggregate, total more than &165,000,000 (the allocated amount above &165,000,000 being the "Overallocation Amount"):

- (c) New Notes Purchasers whose Relevant New Notes Entitlement are more than €20,000 will have their allocations adjusted downwards (to the nearest integral multiple of €1,000) by, in aggregate, an amount equal to the Overallocation Amount, on a rateable basis (by reference to the proportion that the Relevant Scheme Claim of that Scheme Creditor or Nominated Participant bears to the Relevant Scheme Claims of all New Notes Purchasers whose allocations are to be adjusted downwards) (the "Downwards Adjustment"); and
- (d) if any New Notes Purchaser would have an allocation of less than €20,000 as a result of a Downwards Adjustment under paragraph 4.1(c), its allocation will be re-adjusted upwards to €20,000 and a further Downwards Adjustment will be made in respect of New Notes Purchasers whose allocations are more than €20,000 following the process set out in 4.1(c), and this shall be repeated until:
 - (i) no New Notes Purchaser has an allocation of less than €20,000; and
 - (ii) the allocations of New Notes made pursuant to this paragraph 4.1 do not, in aggregate, total more than €165,000,000,

and a New Notes Purchaser's allocation under this paragraph 4.1 will be its "Initial Allocation".

- 4.2 The Information Agent shall calculate the amount (if any) by which the aggregate of all New Notes Purchasers' Initial Allocations is less than €165,000,000 (the "Shortfall Amount").
- 4.3 The Shortfall Amount shall be allocated to Oversubscribers (an "Oversubscription Allocation") by applying the following formula in successive rounds until the Shortfall Amount has been applied in full:

$$\frac{X}{Y} \times$$
 the Shortfall Amount

where:

X is equal to the Relevant Scheme Claim of that Oversubscriber; and

Y is equal to the aggregate of all Relevant Scheme Claims of Oversubscribers participating in that round,

and provided that:

all allocations of New Notes may be rounded up or down to the nearest integral multiple of €1,000,

and provided further that:

if the application of this formula would result in a New Notes Purchaser receiving an allocation of New Notes which (when taken together with its Initial Allocation and any previous Oversubscription Allocations) is greater than its Maximum New Notes Commitment;

- (i) the Oversubscriber's New Notes allocation shall be equal to its Maximum New Notes Commitment; and
- (ii) the Information Agent shall commence a new round of allocations in accordance with this paragraph 4.3, but excluding any such Oversubscriber who has now been allocated their Maximum New Notes Commitment.

5. New Notes Subscription Amount

5.1 Following the application of paragraphs 2 to 4 above, the Information Agent shall calculate the New Notes Subscription Amount of each New Notes Purchaser by applying the following formula:

$$(N-D)+I$$

where:

N is equal to the principal amount of the New Notes allocated to each New Notes Purchaser in accordance with paragraphs 2 to 4 above (the "New Notes Allocated Principal Amount");

D is equal to all amounts which that New Notes Purchaser is entitled to deduct from its New Notes Allocated Principal Amount in accordance with the New Notes Purchase Agreement (the "New Notes Deduction Amount", and the "New Notes Total Deduction Amount" shall be the New Notes Deduction Amount of all New Notes Purchasers, taken together); and

I is equal to the amount of interest which would accrue on its New Notes Allocated Principal Amount between and including 1 October 2020 and 30 October 2020 (the "New Notes Pre-Funded Interest Amount").

6. Backstop New Notes Subscription Amount

6.1 Following the application of paragraphs 2 to 4 above, the Information Agent shall calculate the Backstop New Notes Subscription Amount of each Backstop Purchaser by applying the following formula:

$$(BN - BD) + BI$$

where:

BN is equal to the Backstop Purchaser's Backstop Pro Rata Percentage multiplied by the sum of €165,000,000 less the New Notes Total Allocated Principal Amount (the "Backstop New Notes Allocated Principal Amount");

BD is equal to all amounts which that Backstop Purchaser is entitled to deduct from its Backstop New Notes Allocated Principal Amount in accordance with the New Notes Purchase Agreement (the "Backstop New Notes Deduction Amount", and the "Backstop New Notes Total Deduction Amount" shall be the Backstop New Notes Deduction Amount of all Backstop Purchasers, taken together); and

BI is equal to the amount of interest which would accrue on its Backstop New Notes Allocated Principal Amount between and including 1 October 2020 and 30 October 2020 (the "Backstop New Notes Pre-Funded Interest Amount").

SCHEDULE 2 FAILED FUNDING PROCESS

1. **Definitions**

In this Schedule 2, the following terms have the following meanings, and defined terms used in the Scheme have the same meaning when used herein.

"Eligible Purchaser" means each New Notes Purchaser and Backstop Purchaser that is not a Failed Funder.

"Failed Funder" means, at any time, a New Notes Purchaser or Backstop Purchaser that has failed to fund the Escrow Account with its New Notes Subscription Amount, or its Backstop New Notes Subscription Amount or any amount required to be funded by it to the Escrow Account pursuant to Schedule 2 (Failed Funding Process) at that time.

"Failed Funding New Notes" means, at any time, New Notes in an amount equal to the aggregate of the New Notes Allocated Principal Amount and Backstop New Notes Allocated Principal Amount of all Failed Funders at that time.

"Failed Funding New Notes Election Letter" means a validly completed letter submitted to the Information Agent by an Eligible Purchaser, substantially in the form provided to that Eligible Purchaser by the Information Agent on or about the time of the Failed Funding Notice.

"Failed Funding New Notes Notice" means a notice, substantially in the form set out in Annex 1 (Failed Funding New Notes Notice) to this Schedule 2 (Failed Funding Process).

"Failed Funding New Notes Pre-Funded Interest Overpayment Amount" means the amount of interest which would accrue on an Eligible Purchaser's Failed Funding New Notes Allocated Principal Amount from (and including) the Completion Date to (and including) 30 October 2020.

"Failed Funding New Notes Principal Amount" means the principal amount of the Failed Funding New Notes upon the occurrence of a Second Failed Funding Event.

"Failed Funding New Notes Subscription Amount" means the amount that an Eligible Purchaser is required to fund into the Escrow Account in order to purchase its Failed Funding New Notes being, in respect of each Eligible Purchaser, the sum of (i) its Failed Funding New Notes Allocated Principal Amount plus (ii) its Failed Funding New Notes Pre-Funded Interest Amount, in each case calculated in accordance with Annex 2 (Failed Funding New Notes Entitlements and Failed Funding New Notes Subscription Amounts) to this Schedule 2 (Failed Funding Process).

"Failed Funding New Notes Subscription Deadline" means 5.00 pm (London time) on Failed Funding New Notes Subscription Deadline Date.

"Failed Funding New Notes Subscription Deadline Date" means the second Business Day after the day on which the Failed Funding New Notes Notice is sent in accordance with paragraph 4.1(b) below.

"Failed Funding Notice" means a notice from the Information Agent notifying Eligible Purchasers of certain information (as further specified in paragraph 4.5) and requiring Eligible Purchasers to deliver funds to the Escrow Account in respect of their prospective purchase of Failed Funding New Notes.

"**Initial Failed Funding Deadline**" means 3.00 pm (London time) on the Initial Failed Funding Deadline Date.

"Initial Failed Funding Deadline Date" means the first Business Day following the Funding Deadline.

"Relevant Eligible Purchasers" means those Eligible Purchasers who have submitted a validly completed Failed Funding New Notes Election Letter prior to the Failed Funding New Notes Subscription Deadline.

"Second Failed Funding Deadline" means 5.00 pm (London time) on the Second Failed Funding Deadline Date.

"Second Failed Funding Deadline Date" means the third Business Day after the date that the Failed Funding Notices have been sent to the Relevant Eligible Purchasers.

"Second Failed Funding Event" means that the Total Failed Funding Amount has not been funded into the Escrow Account by the Initial Failed Funding Deadline

"Successful Failed Funding Process" has the meaning given to that term in paragraph 4.4 in this Schedule 2.

"Total Failed Funding Amount" means the amount by which, as at the Funding Deadline, the Escrow Account Balance is lower than the Required Escrow Subscription Amount.

"Total Failed Funding New Notes Subscription Amount" means the aggregate of the Failed Funding New Notes Subscription Amounts of all Eligible Purchasers that are purchasing Failed Funding New Notes, taken together.

2. Occurrence of a Failed Funding Event

- 2.1 Upon the occurrence of a Failed Funding Event, on or as soon as possible following the Funding Deadline and in any event on the Funding Deadline Date:
 - (a) the Escrow Agent shall give notice to the Parent, Codere Finance, the Scheme Company, the Information Agent and the Calculation Advisers of:
 - (i) the occurrence of the Failed Funding Event;
 - (ii) the Total Failed Funding Amount; and
 - (iii) the identity of each Failed Funder; and
 - (b) the Parent will issue a public announcement confirming the occurrence of the Failed Funding Event (but not the Total Failed Funding Amount or the identity of any Failed Funder).

3. **Initial Failed Funding Deadline**

- 3.1 Upon the occurrence of a Failed Funding Event, on or as soon as possible following the Funding Deadline, and in any event on the Funding Deadline Date, the Information Agent shall give notice to each Failed Funder:
 - (a) notifying it that it is a Failed Funder and is in breach of its obligations under the Scheme and the New Notes Purchase Agreement; and
 - (b) requiring it to pay its New Notes Subscription Amount or Backstop New Notes Subscription Amount, as applicable, into the Escrow Account by no later than the Initial Failed Funding Deadline.
- 3.2 On or as soon as possible following the Initial Failed Funding Deadline and in any event on the Initial Failed Funding Deadline Date, the Escrow Agent shall confirm to the Scheme Company, the Parent, the Information Agent and the Calculation Advisers either:
 - (a) that the Total Failed Funding Amount has been funded into the Escrow Account by the Initial Failed Funding Deadline, whereupon the Escrow Funding Condition will have been satisfied; or
 - (b) that the Total Failed Funding Amount has not been funded into the Escrow Account by the Initial Failed Funding Deadline, whereupon a Second Failed Funding Event shall occur and the terms of paragraph 4 (Offer to purchase Failed Funding New Notes) shall apply.

4. Offer to purchase Failed Funding New Notes

- 4.1 As soon as reasonably practicable following the occurrence of a Second Failed Funding Event (the intention of the Parent and the Information Agent being to take the actions set out below on the Initial Failed Funding Deadline Date):
 - (a) the Parent will issue a public announcement confirming:
 - (i) the occurrence of a Second Failed Funding Event;
 - (ii) the Failed Funding New Notes Principal Amount; and
 - (iii) that each Eligible Purchaser shall have the opportunity to purchase some or all of the available Failed Funding New Notes in accordance with the Scheme by submitting a validly completed Failed Funding New Notes Election Letter to the Information Agent via the Scheme Website, by email or as otherwise directed by the Information Agent; and
 - (b) the Information Agent will send the Failed Funding New Notes Notice to all Eligible Purchasers via the Scheme Website, by email or otherwise.
- 4.2 Each Eligible Purchaser shall have the opportunity to purchase Failed Funding New Notes in an amount equal to at least that New Note Purchaser's Failed Funding New Notes Entitlement, calculated in accordance with Annex 2 (*Failed Funding New Notes Entitlements and Failed Funding New Notes Subscription Amounts*) of this Schedule 2

- and subject to the terms and conditions of the New Notes Purchase Agreement and this Scheme. Failed Funders shall not have the opportunity or otherwise be entitled to purchase any Failed Funding New Notes.
- 4.3 Any Eligible Purchaser who wishes to purchase Failed Funding New Notes may do so by submitting a validly completed Failed Funding New Notes Election Letter to the Information Agent in the manner notified to the Eligible Purchasers in the Failed Funding New Notes Notice (which may be via the Scheme Website, by email or as otherwise directed by the Information Agent) by the Failed Funding New Notes Subscription Deadline.
- 4.4 If, on the Failed Funding New Notes Subscription Deadline (or on or at such later date or time as the Scheme Company, Codere Finance and the Majority Scheme Creditors may agree), the aggregate amount of Failed Funding New Notes that Eligible Purchasers have confirmed they are willing to purchase pursuant to validly completed Failed Funding New Notes Election Letters received by the Information Agent is equal to or greater than the Minimum Failed Funding Notes Principal Completion Amount (a "Successful Failed Funding Process"), the provisions of paragraph 4.5 shall apply.
- 4.5 Upon the occurrence of a Successful Failed Funding Process, the Information Agent shall as soon as reasonably practicable and in any event by no later than 5.00 pm (London time) on the Business Day after its occurrence:
 - (a) notify all Eligible Purchasers of the same via the Scheme Website, by email or otherwise;
 - (b) notify the Scheme Company, the Escrow Agent and the Calculation Advisers of the same; and
 - (c) calculate (with the assistance of the Calculation Advisers):
 - (i) the Failed Funding New Notes Allocated Principal Amount;
 - (ii) the Failed Funding New Notes Pre-Funded Interest Amount; and
 - (iii) the Failed Funding New Notes Subscription Amount,
 - of each Relevant Eligible Purchaser in accordance with Annex 2 (Failed Funding New Notes Entitlements and Failed Funding New Notes Subscription Amounts) to this Schedule 2 (Failed Funding Process);
 - (d) notify (through the Failed Funding Notices) each Relevant Eligible Purchaser:
 - (i) each item applicable to it listed in sub-paragraph (c) above;
 - (ii) the details of the Escrow Account into which its Failed Funding New Notes Subscription Amount should be funded;
 - (iii) the Second Failed Funding Deadline;
 - (iv) the expected Completion Date; and

- (e) send the applicable Failed Funding Notices to:
 - (i) each Relevant Eligible Purchaser;
 - (ii) each Relevant Eligible Purchaser's Account Holder; and
 - (iii) the Escrow Agent.
- 4.6 If a Successful Failed Funding Process has not occurred on or before the Failed Funding New Notes Subscription Deadline (or such later date or time as the Scheme Company, Codere Finance and the Majority Scheme Creditors may agree), then the provisions of Clause 11 (*Termination*) of the Scheme shall apply.

5. Obligation to fund – Failed Funding Notes

- 5.1 Each Relevant Eligible Purchaser shall ensure that its Failed Funding New Notes Subscription Amount is paid into the Escrow Account by no later than the Second Failed Funding Deadline.
- 5.2 If for any reason a Relevant Eligible Purchaser fails to pay its Failed Funding New Notes Subscription Amount into the Escrow Account by the Second Failed Funding Deadline such Relevant Eligible Purchaser shall not be entitled to purchase Failed Funding New Notes.

6. Escrow Account Balance

- As soon as practicable following the Second Failed Funding Deadline, the Escrow Agent shall confirm to the Scheme Company, the Information Agent and the Calculation Advisers that:
 - (a) the Total Failed Funding New Notes Subscription Amount has been funded into the Escrow Account by the Second Failed Funding Deadline, whereupon the Escrow Funding Condition will have been satisfied; or
 - (b) the Total Failed Funding New Notes Subscription Amount has not been funded into the Escrow Account by the Second Failed Funding Deadline and either:
 - (i) the Escrow Account Balance as at the Second Failed Funding Deadline is equal to at least the Minimum Escrow Cash Completion Amount, in which case the Escrow Funding Condition will be satisfied; or
 - (ii) the Escrow Account Balance as at the Second Failed Funding Deadline is less than the Minimum Escrow Cash Completion Amount whereupon the provisions of Clause 11 (*Termination*) of the Scheme shall apply.

7. Reservation of Rights

7.1 All rights that the Scheme Company, Codere Finance, or any other person has or may at any time have (whether under this Scheme, the New Notes Purchase Agreement, under the general law, or otherwise) against a Failed Funder are fully reserved, including, without limitation, in respect of any loss that has or may occur as a result of

a breach of contract (and any consequential loss), including as a result of any failure of the Transaction.

ANNEX 1 FAILED FUNDING NEW NOTES NOTICE

To: Eligible Purchasers

From: GLAS Specialist Services Limited as the Information Agent

Scheme of arrangement pursuant to Part 26 of the Companies Act 2006 between Codere Finance 2 (UK) Limited as the Scheme Company and the Scheme Creditors, which became effective on [•] 2020 (the "Scheme")

- 1. This is a Failed Funding New Notes Notice under the Scheme. Capitalised terms used but not defined in this notice have the meaning given to them in the Scheme.
- 2. We hereby notify you that a Second Failed Funding Event has occurred under the Scheme meaning that not all amounts that were due to be funded into the Escrow Account ahead of the Funding Deadline or the Initial Failed Funding Deadline have been funded.
- 3. The principal amount of the New Notes that was not so funded (the "Failed Funding New Notes Principal Amount") is EUR [●].
- 4. In addition to the New Notes that each Eligible Purchaser has been allocated as specified in its Funding Notice dated [●]¹2020, all Eligible Purchasers are now entitled to purchase a share of the Failed Funding New Notes on the terms of the Scheme and as described in Schedule 2 to the Scheme, which is re-attached to this Failed Funding New Notes Notice for reference.
- 5. In order to purchase a share of the Failed Funding New Notes, an Eligible Purchaser must submit its validly completed Failed Funding New Notes Election Letter (the form of which is attached in the annex to this notice)² to the Information Agent as soon as possible and preferably by no later than [●], ³ the Failed Funding New Notes Subscription Deadline, noting the timetable set out in Schedule 2 (*Failed Funding Process*) to the Scheme.

Date of Funding Notices to be inserted.

Form of Failed Funding New Notes Election Letter to be attached to notice that is issued and will include a request for (i) details of current holding of the Existing Notes by the New Notes Purchaser (or, if it is a Nominated Participant, the Scheme Creditor in respect of which it is a Nominated Participant) and (ii) confirmation of the amount of the Failed Funding New Notes it wishes to purchase (either its pro rata share, or the total amount available).

³ Date of the Initial Failed Funding New Notes Subscription Deadline to be inserted.

6. If you have any questions in relation to this notice, please contact the Information Agent using the contact details below:

GLAS Specialist Services Limited

45 Ludgate Hill London EC4M 7JU

Email: LM@glas.agency

Telephone: +44 (0)20 3597 2940

Fax number: +44 (0)20 3070 0113

[Schedule 2 of the Scheme is to be attached to the notice that is issued]

[Form of Failed Funding New Notes Election Letter to be attached to notice that is issued]

ANNEX 2

FAILED FUNDING NEW NOTES ENTITLEMENTS AND FAILED FUNDING NEW NOTES SUBSCRIPTION AMOUNTS

The Information Agent shall calculate the Failed Funding New Notes Entitlement of each Relevant Eligible Purchaser, with the assistance of the Calculation Advisers, in accordance with paragraph 1 below, and the Failed Funding New Notes Subscription Amount of each Relevant Eligible Purchaser in accordance with paragraphs 2 to 4 below.

1. Failed Funding New Notes Entitlement

The Information Agent shall calculate the entitlement of each Eligible Purchaser to Failed Funding New Notes (a "Failed Funding New Notes Entitlement") by applying the following formula:

 $\frac{A}{R}$ × Failed Funding New Notes Principal Amount

where:

A is equal to the New Notes Allocated Principal Amount or Backstop New Notes Allocated Principal Amount, as applicable, of that Eligible Purchaser; and

B is equal to the aggregate of all New Notes Allocated Principal Amount and the Backstop New Notes Allocated Principal Amount of all Eligible Purchasers,

and provided that the Failed Funding New Notes Entitlement of each Scheme Creditor may be rounded up or down to the nearest integral multiple of €1,000.

2. Failed Funding New Notes Commitments

2.1 Each Eligible Purchaser who wishes to purchase Failed Funding New Notes shall specify in the relevant part of its Failed Funding New Notes Election Letter the maximum amount of Failed Funding New Notes it is willing to purchase, which may be either: (i) its Failed Funding New Notes Entitlement; or (ii) the Failed Funding New Notes Principal Amount,

provided that, the amount specified must be an integral multiple of €1,000.

2.2 A Eligible Purchaser who specifies it is willing to purchase the Failed Funding New Notes Principal Amount is an "Oversubscriber" and who specifies it is willing to purchase its Failed Funding New Notes Entitlement is a "Pro Rata Purchaser".

3. Failed Funding New Notes Allocations

- 3.1 Each Oversubscriber and Pro Rata Purchaser shall first be allocated an amount of Failed Funding New Notes equal to its Failed Funding New Notes Entitlement.
- 3.2 The Information Agent shall calculate the amount (if any) by which the aggregate of the Failed Funding New Notes Entitlements of all Oversubscribers and all Pro Rata

Purchasers is less than the Failed Funding New Notes Principal Amount (the "Failed Funding Shortfall Amount").

3.3 The Failed Funding Shortfall Amount shall be allocated to Oversubscribers (an "Oversubscription Allocation") by applying the following formula in successive rounds until the Shortfall Amount has been applied in full:

$$\frac{X}{Y}$$
 × the Failed Funding Shortfall Amount

where:

X is equal to the Failed Funding New Notes Entitlement of that Oversubscriber; and

Y is equal to the aggregate of all Failed Funding New Notes Entitlement of all Oversubscribers.

and provided that,

all allocations of Failed Funding New Notes may be rounded up or down to the nearest integral multiple of €1,000.

4. Failed Funding New Notes Subscription Amount

4.1 Following the application of paragraphs 2 and 3 above, the Information Agent shall calculate the Failed Funding New Notes Subscription Amount of each Relevant Eligible Purchaser by applying the following formula:

$$N + I$$

where:

N is equal to the principal amount of the Failed Funding New Notes allocated to such Eligible Purchaser in accordance with paragraphs 2 and 3 above (the "Failed Funding New Notes Allocated Principal Amount"); and

I is equal to the amount of interest which would accrue on its Failed Funding New Notes Allocated Principal Amount between and including 1 October 2020 and 30 October 2020 (the "Failed Funding New Notes Pre-Funded Interest Amount").

APPENDIX 1 ESCROW DEED

DATED 2 SEPTEMBER 2020

CODERE FINANCE 2 (UK) LIMITED AS SCHEME COMPANY

AND

CODERE FINANCE 2 (LUXEMBOURG) S.A. AS CODERE FINANCE

AND

CODERE S.A. AS THE PARENT

AND

GLAS TRUSTEES LIMITED AS ESCROW AGENT

AND

GLAS SPECIALIST SERVICES LIMITED AS INFORMATION AGENT

AND

BANK OF AMERICA MERRILL LYNCH INTERNATIONAL DESIGNATED ACTIVITY COMPANY AS REVOLVING AGENT

ESCROW DEED

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THIS DEED is made on 2 September 2020 between:

- (1) **CODERE FINANCE 2 (UK) LIMITED** a company incorporated in England and Wales with registration number 12748135 and whose registered office of Codere Finance 2 (UK) Limited is Suite 1, 3rd Floor, 11-12 St. James's Square, London, SW1Y 4LB (the "**Scheme Company**");
- (2) **CODERE FINANCE 2 (LUXEMBOURG) S.A.** a société anonyme organized under the laws of Luxembourg, having its registered office at 6c, rue Gabriel Lippman, L-5365 Munsbach, Grand Duchy of Luxembourg ("**Codere Finance**");
- (3) **CODERE S.A.** a limited liability company incorporated in Spain (Mercantile Registry of Madrid, Tomo 13.390, sección 8, folio 70, hoja M-217120, inscripción 1a) whose registered office is situated at Avenida Bruselas 26, 28108 Alcobendas, Madrid, Spain (the "**Parent**")
- (4) **GLAS TRUSTEES LIMITED**, as Escrow Agent (the "**Escrow Agent**");
- (5) **GLAS SPECIALIST SERVICES LIMITED**, as Information Agent (the "**Information Agent**"); and
- (6) BANK OF AMERICA MERRILL LYNCH INTERNATIONAL DESIGNATED ACTIVITY COMPANY, as Revolving Agent (the "Revolving Agent").

WHEREAS:

- (A) The Scheme Company will propose a scheme of arrangement under Part 26 of the Companies Act 2006 to certain of its creditors as set out in Section II (*The Scheme*) of the document to be issued by the Scheme Company to those creditors on or around 4 September 2020 (the "**Scheme**").
- (B) The Escrow Agent has agreed to provide certain services to the Parties as set out in this Deed.
- (C) It is the intention of the Parties that this Deed be executed as a deed.

IT IS AGREED as follows:

1. **INTERPRETATION**

1.1 **Definitions**

In this Deed, unless there is anything inconsistent therewith, the following definitions shall have the following meanings:

"Account Bank" means Barclays Bank PLC.

"Advisers" has the meaning given to it in the Scheme.

"Adviser Fees" has the meaning given to it in the Scheme.

"Backstop New Notes Pre-Funded Interest Refund Amount" has the meaning given to it in the Scheme.

"Backstop New Notes Subscription Amount" has the meaning given to it in the Scheme.

"Backstop New Notes Total Pre-Funded Interest Amount" has the meaning given to it in the Scheme.

"Backstop New Notes Total Subscription Amount" has the meaning given to it in the Scheme.

"Backstop Purchaser" has the meaning given to it in the Scheme.

"Beneficiary" means:

- (a) prior to receipt by the Escrow Agent of the Escrow Release Notice in accordance with Clause 8.1:
 - (i) each New Notes Purchaser in respect of the New Notes Subscription Amount and Failed Funding New Notes Subscription Amount (if any) deposited by such New Notes Purchaser into the Escrow Account;
 - (ii) each Backstop Purchaser in respect of the Backstop New Notes Subscription Amount and Failed Funding New Notes Subscription Amount (if any) deposited by such Backstop Purchaser into the Escrow Account; and
- (b) on and from receipt by the Escrow Agent of the Escrow Release Notice in accordance with Clause 8.1, the person(s) specified in Clause 8.2 as being the person on whose behalf any such amount is being held by the Escrow Agent.

"Business Day" has the meaning given to it in the Scheme.

"Calculation Advisers" has the meaning given to it in the Scheme.

"Clearing System" means Clearstream Banking SA or Euroclear Bank, SA/NV.

"Completion Date" has the meaning given to it in the Scheme.

"Consent Fee" has the meaning given to it in the Scheme.

"Consent Fee Creditor" has the meaning given to it in the Scheme.

"Court" has the meaning given to it in the Scheme.

"**Designated Escrow Amount**" has the meaning given to it in Clause 8.2(d) (*Release of Escrow Moneys – Completion Date*).

"Early Bird Consent Fee" has the meaning given to it in the Scheme.

"Early Bird Creditor" has the meaning given to it in the Scheme.

"Escrow Account" means a EUR deposit account with details as set out at Schedule 3, opened in England by the Escrow Agent with Barclays Bank PLC as a client trust account of the Escrow Agent for the purposes of receiving certain Escrow Moneys pursuant to Clause 5 and holding such Escrow Moneys on trust for the Beneficiaries pursuant to the terms of this Deed.

"Escrow Account Balance" has the meaning given to it in the Scheme.

"Escrow Agent Default Event" means the occurrence of any of the following events:

- (a) the Scheme Company or Codere Finance notifying the Escrow Agent in writing that the Escrow Agent has defaulted on, or breached, any of its material obligations under this Deed; or
- (b) the occurrence of an Insolvency Event in respect of the Escrow Agent.

"Escrow Long-Stop Date" means 2 November 2020.

"Escrow Moneys" means all moneys from time to time standing to the credit of the Escrow Account.

"Escrow Parties" means the Parties other than the Escrow Agent and the Information Agent and "Escrow Party" shall be construed accordingly.

"Escrow Payment Confirmation Notice" means a notice substantially in the form set out at Schedule 4 to this Deed.

"Escrow Release Notice" means a notice substantially in the form set out at Schedule 1 to this Deed.

"Escrow Return Deadline" has the meaning given to it in Clause 10.3 (*Return of Escrow Moneys*).

"Failed Funding New Notes Pre-Funded Interest Amount" has the meaning given to it in the Scheme.

"Failed Funding New Notes Subscription Amount" has the meaning given to it in the Scheme.

"Funds Flow" means a funds flow excel spreadsheet which includes the details of payments which the Escrow Agent is required to make on the Completion Date (including, the names of payees, their account details, their call back contact details and the currency and amounts which they are to receive) in a form agreed by: (i) Codere Finance, the Escrow Agent and the Calculation Advisers (as defined in the Scheme) and (ii) the Revolving Agent (to the extent the funds flow relates to the RCF Settlement Amount), each acting reasonably.

"Insolvency Event" means any corporate action, legal proceedings or other procedure or step taken in relation to:

(a) the suspension of payments, a moratorium of any indebtedness, winding-up, bankruptcy, liquidation, dissolution, administration, receivership,

- administrative receivership, judicial composition, or reorganisation (by way of voluntary arrangement, scheme of arrangement, or otherwise) of any person;
- (b) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager, or other similar officer in respect of any person or any of its assets;
- (c) enforcement of any security over any assets of any person; or
- (d) any procedure or step in any jurisdiction analogous to those set out in paragraphs (a) to (c) above.

"Liability" means any loss, damage, cost, charge, claim, demand, expense, penalty, judgment, action proceeding or other liability whatsoever (including, without limitation, in respect of taxes, duties, levies, imposts and other charges) and including any value added tax or similar tax charged or chargeable in respect thereof and legal fees and expenses on a full indemnity basis.

"March Interest" has the meaning give to it in the Scheme.

"March Interest Payment Deadline" means 3 May 2021.

"New Notes" has the meaning given to it in the Scheme.

"New Notes Pre-Funded Interest Refund Amount" has the meaning given to it in the Scheme.

"New Notes Purchaser" has the meaning given to it in the Scheme.

"New Notes Subscription Amount" has the meaning given to it in the Scheme.

"New Notes Subscription Deadline" has the meaning given to it in the Scheme.

"New Notes Supplemental Indenture" has the meaning given to it in the Scheme.

"New Notes Total Pre-Funded Interest Amount" has the meaning given to it in the Scheme.

"New Notes Total Subscription Amount" has the meaning given to it in the Scheme.

"New Notes Trustee" has the meaning given to it in the Scheme.

"Original Escrow Agent" has the meaning given to it in Clause 15.1 (Replacement of Escrow Agent).

"Party" means a party to this Deed.

"Paying Agent" means Global Loan Agency Services Limited, with respect to the Interim Notes and New Notes.

"**Proceedings**" has the meaning given to it in Clause 27.2 (*Governing Law and Jurisdiction*).

"RCF Agreement" means a EUR 95 million super senior revolving credit facilities agreement originally dated 24 October 2016, as amended, modified or supplemented from time to time between, amongst others, the Parent, Codere Newco S.A.U., the lenders named therein and the Security Agent.

"RCF Escrow Amount" has the meaning given to it in Clause 8.2(a) (*Release of Escrow Moneys – Completion Date*).

"RCF Finance Party" has the meaning given to the term "Finance Party" in the RCF Agreement.

"RCF Late Payment Contingency Amount" means the amount of interest which would accrue on the outstanding Loans (as such term is defined in the RCF Agreement) under the RCF Agreement for a period of one day.

"RCF Business Day" has the meaning given to the term "Business Day" in the RCF Agreement

"RCF Settlement Amount" has the meaning given to it in the Scheme.

"**Refund Interest Amount**" has the meaning given to it in Clause 8.2(b) (*Release of Escrow Moneys – Completion Date*).

"Replacement Escrow Account" means an escrow account held by a Replacement Escrow Agent if an Escrow Agent Default Event occurs.

"**Resignation Date**" has the meaning given to it in Clause 15.5 (*Replacement of Escrow Agent*).

"**Resignation Notice**" has the meaning given to it in Clause 15.3 (*Replacement of Escrow Agent*).

"**Retained Interest Amount**" has the meaning given to it in Clause 8.2(c) (*Release of Escrow Moneys – Completion Date*).

"Revolving Agent" has the meaning given to it in the Scheme.

"Scheme" has the meaning given to it in Recital A.

"Security Agent" has the meaning given to it in the Scheme.

"Successor Escrow Agent" has the meaning given to it in Clause 15.1 (Replacement of Escrow Agent).

"Tax or Taxes" means any tax, levy, impost, stamp tax, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure by the Scheme Company to pay or any delay by the Scheme Company in paying any of the same).

"Termination Date" means the date which is three months after the date on which all Escrow Moneys have been released, paid, repaid or transferred (as applicable) in accordance with Clauses 7, 9 and/or 10 of this Deed.

"Transaction Implementation Conditions" has the meaning given to it in the Scheme.

1.2 In this Deed, unless the context otherwise requires:

- (a) references to a party include references to the successors or assigns (immediate or otherwise) of that party;
- (b) references to "**person**" shall include any firm or body of persons whether corporate or incorporate and any person deriving title therefrom and any of their respective successors or assigns;
- (c) words importing the singular number alone shall include the plural number and *vice versa*:
- (d) the expression "**subsidiary**" shall have the meaning in this Deed as in the Companies Act 2006;
- (e) words denoting one gender only shall include the other genders;
- (f) Clauses, sub-Clauses and Schedules shall, unless the context otherwise requires, be construed as references to clauses and sub-clauses of and Schedules to this Deed; and
- (g) capitalised words not defined in this Deed have the same meaning as is given to them in the Scheme.

1.3 Taxes

References to costs, charges, remuneration or expenses include any value added, turnover or similar tax charged in respect thereof.

1.4 **Headings**

Headings shall be ignored in construing this Deed.

1.5 Schedules

The Schedules are part of this Deed and shall have effect accordingly, and terms defined therein and not in the main body of this Deed shall have the meanings given to them in such Schedules.

2. APPOINTMENT OF THE ESCROW AGENT

- 2.1 Without prejudice to the undertakings given by the Escrow Agent in its Deed of Undertaking, the Escrow Agent agrees to be bound by and comply with the terms of the Scheme.
- 2.2 Each Escrow Party hereby appoints the Escrow Agent as its trustee on the terms and conditions set out in this Deed, which the Parties hereby agree shall govern and control the rights and obligations of the Escrow Agent. The Escrow Agent hereby accepts such appointment on the terms and conditions set out in this Deed.

2.3 Each Party agrees that the Escrow Moneys are held on trust by the Escrow Agent for the benefit of the Beneficiaries pursuant to the terms of this Deed.

3. ESCROW ACCOUNT

The Escrow Agent hereby confirms that:

- (a) the Escrow Account is open; and
- (b) subject to Clause 16, it is the sole signatory in respect of the Escrow Account.

4. **OPERATION OF THE ESCROW ACCOUNT**

- 4.1 The Escrow Account may not go into overdraft.
- 4.2 The Escrow Agent holds all moneys forming part of the Escrow Moneys subject to the terms of this Deed on trust for the benefit of the Beneficiaries pursuant to the terms of this Deed.
- 4.3 The Escrow Agent shall:
 - (a) designate the Escrow Account as being an escrow account set up for the purposes of the Scheme and this Deed;
 - (b) keep separate and not commingle the Escrow Moneys with its or any other person's property or any other Escrow Account;
 - (c) give notice to the Account Bank in the form attached at Schedule 2 hereto that the Escrow Account is a client trust account held for the benefit of the Beneficiaries:
 - (d) use commercially reasonable endeavours to request that the Account Bank delivers to the Escrow Agent a notice substantially in the form attached at Schedule 2 (*Form of Account Bank Notice*);
 - (e) not make any deductions from the Escrow Account by virtue of any right of set-off or claim which it may have against the Scheme Company or any of the Beneficiaries or combine the Escrow Account with any other account;
 - (f) not release any of the Escrow Moneys, except as provided in this Deed;
 - (g) not be under any obligation to invest the Escrow Moneys and shall have express power to retain the Escrow Moneys in their existing condition in the Escrow Account;
 - (h) send statements containing details of the Escrow Moneys to the Information Agent, the Scheme Company, Codere Finance and the Calculation Advisers at any time reasonably requested by them and/ or as specifically set out in the Scheme and this Deed; and
 - (i) hold all amounts received as Escrow Moneys in the Escrow Account, unless and until released in accordance with the terms of this Deed.

5. FUNDING & NOTIFICATION OF ESCROW ACCOUNT BALANCE

- 5.1 The New Notes Purchasers and Backstop Purchasers shall fund amounts into the Escrow Account at the times and in the amounts set out in the Scheme.
- 5.2 The Escrow Agent shall promptly upon request by the Scheme Company or Codere Finance, and in any event at those times specified in the Scheme, confirm the Escrow Account Balance.

6. NEW NOTES PURCHASERS, BACKSTOP PURCHASERS & FUNDS FLOW

- 6.1 The Scheme Company shall deliver a Funds Flow to the Escrow Agent:
 - (a) at least two Business Days prior to the date on which the Escrow Release Notice is delivered, showing all payments to be made under Clause 8.3 other than the payment set out in Clause 8.3(a); and
 - (b) as soon as reasonably practicable on the date on which the RCF Settlement Amount has been calculated and agreed in accordance with Clause 7 (*RCF Settlement*) below, showing all payments to be made under Clause 8.3.
- 6.2 The Information Agent shall deliver a list of all Early Bird Creditors, Consent Fee Creditors, New Notes Purchasers and Backstop Purchasers to the Escrow Agent as soon as reasonably practicable following the New Notes Subscription Deadline.

7. RCF SETTLEMENT

- 7.1 The Revolving Agent and Codere Finance (acting reasonably) shall work together in good faith to calculate the anticipated RCF Settlement Amount (including for the avoidance of doubt the RCF Late Payment Contingency Amount) as soon as is reasonably practicable following the date of this Deed. The final RCF Settlement Amount shall be the amount calculated by the Revolving Agent and notified to Codere Finance and the Escrow Agent pursuant to Clause 7.3 below, provided that such amount is agreed by Codere Finance (acting reasonably).
- 7.2 As soon as reasonably practicable after 9:00am on the date on which the Transaction Implementation Conditions are satisfied, the Escrow Agent (on behalf of the Scheme Company) shall notify the Revolving Agent:
 - (a) that the Transaction Implementation Conditions have been satisfied; and
 - (b) of the anticipated Completion Date.
- 7.3 Promptly following receipt of the notification referred to at Clause 7.2 above, the Revolving Agent shall notify Codere Finance and the Escrow Agent of:
 - (a) the final RCF Settlement Amount (by reference, in the context of accrued interest under the RCF Agreement, to the anticipated Completion Date); and
 - (b) the details of the account into which the RCF Settlement Amount should be paid in accordance with this Deed.

- 7.4 As soon as reasonably practicable following receipt of notice under Clause 7.3 above and the updated Funds Flow in accordance with Clause 6.1(b) above, the Escrow Agent shall (and is hereby irrevocably authorised by the Parent, in its capacity as obligors' agent under the RCF Agreement, to do so) send a notice (the "RCF Pre-Completion Notice") the Revolving Agent email to by emea.7115loansagency@bankofamerica.com with a copy to Kevin.P.day@bofa.com and colin.gotts@bofa.com which will attach an excerpt from the Funds Flow which shows that the RCF Settlement Amount will be paid to the account of the Revolving Agent on the Completion Date. The Completion Date specified in the Pre-Completion Notice shall be the same as the anticipated Completion Date set out in the notice provided under clause 7.2 above, unless the prior written consent of the Revolving Agent has been obtained in respect of an alternative Completion Date.
- 7.5 The Revolving Agent hereby confirms and agrees, on its own behalf and on behalf of the RCF Finance Parties, that the RCF Pre-Completion Notice shall constitute valid notice of the prepayment anticipated to be made in respect of the RCF Agreement in accordance with this Deed, notwithstanding any of the prescribed forms or notice periods (however described) relating to prepayment that may be set out in the RCF Agreement or any other RCF Finance Document, and provided that at least one clear RCF Business Day's notice of prepayment is given to the Revolving Agent in such RCF Pre-Completion Notice.
- 7.6 The Parent hereby confirms and agrees, in its capacity as obligors' agent under the RCF Agreement for the benefit of the Revolving Agent (for and on behalf of the RCF Finance Parties), that:
 - (a) the RCF Pre-Completion Notice shall, subject to the provisions of clause 7.5 above, constitute a notice of prepayment under the RCF Agreement; and
 - (b) if, following service of the RCF Pre-Completion Notice, the RCF Settlement Amount is not applied by way of prepayment in accordance with the RCF Pre-Completion Notice, the provisions of clause 20.2(a)(v) (*Other indemnities*) of the RCF Agreement shall remain in full force and effect, notwithstanding the provisions of clause 7.5 above.

8. RELEASE OF ESCROW MONEYS – COMPLETION DATE

- 8.1 The Escrow Agent is authorised and requested to release the monies standing to the credit of the Escrow Account in accordance with the terms of the Escrow Release Notice.
- 8.2 The Scheme Company shall deliver the Escrow Release Notice to the Escrow Agent in accordance with the Scheme, whereupon:
 - (a) the Escrow Agent shall hold an amount standing to the credit of the Escrow Account equal to the RCF Settlement Amount (the "RCF Escrow Amount") to the order of the Revolving Agent pending completion of the payment set out at paragraph (a) of Clause 8.3 below;
 - (b) the beneficial interest in an amount standing to the credit of the Escrow Account equal to the aggregate of:

- (i) the New Notes Pre-Funded Interest Refund Amounts of all New Notes Purchasers; and
- (ii) the Backstop New Notes Pre-Funded Interest Refund Amounts of all Backstop Purchasers,

(together, the "**Refund Interest Amount**") shall transfer to New Notes Purchasers and the Backstop Purchasers to be held on trust in accordance with this Deed and paid in accordance with Clause 8.3 below;

- (c) the beneficial interest in an amount standing to the credit of the Escrow Account equal to the aggregate of:
 - (i) the New Notes Total Pre-Funded Interest Amount; *plus*
 - (ii) the Backstop New Notes Total Pre-Funded Interest Amount; plus
 - (iii) all Failed Funding New Notes Pre-Funded Interest Amounts; less
 - (iv) an amount equal to the Refund Interest Amount,

(the "**Retained Interest Amount**") shall transfer to the New Notes Trustee to be held on trust in accordance with this Deed and paid in accordance with Clause 9.1 below;

- (d) the beneficial interest in all amounts standing to the credit of the Escrow Account other than the RCF Escrow Amount, the Refund Interest Amount and the Retained Interest Amount (the "**Designated Escrow Amount**") shall transfer to Codere Finance.
- 8.3 Subject to Clause 8.4, promptly following receipt of the Escrow Release Notice, the Escrow Agent shall:
 - (a) issue an irrevocable payment instruction for the payment from the RCF Escrow Amount to the Revolving Agent of the RCF Settlement Amount in the amount and to the account set forth in the Funds Flow and shall provide the Revolving Agent and Codere Finance with a SWIFT confirmation evidencing such payment promptly after making such payment;
 - (b) issue irrevocable payment instructions for the payment from the Refund Interest Amount standing to the credit of the Escrow Account in the amounts and to the accounts set forth in the Funds Flow:
 - (i) to each New Notes Purchaser of its New Notes Total Pre-Funded Interest Refund Amount; and
 - (ii) to each Backstop Purchaser its Backstop New Notes Pre-Funded Interest Refund Amount:
 - (c) issue irrevocable payment instructions for the payment from the Designated Escrow Amount standing to the credit of the Escrow Account of the following in the amounts and to the accounts set forth in the Funds Flow:

- (i) subject to Clause 8.6 below, to each Early Bird Creditor its Early Bird Consent Fee:
- (ii) subject to Clause 8.6 below, to each Consent Fee Creditor its Consent Fee; and
- (iii) to each Adviser its Adviser Fees; and
- (d) issue an irrevocable payment instruction to pay the balance of the Designated Escrow Amount (after application of the payments contemplated in Clause 8.3(c)) to be paid to Codere Finance to the account set forth in the Funds Flow.
- 8.4 No payments may be made under Clause 8.3 above from the Retained Interest Amount. The Escrow Agent shall retain in the Escrow Account an amount equal to the Retained Interest Amount, which shall be applied in accordance with Clause 9 below.
- 8.5 The Escrow Agent shall send to the Scheme Company the Escrow Payment Confirmation Notice promptly upon issuance of the irrevocable payment instructions for the payments referred to under paragraphs (a) to (d) (inclusive) of Clause 8.3 above.
- 8.6 If the Escrow Agent is unable to pay an Early Bird Consent Fee or a Consent Fee to the applicable Early Bird Creditor or a Consent Fee Creditor (including, without limitation, as a result of such Early Bird Creditor or Consent Fee Creditor having supplied inaccurate or incomplete account information)
 - (a) the Escrow Agent shall promptly notify the Scheme Company, the Parent, and Codere Finance of the same and shall pay all such Early Bird Consent Fee and Consent Fee amounts to Codere Finance, which amounts may form part of the payment under paragraph (d) of Clause 8.3 above or may be transferred to Codere Finance as soon as reasonably practicable following the Escrow Agent becoming aware that it is unable to pay amounts to such Early Bird Creditor or a Consent Fee Creditor; and
 - (b) the Scheme Company, the Parent, and Codere Finance shall use commercially reasonable efforts to make payment of such fees within five Business Days of the Completion Date.

8.7 The Revolving Agent hereby agrees that:

- (a) immediately upon receipt by it of the RCF Settlement Amount in cleared funds on the anticipated Completion Date as notified to the RCF Agent pursuant to Clause 7.2 or on the next following RCF Business Day, if the RCF Settlement Amount is received on such following RCF Business Day (without the need for any further notice to be given or action to be taken) all Liabilities of Codere Newco S.A.U. in respect to the RCF Settlement Amount shall be immediately discharged and no Obligor (under and as defined in the RCF Agreement) shall have any further Liability to any RCF Finance Party under or pursuant to the RCF Finance Documents, all of which such Liabilities shall be fully and finally discharged;
- (b) it will confirm receipt of the RCF Settlement Amount to the Escrow Agent as soon as reasonably practicable;

- (c) if it receives the RCF Settlement Amount by 2pm London time on the anticipated Completion Date as notified to the RCF Agent pursuant to Clause 7.2, it will pay the RCF Late Payment Contingency Amount back to the Escrow Agent to the Escrow Account within one RCF Business Day of receipt; and
- (d) if it receives the RCF Settlement Amount after 2pm on the anticipated Completion Date or on the next following RCF Business Day after the anticipated Completion Date as notified to the RCF Agent pursuant to Clause 7.2, it will pay the RCF Late Payment Contingency Amount to the RCF Finance Parties to be applied in payment of accrued interest.
- 8.8 In respect of any RCF Late Payment Contingency Amount returned to the Escrow Account in accordance with Clause 8.7 above, it is agreed that:
 - (a) such RCF Late Payment Contingency Amount will form part of the Escrow Moneys and become a Designated Escrow Amount;
 - (b) the beneficial interest in such RCF Late Payment Contingency Amount will transfer to Codere Finance; and
 - (c) the Escrow Agent shall pay such RCF Late Payment Contingency Amount to Codere Finance as soon as reasonably practicable following its receipt, to the account set forth in the Funds Flow (unless otherwise agreed by Codere Finance).

9. RELEASE OF RETAINED INTEREST AMOUNT

- 9.1 Subject to Clause 10, the Retained Interest Amount is to be retained in the Escrow Account and released in accordance with this Clause 9.
- 9.2 Within 3 Business Days following the earliest to occur of:
 - (a) the occurrence of an Insolvency Event in respect of Codere Finance; or
 - (b) the March Interest Payment Deadline, if Codere Finance has failed to pay the March Interest in full on or before the March Interest Payment Deadline,

the Escrow Agent shall pay the Retained Interest Amount to the Paying Agent on behalf of Codere Finance and expressly designated as an interest payment, for application in accordance with Section 2.04 of the Interim Notes Indenture.

- 9.3 If no Insolvency Event has occurred with respect to Codere Finance and Codere Finance has paid the March Interest in full on or before the March Interest Payment Deadline, the Escrow Agent shall, within 3 Business Days of the March Interest Payment Deadline pay the Retained Interest Amount (plus any accrued interest or capital gain) to Codere Finance.
- 9.4 If there are any amounts standing to the credit of the Escrow Account ("**Residual Escrow Balance**") after payment of the Retained Interest Amount in accordance with Clause 9.2 or 9.3, the Escrow Agent shall:

- (a) where the Retained Interest Amount was paid to the Paying Agent on behalf of Codere Finance and expressly designated as an interest payment, for application in accordance with Section 2.04 of the Interim Notes Indenture; or
- (b) where the Retained Interest Amount was paid to Codere Finance in accordance with Clause 9.3 pay the Residual Escrow Balance to Codere Finance.

10. **RETURN OF ESCROW MONEYS**

- 10.1 The Escrow Agent shall promptly, and in any event within 3 Business Days, of the earlier of:
 - (a) the Termination Date; and
 - (b) if an Escrow Release Notice has not been received by the Escrow Agent on or before the Escrow Long-Stop Date, the Escrow Long-Stop Date,

issue irrevocable payment instructions for the repayment to each:

- (i) New Notes Purchaser of its New Notes Subscription Amount and its Failed Funding New Notes Subscription Amount (if any); and
- (ii) Backstop Purchaser of its Backstop New Notes Subscription Amount and its Failed Funding New Notes Subscription Amount (if any),

to the account from which that New Notes Subscription Amount or Backstop New Notes Subscription Amount (as applicable) was funded.

- 10.2 If the Escrow Agent is unable to repay a New Notes Subscription Amount, Backstop New Notes Subscription Amount or Failed Funding New Notes Subscription Amount to a New Notes Purchaser or Backstop Purchaser (as applicable) (including, without limitation, as a result of the Escrow Agent being unable to ascertain the correct account details for the return of any such amount) the Escrow Agent shall hold each such amount on trust for the relevant New Notes Purchaser or Backstop Purchaser (as applicable) pending repayment in accordance with this Deed.
- 10.3 The Escrow Agent shall use commercially reasonable efforts to make repayment of any New Notes Subscription Amount, Backstop New Notes Subscription Amount or Failed Funding New Notes Subscription Amount for a period not exceeding 60 days from the Escrow Long-Stop Date (the "Escrow Return Deadline").
- 10.4 If the Escrow Agent has been unable to repay any New Notes Subscription Amount, Backstop New Notes Subscription Amount or Failed Funding New Notes Subscription Amount by the Escrow Return Deadline:
 - (a) the Escrow Agent shall promptly notify Codere Finance of the same and shall provide all information within its possession relating to such New Notes Subscription Amount, Backstop New Notes Subscription Amount or Failed Funding New Notes Subscription Amount and the relevant New Notes Purchaser or Backstop Purchaser;

- (b) the Escrow Agent shall, promptly following the Escrow Return Deadline, pay all such New Notes Subscription Amounts, Backstop New Notes Subscription Amounts and Failed Funding New Notes Subscription Amount to Codere Finance:
- (c) Codere Finance shall hold all such amounts on trust for the relevant New Notes Purchaser and Backstop Purchasers to whom such amounts are due; and
- (d) Codere Finance shall use commercially reasonable efforts to make repayment of each such New Notes Subscription Amount, Backstop New Notes Subscription Amount and Failed Funding New Notes Subscription Amount to the relevant New Notes Purchaser or Backstop Purchaser.

11. **GENERAL PAYMENT TERMS**

- All payments to be made to the Escrow Account under this Deed must be made without any set-off or counterclaim and free from any deduction or withholding for or on any account of any Tax unless such deduction or withholding is required by applicable law. If any deduction or withholding is required by law the person making the payment shall be obliged to pay to the Escrow Agent such additional sum as will, after such deduction or withholding has been made, leave the Escrow Agent with the same amount as it would have received absent such deduction or withholding.
- 11.2 Any payment arranged by the Escrow Agent under this Deed will be made without any deduction or withholding for or on any account of any Tax unless such deduction or withholding is required by applicable law, rule, regulation, or practice of any relevant government, government agency, regulatory authority with which the Escrow Agent is bound and/or is accustomed in accordance with established market practice to comply.
- 11.3 Any payment or transaction arranged by the Escrow Agent under this Deed to a New Notes Purchaser, Backstop Purchaser or the Payment Agent will be made without any deduction or withholding for or on any account of any transaction fees, bank charges and other fees charged by the Account Bank with which the Escrow Account is held for any such payment or transaction effected on or in relation to the Escrow Account.

12. TRUST

- 12.1 The perpetuity period for the trusts established by this Deed shall be 125 years from the date of this Deed.
- 12.2 The trusts acknowledged hereunder are not intended to create, nor do they create, any security interest in favour of any person over any property or assets (howsoever described) of the Escrow Agent but rather are intended clearly to delineate the beneficial interests of the Beneficiaries in the Escrow Account.

13. REPRESENTATIONS AND WARRANTIES

13.1 Each of the Scheme Company and Codere Finance hereby represents and warrants to the Escrow Agent that (i) it is a company duly organised and in good standing in every jurisdiction where it is required so to be, (ii) it has the power and authority to sign and to perform its obligations under this Deed, (iii) this Deed is duly authorised and signed and is its legal, valid, and binding obligation, (iv) any consent, authorisation, or

instruction required in connection with its execution and performance of this Deed has been provided by any relevant third party, (v) any act required by any relevant governmental or other authority to be done in connection with its execution and performance of this Deed has been or will be done (and will be renewed if necessary), and (vi) its performance of this Deed will not violate or breach any applicable law, regulation, contract or other requirement.

13.2 The Escrow Agent represents and warrants to the Scheme Company and the Beneficiaries that (i) it is a company duly organised and in good standing in the United Kingdom, (ii) it has the power and authority to sign and perform its obligations under this Deed, (iii) this Deed is duly authorised and signed and is its legal, valid and binding obligation, (iv) any consent, authorisation or instruction required in connection with its execution and performance of this Deed has been provided by the relevant third party, (v) any act required by any relevant governmental or other authority to be done in connection with its execution and performance of this Deed has been or will be done (and will be renewed if necessary) and (vi) its performance of this Deed will not violate or breach any applicable law, regulation, contract or other requirement.

14. LIABILITY OF ESCROW AGENT

- 14.1 The Escrow Agent shall not be liable or responsible for any Liabilities or inconvenience which may result from anything done or omitted to be done by it in accordance with the provisions of this Deed and shall bear no obligation or responsibility to any person in respect of the operation of the Escrow Account or its application of the Escrow Moneys unless such liability arises as a result of gross negligence, fraud, or wilful default on the part of the Escrow Agent. Under no circumstances shall the Escrow Agent be liable for any consequential or special loss, or indirect, consequential or punitive damages, however caused or arising (including loss of business, goodwill, opportunity, or profit) even if advised of the possibility of such loss or damage.
- 14.2 The duties of the Escrow Agent are purely administrative in nature. No implied duties or obligations shall be imposed on the Escrow Agent by virtue of its entering into this Deed or its agreeing to provide the services hereunder, unless otherwise stated in this Deed. The Escrow Agent shall not be obliged to perform any additional duties unless it shall have previously agreed to perform such duties. The Escrow Agent shall not be under any obligation to take any action under this Deed that it expects will result in any expense to, or liability for, it, the payment of which is not, in its opinion, assured to it within a reasonable time. The Escrow Agent is under no obligation to ensure that any funds paid from the Escrow Account are applied for the purpose for which they have been paid, provided that any misapplication of the Escrow Moneys is not caused by its own gross negligence, wilful default or fraud.
- 14.3 The Escrow Agent shall not be responsible or liable for any Liability incurred in relation to the Escrow Moneys arising from any transaction made by it in good faith, or from any failure to diversify investment, or arising by reason of any other matter or thing except for any such loss or damage incurred in consequence of gross negligence, fraud or wilful default on the part of the Escrow Agent.
- 14.4 The Escrow Agent shall be entitled to rely on, and shall not be liable for acting upon, and shall be entitled to treat as genuine and as the document it purports to be, any instruction, letter, notice or other document furnished to it by or on behalf of any Party,

including without limitation the Escrow Release Notice, in whatever format and by whatever means, including electronic, and believed by the Escrow Agent, in its absolute discretion, to be genuine and to have been signed and presented by the proper person or persons. The Escrow Agent shall consult with any Party (or their advisers) to the extent required.

- 14.5 The Escrow Agent shall not be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties or the exercise of any right, power or authority under this Deed.
- 14.6 The Escrow Agent shall not be obliged to make any payment under this Deed:
 - (a) if, in the Escrow Agent's reasonable opinion, it conflicts with any provision of this Deed or otherwise does not comply with the requirements of this Deed; or
 - (b) in the event of any disagreement between the Parties resulting in conflicting claims or demands being made in connection with the Escrow Moneys; or
 - (c) in the event that the Escrow Agent in good faith is in doubt as to what action it should take under this Deed; or
 - (d) in the event that the amount or amounts which the Escrow Agent is required to pay from the Escrow Account exceeds the Escrow Moneys.
- 14.7 If the Escrow Agent acting reasonably and in accordance with the terms of this Deed refuses to make any payment or otherwise to act on any request or instruction given to it under this Deed, it must, as soon as reasonably practicable, notify the Scheme Company of the decision not to act and thereafter its sole obligation shall be to retain the Escrow Moneys until directed otherwise in writing by the Scheme Company or by an order, judgment, decree, ruling or decision of arbitrators ordering the release of any of the Escrow Moneys.

15. REPLACEMENT OF ESCROW AGENT

- 15.1 In this Clause 15, an Escrow Agent who is to be replaced or who wishes to resign is referred to as the "Original Escrow Agent" and its replacement is referred to as the "Successor Escrow Agent".
- 15.2 The Escrow Parties acting together, may at any time replace the Original Escrow Agent by (a) giving written notice in accordance with Clause 23 (*Notices*) to such effect; and (b) providing to the Original Escrow Agent details of such Successor Escrow Agent and including details of the replacement account(s). Within three (3) Business Days of receipt of such notice and details, the Original Escrow Agent shall transfer the Escrow Moneys to the Successor Escrow Agent at the account(s) details provided in accordance with this Clause 15.
- 15.3 The Original Escrow Agent may at any time resign for any reason by giving written notice (a "**Resignation Notice**") to such effect to the Escrow Parties. On receipt of a Resignation Notice from the Original Escrow Agent, the Escrow Parties shall, acting together, appoint a Successor Escrow Agent as soon as practicable and in any event within three (3) Business Days of the Resignation Notice by (a) giving written notice in accordance with Clause 23 (*Notices*) to such effect; and (b) providing to the Original

Escrow Agent details of such Successor Escrow Agent and including the details of the replacement account(s). Within three (3) Business Days of receipt of such notice and details, the Original Escrow Agent shall transfer the Escrow Moneys to such Successor Escrow Agent at the account(s) details provided in accordance with this Clause 15.3.

- 15.4 If thirty (30) clear days after the date of deemed receipt of a Resignation Notice a Successor Escrow Agent has not been appointed in accordance with Clause 15.3 above, the Original Escrow Agent may:
 - (a) appoint a Successor Escrow Agent itself and transfer all of the Escrow Moneys to that Successor Escrow Agent; or
 - (b) petition a court of competent jurisdiction to appoint a Successor Escrow Agent or otherwise direct the Original Escrow Agent in any way in relation to the Escrow Moneys.
- 15.5 The resignation of the Original Escrow Agent will take effect on the earliest of:
 - (a) the date of the transfer of the Escrow Moneys (or if the Escrow Moneys are not transferred on the same day, the date of the later transfer) to the Successor Escrow Agent under Clause 15.1;
 - (b) the date of the appointment of a Successor Escrow Agent under Clauses 15.3 or 15.4(a);
 - (c) the date of an order of a court of competent jurisdiction under Clause 15.4(b) above; or
 - (d) the day which is thirty (30) days after the date on which the Parties to this Deed are deemed to have received the Original Escrow Agent's Resignation Notice pursuant to Clause 23 (*Notices*),

(such date being the "Resignation Date").

- 15.6 Until the Resignation Date, the Original Escrow Agent's sole responsibility is to safe keep the Escrow Moneys and the Original Escrow Agent shall be obliged to release amounts in accordance with the terms of this Deed. Upon its resignation, the Original Escrow Agent shall transfer the Escrow Moneys to the Successor Escrow Agent or to the court of competent jurisdiction or otherwise in accordance with the order of a court of competent jurisdiction.
- 15.7 On transfer of the Escrow Moneys in accordance with Clauses 15.1, 15.3 or 15.4 above, the Original Escrow Agent shall be discharged from all further obligations arising in connection with this Deed.

16. SIGNING AUTHORITIES AND POWER OF ATTORNEY

- 16.1 Subject to Clause 16.3, the Escrow Agent shall ensure that it has sole signing authority in respect of the Escrow Account.
- 16.2 On the date of occurrence of an Escrow Agent Default Event, the Parties shall be deemed to have received a Resignation Notice from the Escrow Agent.

- 16.3 From and including the date upon which an Escrow Agent Default Event occurs (unless a Successor Escrow Agent has been appointed in accordance with Clause 15 and is managing the Replacement Escrow Account under an agreement satisfactory to the Escrow Parties (acting reasonably)), the Scheme Company (in its capacity as attorney for the Escrow Agent) shall have signing authority in respect of the Escrow Account.
- 16.4 The Escrow Agent hereby irrevocably appoints, by way of security for its obligations under this Deed, the Scheme Company (in its capacity as attorney for the Escrow Agent) from and including the date of an Escrow Agent Default Event as its attorney, with full power of substitution, on its behalf and in its name or otherwise, at such time and in such manner as the attorney considers fit (unless a Successor Escrow Agent has been appointed in accordance with Clause 15.1) to do anything which the Escrow Agent is obliged to do under this Deed.
- 16.5 The Scheme Company confirms that it shall, for the period for which it has signing authority in respect of the Escrow Account under this Clause 16, comply with the obligations of the Escrow Agent under this Deed as if it were the Escrow Agent.
- 16.6 The Escrow Agent ratifies and confirms and agrees to ratify and confirm whatever any attorney shall do in the exercise or purported exercise of the power of attorney granted by it in this Clause 16.

17. FEES, COSTS AND EXPENSES

- 17.1 The Scheme Company shall pay the fees, costs and expenses (plus any taxes thereon) of the Escrow Agent that have been agreed in writing by the Scheme Company prior to the date of this Deed.
- 17.2 The Scheme Company shall on demand pay the Escrow Agent all reasonable costs and expenses (including legal fees and any Tax) the Escrow Agent incurs in connection with:
 - (a) the preparation, negotiation, execution or perfection of; and/or
 - (b) any amendment to, waiver or consent under (or any evaluation of a request for the same); and/or
 - (c) enforcement of or the preservation of any rights under,

this Deed.

- 17.3 In addition to the fees, costs and expenses set out in this Clause 17, the Escrow Agent is entitled to charge the Scheme Company and Codere Finance for and be paid all transaction fees, bank charges and other fees charged by the Account Bank with which the Escrow Account is held for any transactions effected on or in relation to the Escrow Account.
- 17.4 To the extent that negative interest rates result in any diminution of value to the Escrow Moneys, the risk of any such diminution shall rest with the Scheme Company and Codere Finance and, in particular:

- (a) the Scheme Company and Codere Finance shall provide the Escrow Agent with such additional funds as the Escrow Agent may require so as to ensure that all moneys held in accordance with Clause 8.2(c) is at all times equal to the amount of the Retained Interest Amount as at the Completion Date; and
- (b) the Scheme Company and Codere Finance shall provide the Escrow Agent with such additional funds as the Escrow Agent may require so as to ensure that all moneys to be returned or repaid to a New Notes Purchaser or Backstop Purchaser in accordance with Clause 10 is at all times equal to the New Notes Subscription Amount or Backstop New Notes Subscription Amount and/or Failed Funding New Notes Subscription Amount (as applicable) of that New Notes Purchaser or Backstop Purchaser.

18. **TAXES**

- 18.1 Any amount payable under this Deed to the Escrow Agent is exclusive of any value added tax or a similar Tax which may be payable in connection with that amount.
- 18.2 The Scheme Company shall jointly and severally indemnify the Escrow Agent against any Tax liability that the Escrow Agent determines (in its absolute discretion) will be or has been suffered by the Escrow Agent in respect of this Agreement, except for where the Tax liability is on the net income of the Escrow Agent imposed by the law of the jurisdiction under which the Escrow Agent is incorporated or treated as resident for Tax purposes, or where that Tax liability arises as a result of a breach by any Party (other than the Scheme Company) of its obligations under this Deed, including without limitation Clause 11 (*General Payment Terms*) of this Deed.

18.3 The Escrow Agent is authorised to:

- (a) make all such withholdings and deductions as are required by applicable law or regulation to be made by it from any payments required to be made by it under this Deed and to account to the relevant authority in respect of the same; and
- (b) retain in the Escrow Account such amount as it reasonably considers sufficient to cover any such Taxes.

19. **MODIFICATION**

- 19.1 Subject to Clauses 19.2, 19.3 and 26, any term of this Deed may be amended or waived only with the consent of each Party and any such amendment shall be binding on all Parties.
- 19.2 Any amendment or waiver which relates to or has the effect of changing Clause 7 and which could reasonably be expected to be prejudicial to the rights or interests of an Early Bird Creditor or Consent Fee Creditor shall not be made without the consent of that Early Bird Creditor or Consent Fee Creditor.
- 19.3 Any amendment or waiver which could reasonably be expected to be prejudicial to the rights or interests of a New Notes Purchaser or Backstop Purchaser shall not be made without the consent of that New Notes Purchaser or Backstop Purchaser.

20. **TERMINATION**

- 20.1 This Deed (and, for the avoidance of doubt, the trusts created hereunder) shall terminate automatically upon the Termination Date.
- 20.2 The Scheme Company and Codere Finance shall notify the Escrow Agent of the occurrence of the Termination Date.
- 20.3 Clause 17 (*Fees and Expenses*), Clause 18 (*Taxes*) and any rights that have accrued as a result of any breach of this Deed which occurred prior to termination pursuant to Clause 20.1 shall survive termination of this Deed.

21. **JOINT AND SEVERAL LIABILITY**

The obligations of each Party under this Deed shall be several and not joint. Failure by a Party to perform its obligations under this Deed does not affect the obligations of any other Party under this Deed. No Party is responsible for the obligations of any other Party under this Deed.

22. SEVERANCE AND VALIDITY

If any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, such provision shall be deemed to be severed from this Deed and the parties shall replace such provision with one having an effect as close as possible to the deficient provision. The remaining provisions will remain in full force in that jurisdiction and all provisions will continue in full force in any other jurisdiction.

23. NOTICES

- 23.1 Any notice or other written communication to be given under or in relation to this Deed shall be given in the English language in writing and shall be deemed to have been duly given if it is delivered by hand, email, (or other electronic means in the case of a Clearing System), pre-paid recorded delivery or international courier to the address or e-mail address as set out below (or as may be notified by notice to Parties from time to time).
- 23.2 The addresses for notices are as follows:
 - (a) in the case of the Scheme Company, to Codere Finance 2 (UK) Limited Suite 1, 3rd Floor, 11-12 St. James's Square, London, SW1Y 4LB, email: codere.finance2.uk@codere.com;
 - (b) in the case of Codere Finance, to Codere S.A., Avenida de Bruselas, 26, 28108 Alcobendas, Madrid, Spain, Tel: +34 91 354 2836, Fax: +34 91 354 2883 Attn: Chief Financial Officer;
 - (c) in the case of the Parent, to Codere S.A., Avenida de Bruselas, 26, 28108 Alcobendas, Madrid, Spain, Tel: +34 91 354 2836, Fax: +34 91 354 2883 Attn: Chief Financial Officer;
 - (d) in the case of the Escrow Agent to GLAS Trustees Limited, 45 Ludgate Hill, London, United Kingdom, EC4M 7JU, email: LM@glas.agency/codere@glas.agency;

- (e) in the case of the Information Agent, to GLAS Specialist Services Limited, 45 Ludgate Hill, London, United Kingdom, EC4M 7JU, email: LM@glas.agency/codere@glas.agency; and
- (f) in the case of the Revolving Agent, to Bank of America Merrill Lynch International Designated Activity Company as Revolving Agent, 26 Elmfield Road, Bromley, Kent BR1 1LR, Email: emea.7115loansagency@bankofamerica.com with a copy to Kevin.P.day@bofa.com and colin.gotts@bofa.com, Tel: +44 20 7996 4514, Attn: Kevin Day, Vice President.

24. **COUNTERPARTS**

This Deed may be entered into in any number of counterparts, and by the parties hereto on different counterparts, each of which, when executed and delivered, shall be an original, but all the counterparts shall together constitute one and the same instrument.

25. WHOLE AGREEMENT

Save as expressly set out herein, this Deed represent the whole agreement between the parties in relation to its subject matter and supersede all prior representations, promises, agreements, and understandings.

26. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

- 26.1 Subject to Clause 26.2, a person who is not a party to this Deed has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed.
- 26.2 Each Beneficiary which is not a Party and each Early Bird Creditor, Consent Fee Creditor (each a "**Third Party Beneficiary**") may enforce the terms of this Deed, provided that the consent of the Third Party Beneficiaries (or any of them) shall not be required for any amendment or waiver of the terms of this Deed other than as required pursuant to Clause 19.

27. GOVERNING LAW AND JURISDICTION

- 27.1 This Deed and any non-contractual obligations arising out or in connection with it shall be governed by and construed in accordance with English law.
- 27.2 In relation to any legal action or proceedings regarding contractual or non-contractual obligations arising out of or in connection with this Deed ("**Proceedings**") the Parties irrevocably submit to the jurisdiction of the courts of England and Wales. Each of the Parties waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.
- 27.3 Codere Finance irrevocably appoints the Scheme Company as its agent for service of process in relation to any Proceedings before the English courts in connection with this Deed.

IN WITNESS WHEREOF this Deed has been executed as a Deed and delivered and takes effect on the date stated at the beginning.

SCHEDULE 1 ESCROW RELEASE NOTICE

To: GLAS Trustees Limited (as Escrow Agent)

From: Codere Finance 2 (UK) Limited

Dated: [•] 2020

Dear Sirs

- 1. We refer to the Escrow Deed. This is the Escrow Release Notice. Terms defined in the Escrow Deed shall have the same meaning when used in this Escrow Release Notice unless given a different meaning herein.
- 2. We confirm that the necessary completion steps required to be carried out in accordance with the Scheme prior to the release of Escrow Moneys have now been completed.
- 3. We hereby irrevocably instruct you:
 - a. to hold the Escrow Moneys for the benefit of those persons named in Clause 8.2 of the Escrow Deed; and
 - b. make the payments from the Escrow Account in accordance with the Escrow Deed and, in particular, Clause 8.3 of the Escrow Deed.

CODERE FINANCE 2 (UK) LIMITED

SCHEDULE 2 FORM OF ACCOUNT BANK NOTICE

To: GLAS Trustees Limited (as Escrow Agent)

Date: [●] 2020

Dear Sirs

We refer to:

- 1. the escrow deed (the "**Escrow Deed**") dated 2 September 2020 between, among others, the Scheme Company, Codere Finance and the Escrow Agent; and
- 2. the Escrow Account (as defined in the enclosed Escrow Deed) in the name of the Escrow Agent.

Defined terms have the meaning given to them in the Escrow Deed unless otherwise defined herein.

In connection with the Escrow Deed, the Escrow Agent has requested that we make the confirmations and acknowledgements set out in this letter.

- 3. Subject to the other provisions of this letter, we confirm that we recognise that:
 - (a) we not a party to the Escrow Deed, our obligations in respect of the Escrow Moneys and the other matters referred to in this letter are limited only to the terms of this letter and to the Account Bank's standard account documentation;
 - (b) the Escrow Agent has advised us that all moneys (from time to time) standing to the credit of the Escrow Account is held by the Escrow Agent on trust for the Beneficiaries on the terms of the Escrow Deed; and
 - (c) the only persons entitled to exercise operational and management functions in relation to the account are:
 - (i) prior to the occurrence of an Escrow Agent Default Event: the Escrow Agent. Until receipt of a notice from the Scheme Company or Codere Finance that an Escrow Agent Default Event has occurred, we shall act in accordance with the instructions of the Escrow Agent; and
 - (ii) from and including the date upon which we receive notice from the Scheme Company or Codere Finance that an Escrow Agent Default Event has occurred and no Successor Escrow Agent (that is managing the Escrow Account under an agreement satisfactory to all Escrow Parties (acting reasonably)) has been appointed in accordance with Clause 2 of the Escrow Deed, the signing authorities in respect of the Escrow Account shall be granted to the Scheme Company and we shall act in accordance with the instructions of the Scheme Company.
- 4. We are not entitled to combine the Escrow Account with any other account or to exercise any right of set-off or counterclaim against moneys in the Escrow Account in

respect of any sum owed to us on any other account of the Escrow Agent or any other party.

- 5. We are entitled to rely on the presumption that any withdrawal from the Escrow Account by the Escrow Agent is in conformity and compliance with (i) the Escrow Deed; and (ii) the Escrow Agent's statutory and other obligations, and the Escrow Agent understands and agrees that we are not responsible for ensuring the Escrow Agent's compliance with (i) the Escrow Deed; and (ii) the provisions of any applicable laws, rules and regulations. For the avoidance of doubt, the indemnity in the account documentation in effect between the Account Bank and the Escrow Agent shall apply in respect of all claims, expenses (including all reasonable legal fees) and liabilities incurred by the Account Bank in connection with any withdrawal or transfer made by the Escrow Agent or any other party in accordance with this letter from the Escrow Account.
- 6. The Account Bank may, and is authorised to, follow any order issued by a court of England or any competent judicial, governmental, supervisory or regulatory body in relation to the Escrow Account.
- 7. The Escrow Account is subject to, and our operation of the Escrow Account will be in accordance with, the terms and conditions of the account documentation in effect between the Account Bank and the Escrow Agent from time to time. In the event of any conflict between this letter and such account documentation, this letter will prevail.
- 8. For the avoidance of doubt, in respect of moneys paid out of the Escrow Account to third parties in accordance with instructions received by the Account Bank from the Escrow Agent, the Account Bank shall not be under any obligation to verify or enquire as to the suitability of the client moneys arrangements of the institution or account to which such moneys is transmitted.
- 9. The terms of this letter including any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the laws of England. The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this letter (including a dispute relating to the existence, validity or termination of this letter or any non-contractual obligation arising out of or in connection with this letter.

Place confirm the Escrow Agent's accentance and acknowledgement of the terms of this letter

by signing and returning to the Account Bank t	he enclosed copy of this letter.
Yours faithfully	
Barclays Bank PLC as Account Bank	

ENCL. Escrow Deed

SCHEDULE 3 ESCROW ACCOUNT

	Account name	Account number	Account maintained with
	Gr + G Frib		D. I. D. I. DIG
1.	GLAS EUR Codere EA	Account Number: 66120800	Barclays Bank PLC, Leicester, Leicestershire
	Codele EA	Sort Code: 201990	Leicester, Leicestersinie
		Swift Code: BARCGB22	
		IBAN: GB50BARC20199066120800	

SCHEDULE 4 ESCROW PAYMENT CONFIRMATION NOTICE

To:	Codere Finance 2 (UK) Limited
From:	GLAS Trustees Limited (as Escrow Agent)
Dated:	[•] 2020
Dear S	irs
1.	We refer to the Escrow Deed. This is the Escrow Payment Confirmation Notice. Terms defined in the Escrow Deed shall have the same meaning when used in this Escrow Payment Confirmation Notice unless given a different meaning herein.
2.	We confirm that the necessary payment instructions required to be issued in accordance with Clause 8.3 of the Escrow Deed have now been issued.
GLAS	TRUSTEES LIMITED

$[SIGNATURE\ PAGES\ REDACTED]$

APPENDIX 2 DEED OF RELEASE

CODERE FINANCE 2 (UK) LIMITED

AND

THE OBLIGORS

AND

THE SCHEME CREDITORS

AND

THE NOMINATED PARTICIPANTS

IN FAVOUR OF THE RELEASED PARTIES

DEED OF RELEASE

255212-3-795-v1.0 66-40747934

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THIS DEED is dated	2020 and is made
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BETWEEN:

- (1) **CODERE FINANCE 2 (UK) LIMITED** (the "Scheme Company");
- (2) **THE OBLIGORS** (as defined below) (the "Obligors");
- (3) THE SCHEME CREDITORS (as defined below); and
- (4) THE NOMINATED PARTICIPANTS (as defined below),

(each a "Party", together the "Parties"),

in favour of:

(5) THE RELEASED PARTIES (as defined below).

BACKGROUND

- (A) The Scheme Company has proposed a scheme of arrangement under Part 26 of the Companies Act 2006 (the "Act") with the Scheme Creditors.
- (B) The Parties now intend to enter into this Deed to give effect to the releases envisaged by the Scheme.
- (C) This is the Deed of Release as defined in the Scheme.
- (D) The Scheme Company is authorised, pursuant to the authority conferred upon it by the Scheme Creditors under Clause 4 of the Scheme, to execute and deliver this Deed on behalf of each of the Scheme Creditors.
- (E) It is intended that this Deed takes effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

IT IS AGREED as follows:

1. **INTERPRETATION**

1.1 **Definitions**

In this Deed:

"Ad Hoc Committee" means the ad hoc committee of Scheme Creditors and/or Affiliates, Related Persons or Related Funds of Scheme Creditors, whose role in relation to the Transaction is more particularly described in the Explanatory Statement.

[&]quot;Account Holder" means the holder of an account with a Clearing System.

[&]quot;Account Holder Letter" means the account holder letter substantially in the form set out in Out in Section V (Account Holder Letter) to the Scheme Document.

[&]quot;Advisers" means:

- (a) Clifford Chance LLP and its Affiliates, legal adviser to the Scheme Company and the Group;
- (b) Cleary Gottlieb Steen & Hamilton LLP and its Affiliates, legal adviser to the Company and the Group;
- (c) PJT Partners (UK) Ltd., financial adviser to the Ad Hoc Committee;
- (d) Milbank LLP, legal adviser to the Ad Hoc Committee;
- (e) Gómez-Acebo & Pombo, legal adviser to the Ad Hoc Committee;
- (f) Proskauer Rose (UK) LLP, legal adviser to the Existing Notes Trustee, the Information Agent, the Security Agent, the New Notes Trustee, the Paying Agent, the Registrar, the Transfer Agent and the Escrow Agent;
- (g) any other legal adviser to the Ad Hoc Committee and/or one or more members of the Group, in each case appointed by/or with the written consent of the Scheme Company or the Parent;
- (h) Deloitte LLP, adviser to the Scheme Company and the Group in respect of certain matters referred to in the Explanatory Statement; and
- (i) any of the foregoing's partners, employees and affiliated partnerships and the partners and employees of such affiliated partnerships and their respective subsidiaries and Holding Companies and any other counsel engaged by any of the foregoing on behalf of their client or by the client directly in connection with the Transaction.

"Affiliate" means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company or a Related Fund, and any other person who controls, is controlled by, or under common control with that person, which control relationship may arise by means of ownership of securities, contract, the terms of any organisational documents, or any other documented and legally binding arrangement.

"Agency Agreement" means the settlement and information agency agreement between, amongst others, Codere Finance and, the Information Agent and GLAS Specialist Services Limited as the "Settlement Agent".

"Backstop Purchaser" has the meaning given to that term in the New Notes Purchase Agreement.

"Company Party" means the Scheme Company and the Obligors.

"Director" means any person who is or was at any time a director, manager, general partner, officer (or equivalent) of a member of the Group.

"Escrow Agent" means GLAS Trustees Limited, in its capacity as Escrow Agent under the Escrow Deed.

"Escrow Deed" means the escrow deed dated 2 September 2020 and made between Codere Finance, the Scheme Company and the Escrow Agent, and in favour of Codere Finance, the Scheme Company, the Revolving Agent and the New Notes Trustee, in the form set out in Appendix 1 to the Scheme.

"Existing Notes" means the EUR 500 million 6.750 per cent. senior secured notes due 2021, and the USD 300 million 7.625 per cent. senior secured notes due 2021, in each case issued by the Scheme Company and Codere Finance pursuant to the Existing Notes Indenture.

"Existing Notes A&R Supplemental Indenture" means a supplemental indenture to the Existing Notes Indenture in the form set out at Appendix 3 to the Scheme.

"Existing Notes Guarantor" means a 'Guarantor' under and as defined in the Existing Notes Indenture.

"Existing Notes Indenture" means the indenture dated as of 8 November 2016 (as amended, restated and/or supplemented from time to time), and originally made between, among others, Codere Finance, the Parent, and the Existing Notes Trustee, and to which the Scheme Company acceded as co-issuer by way of an amendment and accession agreement dated 23 July 2020.

"Existing Notes Trustee" means GLAS Trust Corporation Limited, as trustee under the Existing Notes Indenture.

"Explanatory Statement" means the explanatory statement dated 14 September 2020 in relation to the Scheme.

"Group" means the Parent and all of its direct and indirect Subsidiaries, including (for the avoidance of doubt) the Scheme Company, Codere Finance, and each of the Guarantors.

"Guarantor" means an Existing Notes Guarantor and a 'Guarantor' under and as defined in the Interim Notes Indenture.

"Holding Company" means, in relation to a company, corporation or partnership, any other company, corporation or partnership in respect of which it is a Subsidiary.

"Information Agent" means GLAS Specialist Services Limited, in its capacity as Information Agent for the Scheme Company and the Group.

"Interim Notes" means the EUR 85 million super senior secured notes due 2023 issued by Codere Finance pursuant to the Interim Notes Indenture.

"Interim Notes Document" means the Interim Notes Indenture and any other document relating to the Interim Notes Indenture.

"Interim Notes Indenture" means the indenture relating to the Interim Notes dated 29 July 2020 (as amended, restated and/or supplemented from time to time), and made between, among others, Codere Finance, the Parent, and the New Notes Trustee.

"Liability" or "Liabilities" means any present or future obligation, liability, claim, counterclaim or debt at any time including without limitation, for the payment of money, performance of an act or obligation, or otherwise, whether in respect of principal, interest or otherwise, whether actual or contingent, whether fixed or undetermined, whether owed jointly or severally and whether owed as principal, surety or in any capacity whatsoever and whether it arises at common law, in equity, in contract, in tort, by statute in the State of New York or England and Wales or in any other jurisdiction under whatever applicable law, under any legal theory, and in any manner whatsoever, including any amount which would constitute such a liability but for any discharge, non-provability, unenforceability or non- allowance of the same in any insolvency or other Proceedings, including any claim for breach of representation, warranty or undertaking or on an event of default or under any indemnity given under or in connection with any document or agreement evidencing or constituting any other Liability falling within this definition, and any claim for damages or restitution.

"Lock-Up Agreement" means the lock-up agreement dated 21 July 2020 (as amended, restated and/or supplemented from time to time) and originally made between, amongst others, the Parent, Codere Finance, the Original Consenting Noteholders, the NSSN Underwriters (each as defined therein), and the Information Agent, and to which the Scheme Company acceded on 23 July 2020.

"New Notes" means the EUR 165 million additional super senior secured notes, to be issued under the Interim Notes Indenture (as amended by the New Notes Supplemental Indenture) and which will be part of the same series, and treated as the same class, as the Interim Notes and to be purchased by the New Notes Purchasers pursuant to the New Notes Purchase Agreement.

"New Notes Document" means the New Notes Purchase Agreement, the New Notes Global Notes, each New Notes Purchaser Letter, the New Notes Supplemental Indenture and any other documents relating to the New Notes.

"New Notes Global Notes" means the global notes for the New Notes in the form set out at Exhibit A to the Interim Notes Indenture.

"New Notes Purchase Agreement" means the note purchase agreement dated 28 August 2020 (as amended, restated and/or supplemented from time to time), and originally made between the Scheme Company and the Backstop Purchasers in relation to the purchase of New Notes.

"New Notes Purchaser" means each Scheme Creditor and each Nominated Participant who in each case has agreed to purchase the New Notes in accordance with Clause 3 (New Notes Purchasers) of the Scheme.

"New Notes Purchaser Letter" means a letter, including an accession to the New Notes Purchase Agreement, in substantially the form set out in the Account Holder Letter.

"New Notes Supplemental Indenture" means the supplemental indenture to the Interim Notes Indenture, in the form set out in the New Notes Purchase Agreement.

"New Notes Trustee" means GLAS Trustees Limited, as trustee under the Interim Notes Indenture (including as amended pursuant to the New Notes Supplemental Indenture).

"Nominated Participant" means an Affiliate or Related Fund of a Scheme Creditor who:

- (a) has been nominated by that Scheme Creditor to take up part or all of its right to purchase New Notes in the relevant parts of a validly completed Account Holder Letter which is submitted to the Information Agent (alongside a validly completed New Notes Purchaser Letter, Nominated Participant Deed and such other information as is required by the Information Agent to be submitted as set out in the Account Holder Letter) by no later than the New Notes Subscription Deadline; and
- (b) holds an account with the same Account Holder as the Scheme Creditor, and agrees to receive its New Notes into the same account.

"**Obligor**" means the Scheme Company, Codere Finance and each of the Guarantors.

"Parent" means Codere S.A.

"Proceeding" means any process, suit, action, legal or other proceeding in any jurisdiction, including without limitation any arbitration, mediation, alternative dispute resolution, judicial review, adjudication, demand, execution, distraint, restraint, forfeiture, re-entry, seizure, lien, enforcement of judgment or enforcement of any security.

"Process" means any litigation/arbitration proceeding commenced, brought, conducted or heard by or before, or otherwise involving any court or other governmental authority or any arbitrator or arbitration panel or other process of law.

"Record Time" means 4:00 pm (London time) on 25 September 2020.

"Related Fund" means in relation to a fund (the "First Fund") a fund which is (i) managed or advised by the same investment manager or investment adviser as the First Fund or (ii) if it is managed by a different investment manager or investment adviser, a fund whose investment manager or investment adviser is an Affiliate of the investment manager or investment adviser of the First Fund.

"Related Persons" means with respect to a person:

- (a) in the case of a body corporate:
 - (i) any Affiliate of that body corporate; or
 - (ii) an entity which is managed or advised by the same investment manager, investment adviser, collateral manager or similar entity as such body corporate (or its Affiliates) or, if it is managed by a different investment manager, investment adviser, collateral manager or similar entity, an entity whose investment manager or investment adviser is an Affiliate of the investment

- manager or investment adviser of such body corporate (or its Affiliates), in each case from time to time;
- (b) in the case of an investment fund or account, any entity which is an investment manager, investment adviser, investment sub-adviser, collateral manager or agent to that entity; and
- (c) in the case of a limited partnership or a limited liability partnership, any nominee or trustee of the limited partnership or limited liability partnership, the partners in that limited partnership or limited liability partnership or their nominees, any investment manager or investment adviser to the limited partnership or limited liability partnership and any parent undertaking or subsidiary undertaking of that investment manager or investment adviser and any other investment fund managed or advised by any such person and/or any investor in any fund that directly or indirectly holds interests in the limited partnership or limited liability partnership.

"Released Party" means any Released Person and/ or any Scheme Creditor Released Person.

"Released Person" has the meaning given to it in Clause 2.1 of this Deed.

"Registrar" means GLAS Americas LLC, as registrar for the Existing Notes, the Interim Notes, and the New Notes.

"Scheme" means the scheme of arrangement in respect of the Scheme Company under Part 26 of the Companies Act 2006, in the form or substantially in the form set out in Section II of the Scheme Document.

"Scheme Creditor" means a person with a beneficial interest as principal in the Existing Notes held in global form through the Common Depositary as at the Record Time.

"Scheme Creditor Released Person" means:

- (a) each Scheme Creditor;
- (b) each Nominated Participant;
- (c) each Backstop Purchaser; and
- (d) the Advisers,

and each of their respective Affiliates, Related Persons, Related Funds, and all of their respective present, past or future partners, officers, directors, employees, assigns, transferees, principals, agents, representatives and advisers (including, for the avoidance of doubt, members of the Ad Hoc Group who are Scheme Creditors or Affiliates, Related Persons, or Related Funds of Scheme Creditors and each of their respective present, past or future partners, officers, Directors, employees, assigns, transferees, principals, agents, representatives and advisers).

"Scheme Document" has the meaning given to it in the Explanatory Statement.

"Security Agent" means GLAS Trust Corporation Limited in its capacity as security trustee for the Secured Parties under, and as defined in, the intercreditor agreement dated 7 November 2016 (as amended, restated and/or supplemented from time to time, including as amended and restated on 23 July 2020), and made between, among others, the Parent, Codere Newco S.A.U., the Scheme Company, Codere Finance, and GLAS Trust Corporation Limited as senior secured note trustee and security agent.

"Subsidiary" means a subsidiary within the meaning of section 1159 of the Companies Act 2006 and subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006.

"**Transaction**" means the transaction contemplated by the Scheme, the Transaction Documents, and the Explanatory Statement, taken as a whole.

"Transaction Document" means each of the following documents:

- (a) the Agency Agreement;
- (b) the Deed of Release;
- (c) the Escrow Deed;
- (d) the Existing Notes A&R Supplemental Indenture;
- (e) the Existing Notes Amended Global Notes
- (f) the New Notes Purchase Agreement;
- (g) the New Notes Supplemental Indenture;
- (h) the New Notes Global Notes; and
- (i) the Security Confirmation Documents.

"Transfer Agent" means GLAS Americas LLC, as transfer agent for the Existing Notes, the Interim Notes, and the New Notes.

1.2 Construction

- (a) In this Deed, unless the contrary intention appears, a reference to:
 - (i) this Deed includes all schedules, appendices and other attachments hereto;
 - (ii) an agreement, indenture, deed or other document is a reference to such agreement, indenture, deed or other document as amended and an amendment includes a supplement, novation, extension (whether of maturity or otherwise), restatement, re-enactment or replacement (however fundamental and whether or not more onerous) and as amended will be construed accordingly;

- (iii) a person includes any individual, company, corporation, unincorporated association or body (including a partnership, trust, fund, joint venture or consortium), government, state, agency, organisation or other entity whether or not having separate legal personality;
- (iv) a provision of law is a reference to that provision as extended, applied, amended or re-enacted and includes any subordinate legislation;
- (v) "include" or "including" shall mean include or including without limitation;
- (vi) the singular includes the plural (and vice versa);
- (vii) a Clause, a Sub-clause or a Schedule is a reference to a clause or subclause of, or a schedule to, this Deed; and
- (viii) headings to Clauses are for ease of reference only and shall not affect the interpretation of this Deed.
- (b) The headings and recitals in this Deed do not affect its interpretation.
- (c) Unless otherwise expressly stated, any capitalised terms used but not defined in this Deed have the meaning given to them, *mutatis mutandis*, in the Scheme.

2. WAIVER AND RELEASE

- 2.1 With effect from the Completion Time but subject to Clause 2.3 below, each Scheme Creditor and Nominated Participant (in each case on behalf of itself and any of its successors or assigns) irrevocably and unconditionally, fully and finally waives and releases and forever discharges to the fullest extent permitted by applicable law, any and all Liabilities, in each case that it ever had, may have or hereafter can, shall or may have, against each of the following:
 - (a) the Scheme Company;
 - (b) Codere Finance;
 - (c) the Parent;
 - (d) the Guarantors;
 - (e) each Scheme Creditor;
 - (f) each Nominated Participant;
 - (g) each Backstop Purchaser;
 - (h) the Advisers;
 - (i) the Existing Notes Trustee;
 - (j) the New Notes Trustee;

- (k) the Security Agent;
- (1) the Registrar;
- (m) the Transfer Agent;
- (n) the Existing Notes Paying Agent;
- (o) the Paying Agent;
- (p) the Directors;
- (q) the Information Agent;
- (r) the Escrow Agent;

and each of their respective Affiliates, Related Persons, Related Funds and all of their respective present, past or future partners, officers, directors, employees, assigns, transferees, principals, agents, representatives and advisers (including, for the avoidance of doubt, members of the Ad Hoc Group who are Scheme Creditors or Affiliates, Related Persons, or Related Funds of Scheme Creditors and each of their respective present, past or future partners, officers, Directors, employees, assigns, transferees, principals, agents, representatives and advisers), (each person referred to in this Clause 2 (*Waiver and Release*) a "**Released Person**"),

whatsoever and howsoever arising, in relation to, or in connection with or by reason of or resulting directly or indirectly from a Released Person's participation (as applicable) in the negotiation, preparation, entry into, and/or implementation of the Scheme, the amendments to the Existing Notes, or the issuance of the New Notes, in each case contemplated by the Scheme.

- 2.2 No Scheme Creditor or Nominated Participant shall (nor shall any of its successors or assigns) commence or continue any claim, counterclaim or Proceeding against any Released Person in respect of a Liability waived, released or discharged under Clause 2.1 above.
- 2.3 The releases, waivers and undertakings in this Clause 2 (Waiver and Release) shall not:
 - (a) have the effect of waiving, releasing or discharging (i) any Liability of a Released Person or (ii) any rights of any Scheme Creditor or Nominated Participant:
 - (i) arising under the Scheme;
 - (ii) arising from or in connection with any breach of any term of the Lock-Up Agreement or any Transaction Document or any actual or purported rescission or repudiation of the Lock-Up Agreement or a Transaction Document;
 - (iii) arising from any report or advice provided by any Adviser, on which report or advice such Scheme Creditor or Nominated Participant is expressly entitled to rely;

- (iv) arising from or pursuant to any New Notes Document or Interim Notes Document;
- (b) apply to any Liability of any Adviser arising under or relating to a duty of care to such Adviser's client or arising under a duty of care to another person which has been specifically accepted or acknowledged in writing by the relevant Adviser;
- (c) apply to any Liability in respect of a Released Person actual fraud, wilful misconduct, or gross negligence; or
- (d) require a Scheme Creditor or Nominated Participant to procure any undertaking or acknowledgement from, or action by, any entity from which such Scheme Creditor acquired its rights in respect of any Scheme Claim and/or to whom such Scheme Creditor or Nominated Participant has transferred or transfers it rights in respect of any Scheme Claim or other entitlement under the Scheme.
- 2.4 With effect on and from the Completion Time but subject to Clause 2.6 below, each Obligor (on behalf of itself and any of its successors or assigns) irrevocably and unconditionally, fully and finally waives and releases and forever discharges to the fullest extent permitted by applicable law, any and all Liabilities, in each case that it ever had, may have or hereafter can, shall or may have, against each Scheme Creditor Released Person whatsoever and howsoever arising, in relation to, or in connection with or by reason of or resulting directly or indirectly from a Scheme Creditor Released Person's participation (as applicable) in the negotiation, preparation, entry into, and/or implementation of the Scheme, the amendments to the Existing Notes, or the issuance of the New Notes, in each case contemplated by the Scheme.
- 2.5 No Obligor shall (nor shall any of its successors or assigns) commence or continue any claim, counterclaim or proceeding against any Scheme Creditor Released Person in respect of a Liability waived, released or discharged under Clause 2.4 above.
- 2.6 The releases, waivers and undertakings in Clauses 2.4 and 2.5 shall not:
 - (a) have the effect of waiving, releasing or discharging (i) any Liability of a Scheme Creditor Released Person or (ii) any rights of any Obligor:
 - (i) arising under the Scheme;
 - (ii) arising from or in connection with any breach of any term of the Lock-Up Agreement or any Transaction Document or any actual or purported rescission or repudiation of the Lock-Up Agreement or a Transaction Document;
 - (iii) arising from any report or advice provided by any Adviser, on which report or advice such Obligor is expressly entitled to rely;
 - (iv) arising from or pursuant to any New Notes Document or Interim Notes Document:
 - (b) apply to any Liability of any Adviser arising under or relating to a duty of care to such Adviser's client or arising under a duty of care to another person which

has been specifically accepted or acknowledged in writing by the relevant Adviser; or

- (c) apply to any Liability in respect of a Scheme Creditor Released Person's actual fraud, wilful misconduct, or gross negligence.
- 2.7 The parties to this Deed shall not be entitled to rescind or vary any term of this Clause 2 (*Waiver and Release*) in a manner prejudicial to a Released Party without the prior written consent of the relevant Released Party.

3. FURTHER ASSURANCES

Each Party agrees to cooperate with each other Party and to promptly take any such action as may be reasonably necessary or desirable to give effect to the waivers, releases, and discharges referred to in Clause 2 (*Waiver and Release*), including by execution of any and all relevant agreements and other documents.

4. TERMINATION

Notwithstanding any other provision of this Deed, this Deed shall automatically terminate and cease to be effective and all Released Liabilities shall be reinstated in full if a court of competent jurisdiction issues a final, non-appealable order unwinding the Transaction or any element of it.

5. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

- 5.1 Other than as provided in Clause 5.2 (*Contracts (Rights of Third Parties) Act*) below, a person who is not party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.
- 5.2 A Released Party who is not party to this Deed may rely on and enforce the terms of this Deed by reason of the Contracts (Rights of Third Parties Act 1999).

6. **NATURE OF RIGHTS**

The rights of each Party under or in connection with this Deed are separate and independent rights. A Party may separately enforce its rights under this Deed.

7. **SEVERABILITY**

If any provision of this Deed is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision shall be deemed deleted and the Parties shall use all reasonable efforts to replace it by a valid and enforceable substitute provision the effect of which is as close to its intended effect as possible. Any modification to or deletion of a provision under this Clause 6 (Severability) shall not affect the validity and enforceability of the rest of this Deed.

8. WAIVER

No course of dealing or the failure of any Party to enforce any of the provisions of this Deed shall in any way operate as a waiver of such provisions and shall not affect the right of such Party thereafter to enforce each and every provision of this Deed in accordance with its terms.

9. **COUNTERPARTS**

This Deed may be executed in any number of counterparts, and by each party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Deed by email attachment or telecopy shall be an effective mode of delivery.

10. GOVERNING LAW AND JURISDICTION

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law. The courts of England and Wales have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed or any non-contractual obligations connected with it.

11. PROCESS AGENT

- Without prejudice to any other mode of service allowed under any relevant law, each Company Party (other than a Company Party incorporated in England and Wales):
 - (a) appoints the Scheme Company as an agent for service of Process in relation to any Process before the English courts in connection with this Deed; and
 - (b) agrees that failure by the Scheme Company as agent for service of Process to notify any relevant Company Party of the Process will not invalidate the Process concerned.
- 11.2 If the Scheme Company as an agent for service of Process by a Company Party is unable for any reason to act as agent for service of Process, such Company Party must immediately appoint another agent and notify the Company Parties of the name and address details of such agent for service of Process.

THIS DEED has been entered into and delivered as a deed on the date stated at the beginning of this Deed.

SIGNATORIES

EXECUTED AS A DEED
by CODERE FINANCE 2 (UK) LIMITED
Signature of Director:
Name of Director:
Signature of Director:
Name of Director:

in the presence of ¹
Signature of witness:

The Scheme Company

Name of witness:

Address of witness:

¹ If executing by one director only, must be executed in the presence of a witness.

255212-3-795-v1.0 - 14 - 66-40747934

The Scheme Creditors

EXECUTED AS A DEED

For and on behalf of the **SCHEME CREDITORS**

by CODERE FINANCE 2 (UK) LIMITED

Signature of Director:
Name of Director:
Signature of Director:
Name of Director:
in the presence of ²
in the presence of
Signature of witness:
Name of witness:
Address of witness:

255212-3-795-v1.0 - 15 - 66-40747934

 $^{^{2}}$ If executing by one director only, must be executed in the presence of a witness.

The Nominated Participants

EXECUTED AS A DEED

For and on behalf of the **NOMINATED PARTICIPANTS**

by CODERE FINANCE 2 (UK) LIMITED

Signature of Director:
Name of Director:
Signature of Director:
Name of Director:
in the presence of ³
Signature of witness:
Name of witness:
Address of witness:

255212-3-795-v1.0 - 16 - 66-40747934

³ If executing by one director only, must be executed in the presence of a witness.

The Obligors

EXECUTED AS A DEED

by CODERE FINANCE 2 (LUXEMBOURG) S.A.

Signature of Director:
Name of Director:
Signature of Director:
Name of Director:
in the presence of
Signature of witness:
Name of witness:
Address of witness:

Signature of Director: Name of Director: Signature of Director: Name of Director: in the presence of Signature of witness: Name of witness:

Address of witness:

EXECUTED AS A DEED

By CODERE, S.A.

EXECUTED AS A DEED

by ALTA CORDILLERA S.A

Signature of Director:
Name of Director:
Signature of Director:
Name of Director:
in the presence of
in the presence of Signature of witness:
•

EXECUTED AS A DEED

by BINGOS PLATENSES S.A

Signature of Director:
Name of Director:
Signature of Director:
Name of Director:
in the presence of
Signature of witness:
Name of witness:

Signature of Director: Name of Director: Signature of Director: Name of Director: in the presence of Signature of witness: Name of witness:

Address of witness:

EXECUTED AS A DEED

By CODEMATICA S.R.L.

Signature of Director: Name of Director: Signature of Director: Name of Director: in the presence of Signature of witness: Name of witness:

Address of witness:

EXECUTED AS A DEED

by CODERE AMÉRICA, S.A.U.

EXECUTED AS A DEED

By CODERE ARGENTINA S.A.

Signature of Director:
Name of Director:
Signature of Director:
Name of Director:
in the presence of
Signature of witness:
Name of witness:
Address of witness:

By CODERE ESPAÑA, S.L.U. Signature of Director: Name of Director: Signature of Director: Name of Director: in the presence of Signature of witness: Name of witness: Address of witness:

EXECUTED AS A DEED

EXECUTED AS A DEED

By CODERE INTERNACIONAL, S.L.U.

Signature of Director:
Name of Director:
Signature of Director:
Name of Director:
in the presence of
Signature of witness:
Name of witness:
Address of witness:

Signature of Director: Name of Director: Signature of Director: Name of Director: in the presence of Signature of witness:

Name of witness:

Address of witness:

EXECUTED AS A DEED

by CODERE LATAM, S.L.

EXECUTED AS A DEED

by CODERE LUXEMBOURG 1 S.À R.L

Signature of Director:
Name of Director:
Signature of Director:
Name of Director:
in the presence of
Signature of witness:
Name of witness:
Address of witness:

EXECUTED AS A DEED

by CODERE LUXEMBOURG 2 S.À R.L.

Signature of Director: Name of Director:
Signature of Director: Name of Director:
in the presence of Signature of witness:
Name of witness: Address of witness:

Signature of Director: Name of Director: Signature of Director: Name of Director: in the presence of Signature of witness: Name of witness: Address of witness:

by CODERE MÉXICO S.A. DE C.V.

EXECUTED AS A DEED

EXECUTED AS A DEED By CODERE NETWORK S.P.A. Signature of Director: Name of Director:

in the presence of

Name of Director:

Signature of witness:

Name of witness:

Address of witness:

By CODERE NEWCO S.A.U. Signature of Director: Name of Director: Signature of Director: Name of Director: in the presence of Signature of witness: Name of witness:

Address of witness:

EXECUTED AS A DEED

Signature of Director: Name of Director: Signature of Director: Name of Director: in the presence of Signature of witness: Name of witness: Address of witness:

EXECUTED AS A DEED

by COLONDER, S.A.U.

Signature of Director: Name of Director: Signature of Director: Name of Director: in the presence of Signature of witness: Name of witness:

Address of witness:

EXECUTED AS A DEED

by IBERARGEN S.A.

Signature of Director: Name of Director: Signature of Director: Name of Director: in the presence of Signature of witness: Name of witness:

Address of witness:

EXECUTED AS A DEED

by INTERJUEGOS S.A.

EXECUTED AS A DEED

by INTERMAR BINGOS S.A.

Signature of Director:
Name of Director:
Signature of Director:
Name of Director:
in the presence of
in the presence of Signature of witness:
•

Signature of Director: Name of Director: Signature of Director: Name of Director: in the presence of Signature of witness: Name of witness:

Address of witness:

EXECUTED AS A DEED

by NIDIDEM, S.L.U.

Signature of Director: Name of Director: Signature of Director: Name of Director: in the presence of Signature of witness: Name of witness:

Address of witness:

EXECUTED AS A DEED

by **OPERIBÉRICA**, S.A.U.

APPENDIX 3 EXISTING NOTES A&R SUPPLEMENTAL INDENTURE

CODERE FINANCE 2 (LUXEMBOURG) S.A., AS ISSUER

CODERE FINANCE 2 (UK) LIMITED, AS CO-ISSUER

CODERE, S.A., AS PARENT GUARANTOR

THE SUBSIDIARY GUARANTORS NAMED HEREIN

GLAS TRUST CORPORATION LIMITED, AS TRUSTEE AND SECURITY AGENT

GLAS AMERICAS LLC,

as Registrar and Transfer Agent

and

GLOBAL LOAN AGENCY SERVICES LIMITED, as Paying Agent

Amended and Restated Indenture
DATED AS OF [•], 2020

Dollar denominated 10.375% Cash / 11.625% PIK Senior Secured Notes due 2023 Euro denominated 9.500% Cash / 10.750% PIK Senior Secured Notes due 2023

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AMENDED AND RESTATED INDENTURE dated as of [●], 2020 (the "Indenture") among Codere Finance 2 (Luxembourg) S.A., a société anonyme organized under the laws of Luxembourg, and having its registered office at 6c, rue Gabriel Lippmann, L-5365 Munsbach, Luxembourg, and registered with the Luxembourg Trade and Companies Register under number B199 415 (the "Issuer"), Codere Finance 2 (UK) Limited (the "Co-Issuer" and, together with the Issuer, the "Issuers"), Codere, S.A. (the "Parent Guarantor"), Codere América, S.A.U., Codere Apuestas España, S.L.U., Codere España, S.A.U., Codere Internacional, S.A.U., Codere Internacional Dos, S.A.U., Codere Latam, S.A., Codere Luxembourg 1 S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated under the laws of Luxembourg and having its registered office at 6c, rue Gabriel Lippmann, L-5365 Munsbach, Luxembourg, and registered with the Luxembourg Trade and Companies Register under number B205 925, Codere Luxembourg 2 S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated under the laws of Luxembourg and having its registered office at 6c, rue Gabriel Lippmann, L-5365 Munsbach, Luxembourg, and registered with the Luxembourg Trade and Companies Register under number B205 911, Codere Newco, S.A.U., Codere Operadoras de Apuestas, S.L.U., Colonder, S.A.U., JPVMATIC 2005, S.L.U., Nididem, S.A.U., Operiberica, S.A.U., Alta Cordillera, S.A., Codere Mexico, S.A. de C.V., Codere Latam Colombia, S.A., Codematica, S.r.l., Codere Italia S.p.A., Operbingo Italia S.p.A., and Codere Network, S.p.A. (the "Subsidiary Guarantors" and, together with the Parent Guarantor, the "Guarantors"), Glas Trust Corporation Limited, as trustee (in such capacity, the "Trustee") and as security agent and representative (rappresentante) pursuant to and for the purposes set forth under Article 2414-bis, paragraph 3 of the Italian Civil Code (in such capacity, the "Security Agent"), Glas Americas LLC, as registrar and transfer agent and Global Loan Agency Services Limited, as paying agent (the "Paying Agent"). Additional guarantors could unconditionally guarantee the Notes (the "Additional Guarantors") by (i) acceding to this Indenture by means of an accession offer substantially in the form set out in Exhibit E (the "Accession Offer") and the corresponding acceptance letter (the "Acceptance Letter") thereto substantially in the form set out in Exhibit F or (ii) delivering to the Trustee a supplemental indenture, substantially in the form set out in Exhibit G. Any Additional Guarantor acceding to this Indenture agrees to observe and fully perform all rights, obligations and liabilities contemplated herein as if it was an original signatory hereto. The representations, warranties, authorizations, acknowledgements, covenants and agreements of each Additional Guarantor under this Indenture shall not become effective until the execution of the Accession Offer and the Acceptance Letter, at which time such representations, warranties, authorizations, acknowledgements, covenants and agreements shall become effective as if made herein pursuant to the terms of the Accession Offer and the Acceptance Letter.

RECITALS OF THE ISSUERS AND THE GUARANTORS

WHEREAS, the Issuer, the Parent Guarantor, the subsidiary guarantors party thereto from time to time, the Trustee, the Transfer Agent and Banco Bilbao Vizcaya Argentaria, S.A. executed and delivered an indenture dated as of November 8, 2016 (the "Original Indenture," as supplemented by the first supplemental indenture dated as of September 20, 2017 and the second supplemental indenture dated as of July 23, 2020, such supplemental indentures, together with the Original Indenture, the "Base Indenture"), providing, among other things, for the issuance of the Issuer's dollar-denominated 7.625% Senior Secured Notes due 2021 (the "Original Dollar Notes") and the Issuer's euro-denominated 6.750% Senior Secured Notes due 2021 (the "Original Euro Notes" and together with the Original Dollar Notes, the "Original Notes");

WHEREAS, on July 23, 2020, the Co-Issuer entered into an amendment and accession agreement whereby it became a co-obligor of all of the Issuer's obligations under the Base Indenture and agreed to be bound by all of the provisions of the same on a primary, joint and several basis as if it had been an original party to the Base Indenture;

WHEREAS, on [•], 2020, the Co-Issuer initiated a scheme of arrangement under Part 26 of the Companies Act 2006, pursuant to which, among other things, the Co-Issuer has obtained the requisite written consent (the "Consents") of Holders of the Original Notes necessary to effect the amendments (the "Proposed Amendments") to the Base Indenture and the Original Notes reflected in this Indenture;

WHEREAS, pursuant to Section 9.08 of the Base Indenture, the Trustee is authorized to execute and deliver this Indenture;

WHEREAS, by delivery of their Consents, Holders of the Notes have authorized and directed the Trustee to (i) enter into this Indenture to give effect to the Proposed Amendments, and (ii) take any such further actions that the Issuer may deem necessary or advisable for the implementation of the Proposed Amendments; and

WHEREAS, all necessary acts and things have been done to make this Indenture a legal, valid and binding agreement of the Issuers and the Guarantors, in accordance with the terms, subject to the Legal Reservations.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Notes (as defined herein) by the Holders thereof, it is mutually covenanted and agreed, for the equal and proportionate benefit of all Holders, as follows:

ARTICLE ONE DEFINITIONS AND INCORPORATION BY REFERENCE

SECTION 1.01. <u>Definitions</u>. "Acquired Debt" means, with respect to any specified Person, (a) Debt of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, whether or not such Debt is incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Subsidiary of, such specified Person; and (b) Debt secured by a Lien encumbering any asset acquired by such specified Person.

"Additional Assets" means:

- (a) any property or assets (other than Debt and Capital Stock) used or to be used by the Parent Guarantor, a Restricted Group Member or otherwise useful in a Permitted Business (it being understood that capital expenditures on property or assets already used in a Permitted Business or to replace any property or assets that are the subject of such Asset Sale shall be deemed an investment in Additional Assets);
- (b) the Capital Stock of a Person that is engaged in a Permitted Business and becomes a Restricted Group Member as a result of the acquisition of such Capital Stock by the Parent Guarantor or a Restricted Group Member; or

(c) Capital Stock constituting a minority interest in any Person that at such time is a Restricted Group Member.

"Additional Notes" means any Additional Dollar Notes or Additional Euro Notes.

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person; provided, however, that Beneficial Ownership of ten percent (10%) or more of the Voting Stock of a Person will be deemed to be control. For purposes of this definition, "control," as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms "controlling," "controlled by" and "under common control with" have correlative meanings.

"Agreed Security Principles" means the agreed security principles as set forth in the Schedule A hereto.

"Asset Sale" means (a) the sale, lease, conveyance or other disposition of any assets or rights; provided that the sale, conveyance or other disposition of all or substantially all of the assets of the Parent Guarantor and its Subsidiaries taken as a whole shall be governed by Section 4.15 of this Indenture and/or Section 5.01 of this Indenture and not by Section 4.11 of this Indenture; and (b) the issuance of Equity Interests in any Restricted Group Member or the sale of Equity Interests by the Parent Guarantor or any Restricted Group Member in any Restricted Group Member.

Notwithstanding the preceding, none of the following items shall be deemed to be an Asset Sale:

- (i) any single transaction or series of related transactions that involves assets having a Fair Market Value of less than €15.0 million;
- (ii) a transfer of assets between or among the Parent Guarantor and the Restricted Group Members;
- (iii) an issuance of Equity Interests by a Restricted Group Member to the Parent Guarantor or to another Restricted Group Member;
- (iv) the sale or lease of equipment, inventory or accounts receivable in the ordinary course of business and any sale, abandonment or other disposition of damaged, worn-out or obsolete assets, including intellectual property, that is, in the reasonable judgment of the Parent Guarantor, no longer economically practicable to maintain or useful in the conduct of the business of the Parent Guarantor and Restricted Group Members taken as a whole;
 - (v) the sale or other disposition of cash or Cash Equivalents;
- (vi) a Restricted Payment or Permitted Investment that is permitted by Section 4.07 of this Indenture;
- (vii) the grant of licenses of intellectual property rights to third parties in the ordinary course of business;

- (viii) a disposition by way of the granting of a Permitted Lien or foreclosures on assets;
- (ix) leases (as lessor or sublessor) of real or personal property and guarantees of any such lease in the ordinary course of business;
- (x) licenses or sublicenses of intellectual property or other general intangibles in the ordinary course of business;
- (xi) dispositions resulting from any casualty or other insured damage to, or any taking under power of eminent domain or by condemnation or similar proceeding of, any asset of the Parent Guarantor or any Restricted Group Member;
- (xii) the issuance by the Parent Guarantor or Restricted Group Member of Preferred Stock that is permitted by Section 4.06 of this Indenture;
- (xiii) any sale of Equity Interests in, or Debt or other securities of, an Unrestricted Group Member;
 - (xiv) the unwinding of any Hedging Obligations;
- (xv) any surrender or waiver of contract rights or the settlement, release or surrender of contract rights or other litigation claims in the ordinary course of business;
- (xvi) sales, transfers and other dispositions of Investments in joint ventures to the extent required by, or made pursuant to, customary buy/sell arrangements between the joint venture parties set forth in joint venture arrangements and similar binding arrangements;
- (xvii) any dispositions in connection with a receivables facility (it being understood that for the avoidance of doubt, notwithstanding anything in the Indenture, the Parent Guarantor and any Restricted Group Member may participate in any customer supply chain financing programs in the ordinary course of business and shall not constitute an Asset Sale);
- (xviii) any issuance of additional Equity Interests in any Restricted Group Member to the holders of its Equity Interests, in connection with any capital call or equity funding arrangements in the ordinary course of business;
- (xix) (i) sales, transfers or other dispositions of accounts receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business consistent with past practice and not as part of any accounts receivables financing transaction, and (ii) dispositions of receivables pursuant to factoring transactions; and
- (xx) any swap or substantially concurrent exchange of assets that can be utilized in the business of the Parent Guarantor and the Restricted Group Members in exchange for substantially similar types of assets (which exchange may be in the form of an exchange of Capital Stock).

"Attributable Debt" in respect of a sale and leaseback transaction means, at the time of determination, the present value of the obligation of the lessee for net rental payments during the remaining term of the lease included in such sale and leaseback transaction including any period for which such lease has been extended or may, at the option of the lessor, be extended. Such present value shall be calculated using a discount rate equal to the rate of interest implicit in such transaction, determined in accordance with IFRS.

"Bankruptcy Law" means any law relating to bankruptcy, insolvency, receivership, winding-up, liquidation, reorganization or relief of debtors or any amendment to, succession to or change in any such law, including, without limitation, (i) insolvency laws and rules of Luxembourg, (ii) the Spanish Insolvency Act, and (iii) title 11, United States Bankruptcy Code of 1978, as amended.

"Beneficial Owner" has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular "person" (as that term is used in Section 13(d)(3) of the Exchange Act), such "person" will not be deemed to have beneficial ownership of any securities that such "person" has the right to acquire or vote only upon the happening of any future event of contingency (including the passage of time) that has not yet occurred. The terms "Beneficially Owns" and "Beneficially Owned" have a corresponding meaning.

"Board of Directors" means (a) with respect to a corporation or company, the board of directors or managers of the corporation or company, (b) with respect to a partnership, the Board of Directors of the general partner of the partnership and (c) with respect to any other Person, the board or committee of such Person serving a similar function.

"Bund Rate" means, with respect to any redemption date, the rate per annum equal to the equivalent yield to maturity as of such redemption date of the Comparable German Bund issue, assuming a price for the Comparable German Bund issue (expressed as a percentage of its principal amount) equal to the Comparable German Bund Price for such redemption date, where:

- (a) "Comparable German Bund Issues" means the German Bundesanleihe security selected by any Reference German Bund Dealer as having a fixed maturity most nearly equal to the period from such redemption date to January 4, 2022, and that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of euro denominated corporate debt securities in a principal amount approximately equal to the then outstanding principal amount of the Euro Notes and of a maturity most nearly equal to January 4, 2022; provided that if the period from such redemption date to January 4, 2022 is less than one year, a fixed maturity of one year shall be used:
- (b) "Comparable German Bund Price" means, with respect to any redemption date, the average of the Reference German Bund Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference German Bund Dealer Quotations, or if the Issuers obtain fewer than four such Reference German Bund Dealer Quotations, the average of all such quotations;
- (c) "Reference German Bund Dealer" means any dealer of German Bundesanleihe securities appointed by the Issuers (and notified to the Trustee); and

(d) "Reference German Bund Dealer Quotations" means, with respect to each Reference German Bund Dealer and any redemption date, the average as determined by the Issuers of the bid and offered prices for the Comparable German Bund Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Issuers by such Reference German Bund Dealer at 3:30 p.m. Frankfurt, Germany time on the third business day preceding such redemption date.

"Business Day" means a day other than Saturday, Sunday or any other day on which banking institutions in New York, London, Dublin or a place of payment under this Indenture are authorized or required by law to close.

"Capital Lease Obligation" means, with respect to any Person, any obligation of such Person under a lease of (or other agreement conveying the right to use) any property (whether real, personal or mixed), which obligation is required to be classified and accounted for as a capital lease obligation under IFRS as in effect immediately prior to the adoption of IFRS 16 (Leases).

"Capital Stock" means (a) in the case of a corporation, corporate stock, (b) in the case of an association, company or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock, (c) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited), and (d) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

"Cash Equivalents" means:

- (1) (a) euros or U.S. Dollars, or (b) in respect of any Restricted Group Member, to the extent held in the ordinary course of operating its business in its home country, its local currency;
- (2) securities or marketable direct obligations issued by or directly and fully guaranteed or insured by the government of: (i) Spain, (ii) the United States, (iii) the United Kingdom, (iv) Argentina, (v) the national government of any country in which the Parent Guarantor and its Restricted Group Members currently operate or (vi) a member of the European Economic Area or European Union or any agency or instrumentality of such government having an equivalent credit rating having maturities of not more than twelve months from the date of acquisition;

provided that (a) the direct obligations of such country have an investment grade rating for its long-term unsecured and non-credit-enhanced debt obligations; and (b) to the extent such country is not included in clauses (i), (ii) or (iv) hereof, no more than \$5.0 million of such direct obligations of each such country will be considered Cash Equivalents;

(3) certificates of deposit and eurodollar time deposits with maturities of twelve months or less from the date of acquisition, bankers' acceptances with maturities not exceeding twelve months and overnight bank deposits, in each case, with any bank or financial institution which has a rating for its long-term unsecured and noncredit-enhanced debt obligations of A+ or higher by S&P or Fitch Ratings Ltd or Al or higher by Moody's or a comparable rating from an internationally recognized credit rating agency;

- (4) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (2) and (3) above entered into with any bank or financial institution meeting the qualifications specified in clause (3) above; *provided* that the maturities of the underlying obligations referred to in clause (2) above may be more than twelve months.
- (5) commercial paper not convertible or exchangeable to any other security: (i) for which a recognized trading market exists; (ii) issued by an issuer incorporated in the United States, any state of the United States, the District of Columbia, Spain, the United Kingdom or any member state of the European Economic Area or European Union; (iii) which matures within one year after the relevant date of calculation; and (iv) which has a credit rating of either A+ or higher by S&P or Fitch Ratings Ltd or Al or higher by Moody's, or, if no rating is available in respect of the commercial paper, the issuer of which has, in respect of its long-term unsecured and non-credit enhanced debt obligations, an equivalent rating; and
- (6) any investment accessible within 30 days in money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (5) of this definition.

"Change of Control" means the occurrence of any of the following:

- (a) (i) any "Person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), other than the Permitted Holders, is or becomes the Beneficial Owner, directly or indirectly, of more than 50% of the voting power of the Parent Guarantor's outstanding Voting Stock and (ii) the Permitted Holders do not beneficially own a larger percentage of such Voting Stock than such person or group; or
- (b) if the Parent Guarantor consummates any transaction (including, without limitation, any merger, consolidation, amalgamation or other combination) pursuant to which the Parent Guarantor's outstanding Voting Stock is converted into or exchanged for cash, securities or other property, in each case to any Person other than in a transaction where the Parent Guarantor's outstanding Voting Stock is not converted or exchanged at all (except to the extent necessary to reflect a change in the jurisdiction of the Parent Guarantor's incorporation) or is converted into or exchanged for Voting Stock (other than Redeemable Capital Stock) of the surviving or transferee corporation; and as a result of any such transaction any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), other than the Permitted Holders, is the "beneficial owner" (as defined in clause (a) above) directly or indirectly, of more than 50% of the total outstanding Voting Stock of the surviving or transferee corporation and the Permitted Holders do not beneficially own a larger percentage of such Voting Stock than such person or group; or
- (c) if the Parent Guarantor conveys, transfers, leases or otherwise disposes of, or any resolution is passed by the Parent Guarantor's board of directors or shareholders pursuant to which the Parent Guarantor would dispose of, all or substantially all of the Parent Guarantor's assets and those of the Restricted Group Members, considered as a whole (other than a transfer of substantially all of such assets to one or more Wholly Owned Restricted Subsidiaries), in each case to any Person other than the Permitted Holders; or

- (d) the first day on which Codere Newco, S.A.U. shall fail to directly own 100% of the issued and outstanding Voting Stock and Capital Stock of the Issuer or otherwise ceases to control the Issuer; or
- (e) the adoption of a plan relating to the liquidation or dissolution of the Parent Guarantor.

"Clearstream" means Clearstream Banking, société anonyme, Luxembourg.

"Collateral" means the collateral described in the Security Documents.

"Common Depositary" means Bank of America N.A., London Branch at 2 King Edward Street, London EC1A 1HQ, United Kingdom, as common depositary for Euroclear and/or Clearstream, or any successor Person thereto.

"Consolidated Cash Flow" of the Parent Guarantor means the Consolidated Net Income of the Parent Guarantor for such period plus: (a) provision for taxes based on income or profits of the Parent Guarantor and its Restricted Group Members for such period, to the extent that such provision for taxes was deducted in computing such Consolidated Net Income; plus (b) the Consolidated Interest Expense of the Parent Guarantor and its Restricted Group Members for such period (other than any interest expense with respect to any lease that would be accounted for as an operating lease in accordance with IFRS as in effect immediately prior to the adoption of IFRS 16 (Leases)); plus (c) any foreign currency exchange losses net of gains (including related to currency remeasurements of Debt) of such Parent Guarantor and its Restricted Group Members for such period, to the extent that such losses or gains were taken into account in computing such Consolidated Net Income; plus (d) any minority interest expense (whether paid or not) consisting of income attributable to minority equity interests of third parties in such period; plus (e) depreciation, amortization (including amortization of goodwill and other intangibles) and other non-cash charges, losses or expenses (excluding any such non-cash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period or amortization of a prepaid cash expense that was paid in a prior period) of the Parent Guarantor and its Restricted Group Members for such period to the extent that such depreciation, amortization and other non-cash charges, losses or expenses were deducted in computing such Consolidated Net Income and except to the extent already counted in clause (a) hereof; minus (f) non-cash items increasing such Consolidated Net Income for such period (excluding any such non-cash item of income to the extent it represents the reversal of accruals or reserves for cash charges taken in prior periods or shall result in receipt of cash payments in any future period); minus (g) the consolidated interest income of the Parent Guarantor and the Restricted Group Members during such period, in each case, on a consolidated basis and determined in accordance with IFRS.

"Consolidated Interest Expense" means, with respect to any Person for any period, the sum, without duplication, of (i) the consolidated interest expense of such Person and its Restricted Group Members for such period, whether paid or accrued (including, without limitation, amortization of original issue discount, Additional Amounts, non-cash interest payments, the interest component of any deferred payment obligations (which shall be deemed to be equal to the principal of any such payment obligation less the amount of such principal discounted to net present value at an interest rate (equal to the interest rate on one-year EURIBOR at the date of determination) on an annualized basis), the interest component of all payments associated with Capital Lease Obligations, commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers' acceptance financings, and

net payments (if any) pursuant to Hedging Obligations) and (ii) the consolidated interest expense of such Person and its Restricted Group Members that was capitalized during such period, and (iii) any interest expense on Debt of another Person that is guaranteed by such Person or one of its Restricted Group Members or secured by a Lien on the assets of such Person or one of its Restricted Group Members (whether or not such guarantee or Lien is called upon) and (iv) the product of (a) all dividend payments on any series of preferred stock of such Person or any of its Restricted Subsidiaries, and (b) a fraction, the numerator of which is one and the denominator of which is one minus the then current applicable statutory tax rate of such Person (if positive), expressed as a decimal, in each case, on a consolidated basis and in accordance with IFRS.

"Consolidated Net Income" of the Parent Guarantor means the aggregate of the Net Income of the Parent Guarantor and its Restricted Group Members for such period, on a consolidated basis, determined in accordance with IFRS; provided that:

- (1) the Net Income (but not loss) of any Person that is not a Restricted Group Member or that is accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or distributions paid in cash to the Parent Guarantor, a Wholly Owned Restricted Subsidiary or a Restricted Group Member that is not a Wholly Owned Restricted Subsidiary (but in the latter case, only a share of such dividend or distribution prorated with respect to the direct or indirect ownership of such Restricted Group Member held by the Parent Guarantor);
- solely for the purpose of determining the amount available for Restricted (2) Payments under Section 4.07(b)(iii)(A) of this Indenture, the Net Income (or portion thereof) of any Restricted Group Member (other than a Guarantor) shall be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Group Member of that Net Income (or portion thereof) is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or pursuant to the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation (based, for purposes of Spanish legal reserve requirements, on the reserve status as of the determination thereof at the most recent meeting of stockholders of the applicable Restricted Group Member) applicable to that Restricted Group Member or its stockholders, unless, in each case, such restriction (a) has been legally waived, or (b) constitutes a restriction described in clauses (b)(i) and (b)(iii) of Section 4.13 of this Indenture, except that the Parent Guarantor's equity in the Net Income of any such Restricted Group Member for such period will be included in such Consolidated Net Income up to the aggregate amount of cash or Cash Equivalents actually distributed or that could have been distributed by such Restricted Group Member during such period to the Parent Guarantor or another Restricted Group Member as a dividend or other distribution (subject, in the case of a dividend to another Restricted Group Member, to the limitation contained in this clause (2));
- (3) the Net Income of any Person acquired in a pooling of interests transaction for any period prior to the date of such acquisition will be excluded;
- (4) net gain (or loss) together with any related provision for taxes on such gain (or loss), realized in connection with any sale or disposal of assets of the Parent Guarantor or such Restricted Group Member other than in the ordinary course of business (as determined in good faith by the Parent Guarantor) will be excluded;
 - (5) the cumulative effect of a change in accounting principles will be excluded;

- (6) any extraordinary, exceptional, unusual or nonrecurring gain, loss, expense or charge, any restructuring charge, any severance or redundancy charge or expense, or any expense, charge or loss in respect of any facility opening or reopening, restructuring, rehabilitation or relocation, in each case, as determined in good faith by the Parent Guarantor will be excluded;
- (7) any non-cash compensation charge or expense arising from any grant of stock, stock options or other equity-based awards and any non-cash deemed finance charges in respect of any pension liabilities or other provisions will be excluded;
- (8) all deferred financing costs written off and premiums paid or other expenses incurred directly in connection with any early extinguishment of Debt and any net gain (loss) from any write off or forgiveness of Debt will be excluded;
- (9) any unrealized gains or losses in respect of Hedging Obligations or any ineffectiveness recognized in earnings related to qualifying hedge transactions or the fair value of changes therein recognized in earnings for derivatives that do not qualify as hedge transactions, in each case, in respect of Hedging Obligations will be excluded;
- (10) any unrealized foreign currency transaction gains or losses in respect of Debt of any Person denominated in a currency other than the functional currency of such Person and any unrealized foreign exchange gains or losses relating to translation of assets and liabilities denominated in foreign currencies will be excluded;
- (11) any asset (including goodwill) impairment charges, write-ups or write-offs, and any amortization of intangible assets, will be excluded;
- (12) (i) transaction fees, costs and expenses incurred in connection with the consummation of any equity issuances, investments, acquisition transactions, dispositions, recapitalizations, mergers, option buyouts and the incurrence, modification or repayment of Debt permitted to be incurred under the Indenture (including any Permitted Refinancing Debt in respect thereof) or any amendments, waivers or other modifications under the agreements relating to such Debt or similar transactions and (ii) without duplication of any of the foregoing, non-operating or non-recurring professional fees, costs and expenses for such period will be excluded;
- (13) the effects of purchase accounting, fair value accounting or recapitalization accounting adjustments (including the effects of such adjustments pushed down to the Parent Guarantor and the Restricted Group Members) resulting from the application of purchase accounting, fair value accounting or recapitalization accounting in relation to any acquisition consummated on or after the date of this Indenture, and the amortization, write-down or write-off of any amounts thereof, net of taxes, will be excluded; and
- (14) any expenses, charges or losses to the extent covered by insurance or indemnity and actually reimbursed, or, so long as such Person has made a determination that there exists reasonable evidence that such amount will in fact be reimbursed by the insurer or indemnifying party and only to the extent that such amount is in fact reimbursed within 365 days of the date of the insurable or indemnifiable event (net of any amount so added back in any prior period to the extent not so reimbursed within the applicable 365-day period), will be excluded.

"Consolidated Net Leverage Ratio" of the Parent Guarantor means, as of the date of determination, the ratio of (a) the sum of consolidated Debt of the Parent Guarantor less cash and Cash Equivalents on the most recent consolidated balance sheet of the Parent Guarantor which has been delivered in accordance with Section 4.19 of this Indenture to (b) the aggregate Consolidated Cash Flow of the Parent Guarantor for the period of the most recent four consecutive quarters for which financial statements are available under Section 4.19 of this Indenture, in each case with such pro forma adjustments to consolidated Debt and Consolidated Cash Flow as are appropriate and consistent with the pro forma provisions set forth in the definition of "Fixed Charge Coverage Ratio."

"Consolidated Secured Debt Leverage Ratio" of the Parent Guarantor means, as of the date of determination, the ratio of (a) the sum of consolidated Debt of the Parent Guarantor secured by Liens ranking equal or senior to (by law or contract) the Liens on the Collateral securing the Notes on all or any portion of the Collateral to (b) the aggregate Consolidated Cash Flow of the Parent Guarantor for the period of the most recent four consecutive quarters for which financial statements are available under Section 4.19 of this Indenture, in each case with such pro forma adjustments to consolidated Debt and Consolidated Cash Flow as are appropriate and consistent with the pro forma provisions set forth in the definition of "Fixed Charge Coverage Ratio."

"Consolidated Total Assets" of the Parent Guarantor means the consolidated assets of the Parent Guarantor set out in the most recent audited or unaudited balance sheet furnished by the Parent Guarantor to the Trustee pursuant to Section 4.19 of this Indenture (and, in the case of any determination relating to any incurrence of Debt or any Investment or other acquisition, on a pro forma basis including any property or assets being acquired in connection therewith).

"Credit Facilities" means one or more debt facilities (including, without limitation, the Revolving Credit Facility), indentures or commercial paper facilities, in each case with banks, other financial institutions, institutional lenders, governmental authorities or investors providing revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables), letters of credit, surety bonds (including without limitation, facilities such as the Surety Bonds Facility), debt securities or other Debt, in each case, as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time.

"Debt" means, with respect to any Person, without duplication:

(1) (a) all obligations of such Person for borrowed money (including overdrafts), (b) for the deferred purchase price of property or services, excluding any trade payables and other accrued liabilities incurred in the ordinary course of business or (c) the principal component of all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person and for the deferred purchase price of property or services (other than (i) trade accounts payable and other accrued obligations, in each case incurred in the ordinary course of business, (ii) deferred compensation payable to directors, officers or employees of the Parent Guarantor or any other Subsidiary of the Parent Guarantor and (iii) any purchase price adjustment or earnout incurred in connection with an acquisition or disposition permitted under this Indenture);

- (2) all obligations of such Person evidenced by bonds, notes, debentures or other similar instruments;
- (3) all obligations, contingent or otherwise, of such Person in connection with any bankers' acceptances;
 - (4) all Capital Lease Obligations of such Person;
 - (5) all Hedging Obligations of such Person;
- (6) all Debt referred to in (but not excluded from) the preceding clauses (1) through (5) of other Persons and all dividends of other Persons, the payment of which is secured by (or for which the holder of such Debt has an existing right, contingent or otherwise, to be secured by) any Lien upon or with respect to property (including, without limitation, accounts and contract rights) owned by such Person, even though such Person has not assumed or become liable for the payment of such Debt (the amount of such obligation being deemed to be the lesser of the Fair Market Value of such property or asset or the Debt so secured);
- (7) all guarantees by such Person of Debt referred to in any other clause of this definition of any other Person;
- (8) all Disqualified Stock of such Person valued at the greater of its voluntary maximum fixed repurchase price or involuntary maximum fixed repurchase price plus accrued and unpaid dividends; and
 - (9) Preferred Stock of any Restricted Group Member;

if and, to the extent, any of the foregoing Debt (other than clauses (3), (5), (6), (7), (8) and (9)) would appear as a liability on the balance sheet of such Person (other than the Notes); provided that the term "Debt" shall not include (i) non-interest bearing installment obligations and accrued liabilities incurred in the ordinary course of business that are not more than 90 days past due; (ii) Debt in respect of the incurrence by the Parent Guarantor or any Restricted Group Member of Debt in respect of standby letters of credit, performance bonds or surety bonds provided by the Parent Guarantor or any Restricted Group Member in the ordinary course of business to the extent that such letters of credit or bonds are not drawn upon or, if and to the extent drawn upon are honored in accordance with their terms and if, to be reimbursed, are reimbursed no later than the twentieth business day following receipt by such Person of a demand for reimbursement following payment on the letter of credit or bond; (iii) anything that would be accounted for as an operating lease in accordance with IFRS prior to the adoption of IFRS 16 (Leases); and (iv) Debt incurred by the Parent Guarantor or a Restricted Group Member in connection with a transaction where (x) such Debt is borrowed from any bank or financial institution which has a rating for its long-term unsecured and non-credit-enhanced debt obligations of A+ or higher by Standard & Poor's Rating Services or Fitch Ratings Ltd or Al or higher by Moody's Investor Services Limited or a comparable rating from an internationally recognized credit rating agency and (y) a substantially concurrent Investment is made by the Parent Guarantor or a Restricted Group Member in the form of cash deposited with the lender of such debt, or a Subsidiary or affiliate thereof, in an amount equal to such Debt.

The amount of any item of Debt (other than Disqualified Stock or Preferred Stock) shall be:

- (a) the accreted value of the Debt, in the case of any Debt issued with original issue discount;
- (b) the principal component of any Debt specified in clause (1)(b) or (c), (3) or (4) of this definition; and
 - (c) the outstanding principal amount of the Debt, in the case of any other Debt;

in each case, calculated without giving effect to any increase or decrease as a result of any embedded derivative created by the terms of such Debt.

For purposes of this definition, the "maximum fixed repurchase price" of any Disqualified Stock that does not have a fixed redemption, repayment or repurchase price shall be calculated in accordance with the terms of such Disqualified Stock as if such Disqualified Stock were purchased on any date on which Debt shall be required to be determined pursuant to this Indenture, and if such price is based upon, or measured by, the Fair Market Value of such Disqualified Stock, such fair market value shall be determined in good faith by the board of directors of the issuer of such Disqualified Stock; *provided* that if such Disqualified Stock is not then permitted to be redeemed, repaid or repurchased, the redemption, repayment or repurchase price shall be the book value of such Disqualified Stock as reflected in the most recent financial statements of such Person.

"Default" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"Designated Non-cash Consideration" means the Fair Market Value of non-cash consideration received by the Parent Guarantor or any Restricted Group Member in connection with an Asset Sale that is so designated as "Designated Non-cash Consideration" pursuant to an Officer's Certificate, setting forth the basis of such valuation, less the amount of cash or Cash Equivalents received in connection with a subsequent disposition of such Designated Non-cash Consideration.

"Disqualified Stock" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the date that is 365 days after the date on which the Notes mature. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the Parent Guarantor to repurchase such Capital Stock upon the occurrence of a change of control or an asset sale shall not constitute Disqualified Stock if the terms of such Capital Stock provided that the Parent Guarantor may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redeemption complies with Section 4.07 of this Indenture.

"Dollar Equivalent" means, with respect to any monetary amount in a currency other than the U.S. Dollar, at any time for the determination thereof, the amount of U.S. Dollar obtained by converting such foreign currency involved in such computation into U.S. Dollar

at the spot rate for the purchase of U.S. Dollar with the applicable foreign currency as quoted by Reuters at approximately 11:00 a.m. (New York City time) on the date not more than two business days prior to such determination. For purposes of determining whether any Debt can be incurred (including Permitted Debt), any Investment can be made or any transaction set forth in Section 4.09 of this Indenture can be undertaken (a "Tested Transaction"), the Dollar Equivalent of such Debt, Investment or transaction set forth in Section 4.09 of this Indenture shall be determined on the date incurred, made or undertaken and, in each case, no subsequent change in the Dollar Equivalent shall cause such Tested Transaction to have been incurred, made or undertaken in violation of this Indenture.

"Dollar Notes" means the Original Dollar Notes together with any additional dollar Notes issued hereunder (the "Additional Dollar Notes").

"Equity Interests" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"Equity Offering" means any public or private sale of Equity Interests (which are not Disqualified Stock) of the Parent Guarantor, or of any Person that directly or indirectly holds shares representing more than 50% of the voting power of the Parent Guarantor's outstanding Voting Stock.

"euro" or " ϵ " means the lawful currency of the member states of the European Union who have agreed to share a common currency in accordance with the provisions of the Maastricht Treaty dealing with European monetary union.

"Euroclear" means Euroclear Bank S.A./N.V.

"Euro Notes" means the Original Euro Notes together with any additional Euro Notes issued hereunder (the "Additional Euro Notes").

"European Government Obligations" means securities that are direct obligations denominated in euros of any member state of the European Union that is a member of the European Union as at the date of this Indenture.

"Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended.

"Excluded Contributions" means the aggregate net cash proceeds and the Fair Market Value of property or assets received by the Parent Guarantor since the date of this Indenture:

- (i) as a contribution to its common equity capital, or
- (ii) from the issue or sale of Equity Interests (other than Disqualified Stock) of the Parent Guarantor.

in each case designated as Excluded Contributions pursuant to an Officer's Certificate.

"Existing Debt" means Debt of the Parent Guarantor and the Restricted Group Members in existence at the date of this Indenture, until such amounts are repaid, other than (i) any amounts outstanding under the Revolving Credit Facility, (ii) any amounts outstanding under the Surety Bonds Facilities, (iii) obligations in respect of letters of credit in

existence as of the date of this Indenture, (iv) Debt under Capital Lease Obligations and (v) the Notes.

"Excluded Subsidiary" a member of the Group incorporated in Mexico or Uruguay which is not wholly-owned (directly or indirectly) by the Parent Guarantor.

"Fair Market Value" means, with respect to any asset or liability, the fair market value of such asset or liability as determined by an executive officer of the Parent Guarantor in good faith.

"Fitch" means Fitch Ratings or any of its successors or assigns that is a Nationally Recognized Statistical Rating Organization, provided that if Fitch Ratings, or such successors or assigns, ceases to operate or ceases to provide a rating in respect of the Notes other than by reason of (i) the termination of Fitch by the Issuer or the Parent Guarantor, (ii) the failure by the Issuer or the Parent Guarantor to pay Fitch's fees or (iii) the failure to provide Fitch with any information which the Issuer and/or the Parent Guarantor is obliged to provide pursuant to this Indenture, "Fitch" shall mean any Nationally Recognized Statistical Rating Organization selected by the Parent Guarantor in its sole discretion.

"Fixed Charge Coverage Ratio" of the Parent Guarantor for any period means the ratio of the Consolidated Cash Flow of the Parent Guarantor for such period to the Fixed Charges of the Parent Guarantor for such period. In the event that the Parent Guarantor or any Restricted Group Member incurs, assumes, guarantees, repays, repurchases or redeems any Debt (other than ordinary working capital borrowings) subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Fixed Charge Coverage Ratio is made (the "Calculation Date"), then the Fixed Charge Coverage Ratio shall be calculated giving pro forma effect to such incurrence, assumption, guarantee, repayment, repurchase or redemption of Debt, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period.

In addition, for purposes of calculating the Fixed Charge Coverage Ratio:

- (a) acquisitions that have been made by the Parent Guarantor or any Restricted Group Member, including through mergers or consolidations, or by any Person or any Restricted Group Member acquired by the Parent Guarantor or any Restricted Group Member, and including any related financing transactions, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date shall be given pro forma effect as if they had occurred on the first day of the four-quarter reference period;
- (b) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses disposed of prior to the Calculation Date, shall be excluded; and
- (c) the Fixed Charges attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses disposed of prior to the Calculation Date, shall be excluded, but only to the extent that the obligations giving rise to such Fixed Charges shall not be obligations of the Parent Guarantor or any of Restricted Group Member following the Calculation Date.

For purposes of this definition and the definitions of Consolidated Cash Flow, Fixed Charge and Consolidated Net Income, whenever pro forma effect is to be given to an acquisition of assets, the amount of income or earnings relating thereto and the amount of Consolidated Interest Expense associated with any Debt incurred in connection therewith, the pro forma calculations shall be determined in good faith by a responsible financial or accounting officer of the Parent Guarantor and may include anticipated or realized expense and cost reductions, cost savings, efficiencies or synergies; *provided* that the aggregate amount of such pro forma adjustments (i) are reasonably anticipated to be realized within twelve (12) months after the Calculation Date and (ii) will not exceed 15% of Consolidated Cash Flow for such period.

"Fixed Charges" of the Parent Guarantor means the sum, without duplication, of:

- (1) the consolidated interest expense of the Parent Guarantor and the Restricted Group Members for such period, whether paid or accrued, including, without limitation, original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, imputed interest with respect to Attributable Debt, commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers' acceptance financings, but excluding expensing, write-offs on amortization of debt issuance costs or mark-to-market valuation of Hedging Obligations or other Debt, and net of the effect of all payments made or received pursuant to such Hedging Obligations as set out in the first paragraph, clause (1) and (2) but not clause (3) in "Hedging Obligations" below (other than currency Hedging Obligations in respect of indebtedness for which consolidated interest expense is included under this clause); plus
- (2) the consolidated interest of the Parent Guarantor and the Restricted Group Members that was capitalized during such period; *plus*
- (3) all dividends, whether paid or accrued and whether or not in cash, on any series of Preferred Stock of the Parent Guarantor or any Restricted Group Member, other than dividends on Equity Interests payable solely in Equity Interests of the Parent Guarantor (other than Disqualified Stock) or to the Parent Guarantor or a Restricted Group Member; *minus*
- (4) the consolidated interest income of the Parent Guarantor and the Restricted Group Members during such period.

"Group" means the Parent Guarantor and each of its Subsidiaries.

"guarantee" means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Debt.

"Guarantee" means any guarantee of the Issuers' obligations under this Indenture and the Notes by any Guarantor. When used as a verb, "Guarantee" shall have a corresponding meaning.

"Guarantor" means the Parent Guarantor and each of the Subsidiary Guarantors.

"Holder" means each Person in whose name the Notes are registered on the Registrar's books, which shall initially be the common depositary for Clearstream or Euroclear (or its nominee).

"Holding Company" mean, in relation to a person, any other person in respect of which it is a Subsidiary.

"Hedging Obligations" means, with respect to any specified Person, the obligations of such Person under: (a) interest rate swap agreements, interest rate cap agreements and interest rate collar agreements; (b) other agreements or arrangements designed to manage interest rates or interest rate risk; and (c) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates.

"IFRS" means the international accounting standards promulgated from time to time by the International Accounting Standards Board (or any successor board or agency).

"Interest Payment Date" means the Stated Maturity of an installment of interest on the Notes.

"Intercreditor Agreement" means the intercreditor agreement dated November 7, 2016 and made between, among others, the Issuer, the Co-Issuer, the Parent Guarantor, Codere Newco S.A.U., the Debtors (as defined therein) and the Security Agent, as amended from time to time.

"Investment Grade Status" shall occur when the Notes receive a rating equal to or higher than two of the following: (i) "BBB-" (or the equivalent) from Fitch, (ii) "Baa3" (or the equivalent) from Moody's and (iii) "BBB-" (or the equivalent) from S&P.

"Investments" means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including guarantees or other obligations), advances or capital contributions (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions for consideration of Debt, Equity Interests or other securities. If the Parent Guarantor or any Restricted Group Member sells or otherwise disposes of any Equity Interests of any direct or indirect Restricted Group Member such that, after giving effect to any such sale or disposition, such Person is no longer a Subsidiary or Restricted Group Member of the Parent Guarantor, the Parent Guarantor shall be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Parent Guarantor's Investments in such Subsidiary that were not sold or disposed of in an amount determined as provided in the final paragraph of Section 4.07 of this Indenture. The acquisition by the Parent Guarantor or any Restricted Group Member of a Person that holds an Investment in a third Person shall be deemed to be an Investment by the Parent Guarantor or such Restricted Group Member in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided under Section 4.07 of this Indenture.

"Issue Date" means November 8, 2016, the first date of issuance of Original Notes under this Indenture.

"Issuers" means Codere Finance 2 (Luxembourg) S.A., a public limited liability company (société anonyme) incorporated and existing under the laws of the Grand Duchy of Luxembourg,

having its registered office at 6C, rue Gabriel Lippmann, L-5365 Munsbach and registered with the Luxembourg Register of Commerce and Companies under number B 199415 and its successors and assigns, and the Co-Issuer.

"Italian Civil Code" means the Italian civil code, enacted by Royal Decree No. 262 of March 16, 1942, as subsequently amended and supplemented from time to time.

"Italian Guarantor" means a Subsidiary Guarantor incorporated in Italy.

"Legal Reservations" means:

- (a) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganization and other laws generally affecting the rights of creditors;
- (b) the time barring of claims under applicable limitation laws, the possibility that an undertaking to assume liability for or indemnify a person against non-payment of stamp duty may be void and defenses of set-off or counterclaim;
- (c) similar principles, rights and defenses under the laws of any relevant jurisdiction, to the extent relevant and applicable;
- (d) the fact that Luxembourg courts may refuse under certain circumstances to apply a chosen foreign law;
- (e) the fact that Luxembourg courts may deny effect to a jurisdiction clause, which gives exclusive jurisdiction to one court but allows one of the parties to bring actions in other courts:
- (f) the fact that a power of attorney granted by a Subsidiary Guarantor which is incorporated in the Grand Duchy of Luxembourg is capable of being revoked despite being expressed to be irrevocable;
- (g) the recognition and enforcement of foreign judgements in Luxembourg are subject to certain proceedings and subject to rules and laws of public order; and
- (h) any, reservations or qualifications as to matters of law of general application identified in any legal opinion delivered pursuant to this Indenture.

"Lien" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction.

"Local Debt Financing" means a credit facility available to a Mexican Subsidiary from a local bank or banks which is denominated in Mexican pesos or to a Uruguayan Subsidiary from a local bank or banks which is denominated in Uruguayan pesos, indexed units issued by the Bank of Uruguay or USD.

"Lock-Up Agreement" means the lock-up agreement dated July 21, 2020 (as amended, extended, renewed, restated, supplemented, modified or replaced), between, among others, the Issuer and the Purchasers (as defined therein), to facilitate the restructuring of the Parent Guarantor and its subsidiaries.

"Luxco 1" means Codere Luxembourg 1 S.à r.l., a société à responsabilité limitée, having its registered office at 6c, rue Gabriel Lippman, L-5365 Munsbach, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies Register under number B205925.

"Luxco 2" means Codere Luxembourg 2 S.à r.l., a société à responsabilité limitée, having its registered office at 6c, rue Gabriel Lippman, L-5365 Munsbach, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies Register under number B205911.

"Material Subsidiary" means (i) the Issuer and any other Guarantor and (ii) a wholly-owned Restricted Group Member which is not a Mexican Subsidiary or an Uruguayan Subsidiary that, for the most recently completed fiscal year after the date of this Indenture, accounts for (i) 5% or greater of the Consolidated Cash Flow of the Parent Guarantor or (ii) 5% or greater of the consolidated gross assets (excluding gross assets attributable to any accounting consolidation adjustments provided for in the relevant financial statements, including those in respect of goodwill, acquisition intangibles and deferred tax) of the Restricted Member Group, excluding intra-group items and calculated on a consolidated basis.

"Mexican Holdco" means (i) initially Codere México, S.A. de C.V. or (ii) following the consummation of the Mexican Reorganization, New Codere Mexico.

"Mexican Reorganization" means (a) the acquisition of Capital Stock of Impulsora de Centros de Entretenimiento de Las Américas, S.A.P.I. de C.V. from the minority shareholders, (b) the incorporation by Codere Newco S.A.U. (and/or Codere Latam, S.L.) of New Codere Mexico, (c) the merger of Impulsora de Centros de Entretenimiento de Las Américas, S.A.P.I. de C.V. and Codere México, S.A. de C.V. into Administradora Mexicana Hipódromo, S.A. de C.V., (d) the transfer, conveyance or other disposition of the entire issued Capital Stock of Administradora Mexicana Hipódromo, S.A. de C.V. to New Codere Mexico and (e) any associated, intermediate or implementing actions, steps or events reasonably related to or necessary for, or in connection with, the foregoing clauses (a) through (d); provided that:

- (i) all of the business and assets of the Parent Guarantor or any of the Restricted Group Members remain owned by the Parent Guarantor or the Restricted Group Members;
- (ii) any payments or assets distributed in connection with such Mexican Reorganization are distributed to the Parent Guarantor or any of the Restricted Group Members;
- (iii) promptly following the date of consummation of the Mexican Reorganization, and in any event no later than (1) in respect of the following clauses (x) and (y), 30 Business Days after the date of consummation of the Mexican Reorganization and (2) in respect of the following clause (z), 10 Business Days after the date of consummation of the Mexican Reorganization: (x) a Lien is granted over the shares of New Codere Mexico such that they

form part of the Collateral, which Lien is substantially equivalent to the Lien granted over the shares of Codere México, S.A. de C.V.; (y) if any shares or other assets transferred, conveyed or disposed of as part of the Mexican Reorganization form part of the Collateral, substantially equivalent Liens must be granted over such shares or assets of the recipient such that they form part of the Collateral, *provided* that the requirement of this clause (y) shall be deemed to have been satisfied if such assets become subject to existing Security Documents; and (z) New Codere Mexico shall provide a Subsidiary Guarantee; and

(iv) the Parent Guarantor will provide to the Trustee and the Security Agent an Officer's Certificate confirming that no Default is continuing or would arise as a result of the Mexican Reorganization.

"Mexican Subsidiary" means:

- (i) as at the date of this Indenture, any of the persons listed in Schedule B (*The Mexican Subsidiaries*) (and any direct or indirect subsidiaries of such person) if such person is a borrower under a Local Debt Financing which prohibits (but only for so long as any relevant prohibition exists) the giving of guarantees or the granting of Collateral by it, any of its Subsidiaries or its immediate Holding Company in favor of the Holders.
- (ii) any Restricted Group Member incorporated in Mexico (and any direct or indirect subsidiaries of such person) so designated by the Parent Guarantor provided that no such Restricted Group Member may be so designated unless the Parent Guarantor has delivered a certificate to the Trustee certifying that such Restricted Group Member is, despite having used commercially reasonably endeavors so to do, unable to obtain Local Debt Financing on commercially reasonable terms (in the sole and absolute discretion of the Parent Guarantor) without subjecting itself to contractual restrictions prohibiting the giving of guarantees and/or the granting of Collateral by it, any of its Subsidiaries or its immediate Holding Company in favor of the Holders provided that any such designation shall be deemed rescinded upon any such prohibition ceasing to exist.

"Moody's" means Moody's Investors Service, Inc. or any of its successors or assigns that is a Nationally Recognized Statistical Rating Organization, provided that if Moody's Investors Services, Inc., or such successors or assigns, ceases to operate or ceases to provide a rating in respect of the Notes other than by reason of (i) the termination of Moody's by the Issuer or the Parent Guarantor, (ii) the failure by the Issuer or the Parent Guarantor to pay Moody's fees or (iii) the failure to provide Moody's with any information which the Issuer and/or the Parent Guarantor is obliged to provide pursuant to this Indenture, "Moody's" shall mean any Nationally Recognized Statistical Rating Organization selected by the Parent Guarantor in its sole discretion.

"Nationally Recognized Statistical Rating Organization" means a nationally recognized statistical rating organization within the meaning of Rule 436 under the Securities Act.

"Net Income" means, with respect to any specified Person, the net income (loss) of such Person, determined in accordance with IFRS and before any reduction in respect of Preferred Stock dividends.

"Net Proceeds" means the aggregate cash proceeds received by the Parent Guarantor or any Restricted Group Member in respect of any Asset Sale (including, without limitation,

any cash or other Cash Equivalents received in respect of or upon the sale or other disposition of any Designated Non-cash Consideration received in any Asset Sale), net of the direct costs relating to such Asset Sale, including, without limitation, legal, accounting and investment banking fees, and sales commissions, and any relocation expenses incurred as a result of the Asset Sale, taxes paid or payable as a result of the Asset Sale, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements, and amounts required to be applied to the repayment of Debt, secured by a Lien on the asset or assets that were the subject of such Asset Sale and any reserve for adjustment in respect of the sale price of such asset or assets established in accordance with IFRS.

"New Codere Mexico" means a Wholly Owned Restricted Subsidiary of Codere Newco S.A.U., newly organized or incorporated under the laws of Mexico in connection with the Mexican Reorganization.

"Non-Subsidiary Affiliate" of any specified Person means any other Person in which an Investment in the Equity Interests of such Person has been made by such specified Person, other than a direct or indirect Subsidiary of such specified Person.

"Notes" means, collectively, the Original Notes and any Additional Notes issued under this Indenture.

"Obligations" means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Debt.

"Offering Memorandum" means the offering memorandum dated November 1, 2016, relating to the offering of the Notes.

"Officer" means the Chairman of the Board, the Chief Executive Officer, the President, the Chief Financial Officer, any Vice President, the Treasurer or the Secretary of a Person, as applicable, or, in the event that the Person is a partnership or a limited liability company that has no such officers, a person duly authorized under applicable law by the general partner, managers, directors, members or a similar body to act on behalf of the Person.

"Officer's Certificate" means a certificate signed by an Officer of each Issuer or of a Guarantor, as the case may be, and delivered to the Trustee.

"Parent Guarantee" means the Guarantee incurred by the Parent Guarantor.

"Parent Guarantor" means Codere, S.A. and its successors and assigns.

"Pari Passu Debt" means (a) with respect to the Notes, any Debt of the Issuer that ranks equally in right of payment with the Notes and (b) with respect to any Guarantee, any Debt that ranks equally in right of payment to such Guarantee.

"Permitted Business" of a Person means the gaming, including bingo, and gaming-related business and other businesses necessary for and incident to, connected with, ancillary or complementary to, arising out, or developed or operated to permit or facilitate the conduct of, the gaming and gaming-related business, and the ownership and operation of restaurants, entertainment facilities that are directly related to or otherwise facilitates the operation of a gaming and gaming-related business.

"Permitted Collateral Lien" means the following types of Liens:

- (a) Liens securing the Notes issued on the Issue Date, any PIK Notes issued in respect of PIK Interest (and excluding any other form of Additional Notes) and any Permitted Refinancing Debt incurred to refinance such Notes; *provided* that the assets and properties securing such Debt will also secure the Super Senior Secured Notes on a first ranking basis;
- (b) Liens on the Collateral to secure Debt permitted under clauses (b)(i), including the Super Senior Secured Notes, and (b)(vi) of Section 4.06 of this Indenture; provided that the assets and properties securing such Debt will also secure the Notes on a first ranking basis; provided, further, that such Liens securing Debt permitted under clause (b)(vi) of Section 4.06 may only secure Hedging Obligations that relate to the Debt incurred under clause (b)(i) of Section 4.06; and provided, further, that such Liens securing Debt pursuant to clause (b)(i)(A), (b)(i)(B) and (b)(vi) of Section 4.06 may have super priority in respect of the application of proceeds from any realization or enforcement of the Collateral on terms not materially less favorable taken as a whole to the holders than that accorded to the Revolving Credit Facility or the Surety Bonds Facility on the date of this Indenture as provided in the Intercreditor Agreement as in effect on the date of this Indenture;
- (c) Liens on the Collateral to secure Debt permitted under Section 4.06 of this Indenture; provided that the assets and properties securing such Debt will also secure the Notes on a first ranking basis; and provided, further, that, following the incurrence of such Debt secured by such Liens on the Collateral and giving effect to the application of the proceeds thereof, on a pro forma basis, the Consolidated Secured Debt Leverage Ratio for the four full fiscal quarters for which financial statements are available immediately preceding the incurrence of such Debt, taken as one period, would be less than the Consolidated Secured Debt Leverage Ratio on the date of this Indenture after giving effect to this offering and the application of the proceeds of therefrom; and provided, further, that such Liens securing Debt pursuant to this clause (c) rank equal (with respect to the application of proceeds from any realization or enforcement of the Collateral in accordance with the Intercreditor Agreement) or junior to the Liens on the Collateral securing the Notes or the Guarantees; and
- (d) Liens on the Collateral to secure Subordinated Debt of the Issuer, *provided* that such Lien must rank junior to the Liens on the Collateral securing the Notes; and *provided*, *further*, that in each case the creditors receiving the benefit of such Permitted Collateral Liens accede to the Intercreditor Agreement or any Additional Intercreditor Agreement as *pari passu* or subordinated creditors, as appropriate.

"Permitted Holders" means, collectively, (i) José A. Martínez Sampedro, (ii) Luis Javier Martínez Sampedro, (iii) Silver Point, (iv) each Shareholder (as defined in the Shareholders Agreement) listed in Schedule 1 to the Shareholders Agreement and (v) any Related Person of any such Permitted Holder.

"Permitted Investments" means:

- (1) any Investment in the Parent Guarantor or a Restricted Group Member;
- (2) any Investment in cash or Cash Equivalents;

- (3) any Investment by the Parent Guarantor or any Restricted Group Member in a Person, if as a result of such Investment:
 - (a) such Person becomes a Restricted Group Member; or
- (b) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Parent Guarantor or a Restricted Group Member;
- (4) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with Section 4.11 to be informed as of the time of such Asset Sale or a sale or other disposition of assets or property excluded from the definition of "Asset Sale";
- (5) any acquisition of assets solely in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Parent Guarantor;
- (6) (i) any Investments received in compromise of obligations of trade creditors or customers that were incurred in the ordinary course of business, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy, *concurso mercantil*, or insolvency of any trade creditor or customer and (ii) receivables owing to the Parent Guarantor or any Restricted Group Member if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms; *provided*, *however*, that such trade terms may include such concessionary terms as the Parent Guarantor or any such Restricted Group Member deems reasonable under the circumstances;
- (7) Hedging Obligations permitted under clause (6) of the definition of "Permitted Debt";
 - (8) [Reserved];
- (9) any Investment made after the date of this Indenture by the Parent Guarantor or any Restricted Group Member in a Permitted Business (other than an Investment in an Unrestricted Group Member) in an aggregate amount, taken together with all other Investments made pursuant to this clause (9) that are at the time outstanding, not to exceed €25.0 million; *provided* that if any Investment pursuant to this clause (9) is made in any Person that is not a Restricted Group Member at the date of the making of such Investment and such Person becomes a Restricted Group Member after such date, such Investment shall thereafter be deemed to have been made pursuant to clause (1) above and shall cease to have been made pursuant to this clause (9) for so long as such Person continues to be a Restricted Group Member; *provided*, *further*, that at the time of and after giving effect to, any Permitted Investment made under this clause (9), no Event of Default shall have occurred and be continuing or would occur as a consequence thereof;
- (10) Investments made after the date of this Indenture having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (10) that are at the time outstanding not to exceed €75.0 million *plus* (ii) an amount equal to 100% of the dividends or distributions (including payments received in respect of loans and advances) received by the Parent Guarantor or a Restricted Group Member from a Permitted Joint Venture (which dividends or distributions are not included in

the calculation in clauses (b)(iii)(A) through (b)(iii)(C) of Section 4.07 of this Indenture and dividends and distributions that reduce amounts outstanding under clause (i) hereof); provided that if an Investment is made pursuant to this clause in a Person that is not a Restricted Group Member and such Person is subsequently designated a Restricted Group Member pursuant to Section 4.07, such Investment shall thereafter be deemed to have been made pursuant to clause (3) of the definition of "Permitted Investments" and not this clause;

- (11) Investments of any Person (other than an Unrestricted Group Member) existing at the time such Person becomes a Restricted Group Member, consolidates or merges with the Parent Guarantor or any Restricted Group Member, transfers or conveys substantially all of its assets to, or is liquidated into, the Parent Guarantor or any Restricted Group Member, so long as, in each case, such Investments were not made in contemplation of such Person becoming a Restricted Group Member or of such consolidation or merger, transfer, conveyance or liquidation;
- (12) investments that result solely from the receipt by the Parent Guarantor or any Restricted Group Member of a dividend or other Restricted Payment in the form of Equity Interests, evidences of Debt or other securities (but not any additions thereto made after the date of the receipt thereof);
- (13) Guarantees permitted under Section 4.06 of this Indenture and Liens permitted under clause (15) of the definition of "Permitted Liens"; and
 - (14) customary investments in connection with receivables facilities.

"Permitted Joint Venture" means (a) any corporation, association or other business entity (other than a partnership) that is not a Restricted Group Member and that, in each case, is engaged primarily in a Permitted Business and of which at least 20% of the total equity and total Voting Stock is at the time of determination owned or controlled, directly or indirectly, by the Parent Guarantor or one or more Restricted Group Member or a combination thereof and (b) any partnership, joint venture, limited liability company or similar entity that is not a Restricted Group Member and that, in each case, is engaged primarily in a Permitted Business and of which at least 20% of the capital accounts, distribution rights, total equity and voting interests or general or limited partnership interests, as applicable, are at the time of determination, owned or controlled, directly or indirectly, by the Parent Guarantor or one or more Restricted Subsidiaries or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise.

"Permitted Liens" means:

- (1) [Reserved];
- (2) Liens in favor of the Parent Guarantor;
- (3) Liens on property or Capital Stock or other assets of a Person existing at the time such Person becomes a Subsidiary or is merged with or into or consolidated with the Parent Guarantor or any Restricted Group Member; *provided* that such Liens were in existence prior to the contemplation of such Person becoming a Subsidiary or such merger or consolidation, as the case may be, and do not extend to any assets other than those of the Person that became a Subsidiary or merged into or consolidated with the Parent Guarantor or the Restricted Group Member;

- (4) Liens on property existing at the time of acquisition of the property by the Parent Guarantor or any Restricted Group Member, *provided* that such Liens were in existence prior to the contemplation of such acquisition;
- (5) Liens to secure the performance of statutory obligations, surety or appeal bonds, performance bonds or other obligations of a like nature incurred in the ordinary course of business (other than obligations for the payment of money), including the Lien over a collateral account held in the name of Codere Newco S.A.U. in connection with the Surety Bonds Facility;
 - (6) Liens existing on the date of this Indenture;
 - (7) Liens securing the Notes and the Guarantees;
- (8) Liens securing (i) the Super Senior Secured Notes permitted to be incurred pursuant to clause (i)(A) of the definition of "Permitted Debt" and (ii) the corresponding guarantees;
- (9) Liens securing Debt incurred by any Restricted Group Member that is not the Issuer or a Guarantor pursuant to clause (iii) of the definition of "Permitted Debt";
- (10) Liens securing Capital Lease Obligations and Purchase Money Obligations incurred pursuant to clause (xi) of the definition of "Permitted Debt"; *provided* that any such Lien may not extend to any assets or property of the Parent Guarantor or any Restricted Group Member other than assets or property acquired, improved, constructed or leased with the proceeds of such Debt and any improvements or accessions to such assets and property;
- (11) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded, *provided* that any reserve or other appropriate provision as is required in conformity with IFRS has been made therefor;
- (12) Liens securing Permitted Refinancing Debt of secured Debt incurred by the Parent Guarantor or a Restricted Group Member other than Liens incurred pursuant to clause (16) of the definition of "Permitted Lien"; *provided*, other than any changes of Liens in connection with a Permitted Reorganization, that any such Lien is limited to all or part of the same property or asset (plus improvements, accessions, proceeds of dividends or distributions in respect thereof) that secured (or, under the written arrangements under which the original Lien arose, would secure) the Debt being refinanced or is in respect of property that is or could be the security for, or subject to, a Permitted Lien hereunder;
 - (13) Permitted Collateral Liens;
- (14) Liens arising out of put/call agreements with respect to Capital Stock of any Joint Venture or similar arrangement pursuant to any Joint Venture or similar agreement;
 - (15) [Reserved].
- (16) Liens incurred with respect to obligations that do not exceed €25.0 million at any one time outstanding;

- (17) Liens over any funding loan of the proceeds of Pari Passu Debt which Pari Passu Debt was permitted to be incurred under Section 4.06 of this Indenture securing such Debt or guarantees thereof;
- (18) Liens on the Capital Stock and assets of a Restricted Group Member that is not a Guarantor that secure Debt of such Restricted Group Member; and
 - (19) Liens securing Debt under clause (viii) of the definition of "Permitted Debt."

"Permitted Refinancing Debt" means any Debt of the Parent Guarantor or any of its Restricted Group Members issued in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease or refund other Debt of such person (or of another person permitted to incur such debt in connection with a Permitted Reorganization and other than intercompany Debt); provided that:

- (1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Debt does not exceed the principal amount (or accreted value, if applicable) of the Debt extended, refinanced, renewed, replaced, defeased or refunded (plus all accrued interest on the Debt and the amount of all fees (including upfront, commitment and ticking fees and original issue discount), underwriting discounts, penalties or premiums (including reasonable tender premiums), defeasance and satisfaction and discharge costs, and other costs and expenses incurred in connection therewith);
- (2) such Permitted Refinancing Debt has a final maturity date no earlier than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Debt being extended, refinanced, renewed, replaced, defeased or refunded;
- (3) if the Debt being extended, refinanced, renewed, replaced, defeased or refunded is subordinated in right of payment to the Notes, such Permitted Refinancing Debt has a final maturity date later than the final maturity date of, and is subordinated in right of payment to, the Notes on terms at least as favorable to the holders of Notes as those contained in the documentation governing the Debt being extended, refinanced, renewed, replaced, defeased or refunded; and
- (4) if an Issuer and/or any Guarantor was the obligor on the Debt being extended, refinanced, renewed, replaced, defeased or refunded, such Debt is incurred either by an Issuer or a Guarantor.

"Permitted Reorganization" means (a) the Mexican Reorganization; and (b) any amalgamation, demerger, merger, voluntary liquidation, consolidation, reorganization, winding up or corporate reconstruction involving the Parent Guarantor or any of the Restricted Group Members and the assignment, transfer or assumption of intercompany receivables and payables among the Parent Guarantor and the Restricted Group Members in connection therewith (a "Reorganization") that is made on a solvent basis; provided that: (i) all of the business and assets of the Parent Guarantor or any of the Restricted Group Members remain owned by the Parent Guarantor or the Restricted Group Members, (ii) any payments or assets distributed in connection with such Reorganization are distributed to the Parent Guarantor or any of the Restricted Group Members, (iii) if any shares or other assets form part of the Collateral, substantially equivalent Liens must be granted over such shares or assets of the recipient such that they form part of the Collateral, provided that the requirement

of this clause (iii) shall be deemed to have been satisfied if such assets become subject to existing Security Documents and (iv) the Parent Guarantor will provide to the Trustee and the Security Agent an Officer's Certificate confirming that no Default is continuing or would arise as a result of such Reorganization.

"Person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization, limited liability company or government or other entity.

"PIK Dollar Interest" has the meaning assigned to it in paragraph 1 of Exhibit A-1.

"PIK Dollar Notes" has the meaning assigned to it in paragraph 1 of Exhibit A-1.

"PIK Euro Interest" has the meaning assigned to it in paragraph 1 of Exhibit A-2.

"PIK Euro Notes" has the meaning assigned to it in paragraph 1 of Exhibit A-2.

"PIK Notes" means the PIK Dollar Notes and the PIK Euro Notes.

"Preferred Stock" means, with respect to any Person, Capital Stock of any class or classes (howsoever designated) of such Person which is preferred as to the payment of dividends or distributions, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over the Capital Stock of any other class of such Person whether now outstanding, or issued after the date of this Indenture, and including, without limitation, all classes and series of preferred or preference stock of such Person.

"Purchase Money Obligations" means any Debt incurred to finance or refinance the acquisition, leasing, construction or improvement of property (real or personal) or assets (including Capital Stock), and whether acquired through the direct acquisition of such property or assets or the acquisition of the Capital Stock of any Person owning such property or assets, or otherwise.

"QIB" means a qualified international buyer within the meaning of Rule 144A.

"Record Date", when used with respect to any Note for the interest payable on any Interest Payment Date, means October 15 or April 15 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date.

"Redemption Date", when used with respect to any Note to be redeemed, in whole or in part, means the date fixed for such redemption by or pursuant to this Indenture.

"Related Fund" means any investment fund or vehicle managed, sponsored or advised by such Person or any successor thereto, or by any affiliate of such Person or any such successor.

"Related Person" with respect to any Permitted Holder means: (a) in the case of an individual, any spouse, family member or relative of such individual, any trust or partnership for the benefit of one or more of such individual and any such spouse, family member or relative, or the estate, executor, administrator, committee or beneficiaries of any thereof; or (b) any trust, corporation, partnership or other Person for which one or more of the Permitted Holders and other Related Persons or any thereof constitute the beneficiaries, stockholders,

partners or owners thereof; or Persons beneficially holding in the aggregate a majority (or more) controlling interest therein.

"Regulation S" means Regulation S under the Securities Act.

"Restricted Group Members" means, collectively, each Restricted Subsidiary.

"Restricted Investment" means an Investment other than a Permitted Investment.

"Restricted Subsidiary" means any Subsidiary of the Parent Guarantor other than an Unrestricted Subsidiary.

"Reversion Date" means, after the Notes have achieved Investment Grade Status, the date, if any, that such Notes shall cease to have such Investment Grade Status.

"Revolving Credit Facility" means the super senior multicurrency revolving credit facility which may be utilized by way of cash loans and letters of credit, as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time, in an amount of up to €95.0 million.

"Rule 144" means Rule 144 under the Securities Act.

"Rule 144A" means Rule 144A under the Securities Act.

"S&P" means Standard & Poor's Investors Ratings Services or any of its successors or assigns that is a Nationally Recognized Statistical Rating Organization, provided that if Standard & Poor's Investors Ratings Services, or such successors or assigns, ceases to operate or ceases to provide a rating in respect of the Notes other than by reason of (i) the termination of S&P by the Issuer or the Parent Guarantor, (ii) the failure by the Issuer or the Parent Guarantor to pay S&P's fees or (iii) the failure to provide S&P with any information which the Issuer and/or the Parent Guarantor is obliged to provide pursuant to this Indenture, "S&P" shall mean any Nationally Recognized Statistical Rating Organization selected by the Parent Guarantor in its sole discretion.

"Securities Act" means the U.S. Securities Act of 1933, as amended.

"Security Agent" means Glas Trust Corporation Limited.

"Security Documents" means any security document entered into from time to time in favor of the holders of the Notes.

"Senior Agent" means any agent or successor agent appointed under any Credit Facility to which the Issuer or any Guarantor is a party or designated as "Senior Agent" in any instrument or document relating to such Credit Facility.

"Shareholders Agreement" means the Shareholders' Agreement, dated as of April 6, 2016, among José Antonio Martínez Sampedro, Luis Javier Martínez Sampedro, Masampe, S.L., the Investor Shareholders (as defined therein) and Silver Point Finance, LLC, as may be amended, supplemented or otherwise modified.

"Significant Subsidiary" means any Subsidiary that would be a "significant subsidiary" at the 20% level and solely for purposes of "—Events of Default and Remedies"

10%, in each case as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the date hereof.

"Silver Point" means Silver Point Capital, L.P. and, if applicable, each of its Affiliates and funds or partnerships managed by them or each of its Affiliates but not including, however, any portfolio companies of any of the foregoing.

"Spanish Companies Act" means the Spanish Companies Act, enacted through Royal Decree Legislative 1/2010 (Real Decreto Legislativo 1/2010, de 2 de julio, por el que se aprueba el texto refundido de la Ley de Sociedades de Capital).

"Spanish Insolvency Act" means Spanish Law 22/2003, on insolvency proceedings (Ley 22/2003 de 9 de julio, Concursal), as amended, restated or substituted from time to time (including, without limitation, the restated text of the Spanish insolvency act, enacted through Royal Decree Legislative 1/2020 (Real Decreto Legislativo 1/2020, de 5 de mayo, por el que se aprueba el texto refundido de la Ley Concursal) once it enters into force).

"Spanish Guarantor" means a Subsidiary Guarantor incorporated in Spain.

"Stated Maturity" means, with respect to any installment of interest or principal on any series of Debt, the date on which the payment of interest or principal was scheduled to be paid in the original documentation governing such Debt, and shall not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"Subordinated Debt" means Debt of an Issuer or any Guarantor that is subordinated in right of payment to the Notes or the Guarantee of such Guarantor, as the case may be.

"Subsidiary" means, with respect to any Person:

- (a) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and
- (b) any partnership (i) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (ii) the only general partners of which are that Person or one or more Subsidiaries of that Person (or any combination thereof).

"Subsidiary Guarantee" means the Guarantee of the Notes by the Subsidiary Guarantors.

"Subsidiary Guarantor" means any Subsidiary of the Parent Guarantor that incurs a Guarantee until such time as such guarantee is released in accordance with this Indenture.

"Super Senior Secured Notes" means the €85 million aggregate principal amount of the Issuer's Fixed Rate Super Senior Secured notes due 2023 issued on July 29, 2020, together with any additional Super Senior Secured Notes.

"Super Senior Secured Notes Issue Date" means July 29, 2020, the date of the issuance of the initial Super Senior Secured Notes.

"Surety Bonds Facility" and "Surety Bonds Facilities" means one or more super senior multicurrency surety bonds facilities in each case, as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time, including to change the institutions providing surety bonds thereunder or the types of instruments to be issued pursuant thereto.

"Transaction Security" means any security agreement or other arrangement having the effect of providing security under the pledges securing the Revolving Credit Facility, each document or instrument granting the guarantees and security in favor of the Notes and/or the Parent Guarantee and any security granted under any covenant for further assurance of these documents.

"Unrestricted Affiliate" means any Non-Subsidiary Affiliate of the Parent Guarantor that is designated as such under Section 4.17 of this Indenture.

"Unrestricted Group Member" means, collectively, each Unrestricted Subsidiary and each Unrestricted Affiliate.

"Unrestricted Subsidiary" means, as at the date of this Indenture, CC JV S.A.P.I. de C.V. and HR Mexico City Project Co S.A.P.I. de C.V., any other Subsidiary of the Parent Guarantor that is designated as such pursuant to Section 4.17 of this Indenture.

"Uruguayan Subsidiary" means:

- (a) as at the date of this Indenture, any of the persons listed in Schedule C (*The Uruguayan Subsidiaries*) (and any direct or indirect subsidiaries of such person) if such person is a borrower under a Local Debt Financing which prohibits (but only for so long as any relevant prohibition exists) the giving of guarantees or the granting of Collateral by it, any of its Subsidiaries or its immediate Holding Company in favor of the Holders; and
- (b) any Restricted Group Member incorporated in Uruguay (and any direct or indirect subsidiaries of such person) so designated by the Parent Guarantor provided that no such Restricted Group Member may be so designated unless the Parent Guarantor has delivered a certificate to the Trustee certifying that such Restricted Group Member is, despite having used commercially reasonably endeavors so to do, unable to obtain Local Debt Financing on commercially reasonable terms (in the sole and absolute discretion of the Parent Guarantor) without subjecting itself to contractual restrictions prohibiting the giving of guarantees and/or the granting of Collateral by it, any of its Subsidiaries or its immediate Holding Company in favor of the Holders provided that any such designation shall be deemed rescinded upon any such prohibition ceasing to exist.
- "U.S. Dollars", "dollars", "U.S.\$" or "\$" are to the lawful currency of the United States of America.
- "U.S. Treasury Rate" means the yield to maturity at the time of computation of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) which has become publicly available at least two Business Days (but not more than five Business Days) prior to the

redemption date (or, if such statistical release is not so published or available, any publicly available source of similar market data selected by the Issuers in good faith)) most nearly equal to the period from the redemption date to October 31, 2021; provided, however, that if the period from the redemption date to October 31, 2021 is not equal to the constant maturity of a United States Treasury security for which a weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given, except that if the period from the redemption date to such applicable date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

"Voting Stock" of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"Weighted Average Life to Maturity" means, when applied to any Debt at any date, the number of years obtained by dividing: (a) the sum of the products obtained by multiplying (i) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Debt, by (ii) the number of years (calculated to the nearest one-twelfth) that shall elapse between such date and the making of such payment; by (b) the then outstanding principal amount of such Debt.

"Wholly Owned Restricted Subsidiary" means a Restricted Subsidiary all of the outstanding Equity Interests or other ownership interests of which shall at the time be owned by the Parent Guarantor or by one or more Wholly Owned Restricted Subsidiaries.

SECTION 1.02. Other Definitions.

Term	Defined in Section
"Additional Amounts"	4.16(a)
"Additional Intercreditor Agreement"	4.23(a)
"Affiliate Transaction"	4.09(a)
"Agents"	2.03
"Asset Sale Offer"	4.11(d)
"Available Liquidity"	4.30
"Authorized Agent"	14.09
"Base Indenture"	Recitals
"Change of Control Offer"	4.15
"Change of Control Payment"	4.15(a)
"Change of Control Payment Date"	4.15(a)
"Consents"	Recitals
"covenant defeasance"	8.03
"Defaulted Interest"	2.12
"Designation"	4.17
"Event of Default"	6.01(a)
"Excess Proceeds"	4.11(c)
"Global Notes"	2.01(c)
"Guaranteed Obligations"	10.01(a)
"Guarantor Coverage Test"	4.21(c)
"incur" and "incurrence"	4.06(a)
"Intra-Group Liabilities"	10.04(f)

TCIIII	Defined in Section
"Issuer Order"	2.02
"legal defeasance"	8.02
"Luxcos"	4.26(c)
"Luxembourg Guarantor"	10.04(f)
"Notes"	Recitals
"Obligations"	10.01(a)
"Original Indenture"	Recitals
"Original Notes"	Recitals
"Participants"	2.01(c)
"Payer"	4.16(a)
"Paying Agent"	2.03
"Payment Default"	6.01(a)(v)(A)
"Permitted Debt"	4.06(b)
"Pledgee"	12.01
"Proposed Amendments"	Recitals
"Redesignation"	4.17
"Registrar"	2.03
"Regulation S Global Note"	2.01(b)
"Relevant Taxing Jurisdiction"	4.16(a)
"Restricted Global Note"	2.01(b)
"Restricted Payment"	4.07(a)
"Security Register"	2.03
"Successor Person"	4.16(a)
"Taxes"	4.30
"Test Period"	4.16(a)
"Transfer Agent"	2.03

Defined in Section

Term

SECTION 1.03. <u>Rules of Construction</u>. Unless the context otherwise requires:

- (i) a term has the meaning assigned to it;
- (ii) an accounting term not otherwise defined has the meaning assigned to it in accordance with IFRS;
- (iii) "or" is not exclusive;
- (iv) "including" or "include" means including or include without limitation;
- (v) words in the singular include the plural and words in the plural include the singular;
- (vi) "interest" shall include Special Interest, if any;
- (vii) unsecured or unguaranteed Debt shall not be deemed to be subordinate or junior to secured or guaranteed Debt merely by virtue of its nature as unsecured or unguaranteed Debt;
- (viii) the words "herein", "hereof" and "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section, clause or other subdivision; and

- (ix) costs, charges, remuneration or expenses include any value added, turnover or similar tax charged in respect thereof.
- SECTION 1.04. <u>Luxembourg Terms</u>. Where it relates to a Luxembourg entity and unless the contrary intention appears, a reference to:
- (a) a liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, receiver, administrator receiver, administrator or similar officer includes any:
 - (i) *juge-commissaire* or insolvency receiver (*curateur*) appointed under the Luxembourg Commercial Code;
 - (ii) *liquidateur* appointed under Articles 1100-1 to 1100-15 (inclusive) of the Luxembourg act dated 10 August 1915 on commercial companies, as amended;
 - (iii) *juge-commissaire* or liquidateur appointed under Article 1200-1 of the Luxembourg act dated 10 August 1915 on commercial companies, as amended;
 - (iv) commissaire appointed under the Grand-Ducal decree of 24 May 1935 on the controlled management regime or under Articles 593 to 614 (inclusive) of the Luxembourg Commercial Code; and
 - (v) *juge délégué* appointed under the Luxembourg act of 14 April 1886 on the composition with creditors, as amended;
- (b) a winding-up, administration or dissolution includes, without limitation, bankruptcy (faillite) within the meaning of Articles 437 ff. of the Luxembourg Commercial Code or any other insolvency proceedings pursuant to the Council Regulation (EC) N° 2015/848 of 20 May 2015 on insolvency proceedings, liquidation, composition with creditors (concordat préventif de la faillite) within the meaning of the law of 14 April 1886 on arrangements to prevent insolvency, moratorium or reprieve from payment (sursis de paiement) within the meaning of Articles 593 ff. of the Luxembourg Commercial Code and controlled management (gestion contrôlée) within the meaning of the grand ducal regulation of 24 May 1935 on controlled management;
- (c) a person being unable to pay its debts or suspending or threatening to suspend making payments on any of its debts includes that person being in a state of cessation of payments (cessation de paiements) and having lost its commercial creditworthiness (ébranlement de crédit);
- (d) by-laws or constitutional documents include up-to-date (restated) articles of association; and
 - (e) a director, officer or manager includes a *gérant* or an *administrateur*.
- SECTION 1.05. <u>Spanish Terms</u>. Where it relates to a Spanish entity and unless the contrary intention appears, a reference to:

- (a) a liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, receiver, administrator receiver, administrator or similar officer includes (without limitation) any:
 - (i) administrador judicial or insolvency receiver appointed under the Spanish Insolvency Act;
 - (ii) liquidador appointed under the Spanish Companies Act; or
 - (iii) any other person with similar functions or powers appointed in accordance with the laws applicable in Spain;
- (b) a winding-up, administration, dissolution or insolvency includes, without limitation, bankruptcy (concurso mercantil), either current (actual) or imminent (inminente) within the meaning of Article 2 of the Spanish Insolvency Act, any composition with creditors (either convenio, acuerdo extrajudicial de pagos or acuerdo de refinanciación) within the meaning of the Spanish Insolvency Act or the filing of the communication envisaged in article 5 bis of the Spanish Insolvency Act or any other provision implying under Spanish Law the commencement of any proceeding (either judicial or otherwise) or negotiation with creditors in order to avoid the commencement of any proceeding as a result of the relevant debtor being unable (or envisaging that it will be unable) to pay its debt;
- (c) a person being unable to pay its debts or suspending or threatening to suspend making payments on any of its debts includes that person being in a state of cessation of payments and having lost its commercial creditworthiness;
- (d) by-laws (*estatutos*) or constitutional documents include up-to-date (restated) articles of association;
- (e) a director, officer or manager includes an *administrador* or, if applicable, *consejero*; and
- (f) distributions includes any payment made by any person in favor of any other person on account of, *inter alia*: (i) distribution of *dividendos* (in cash, in kind, interim dividends and dividends distributed out of reserves); (ii) capital reductions involving the return of capital contributions or return of the issuance premium; (iii) payments or repayments made under any loan made between members of the Group and its direct or indirect shareholders; and (iv) payments (including any considerations for goods or service provisions) under any contracts entered into with its shareholders or persons or entities within their group or otherwise related and any other transactions similar or analogous to those above, the effect of which is to return capital or contributions.

ARTICLE TWO
THE NOTES

SECTION 2.01. The Notes.

(a) <u>Form and Dating</u>. The Original Dollar Notes and the Trustee's (or the authenticating agent's) certificate of authentication shall be substantially in the form of Exhibit A-1 hereto with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture. The Original Euro Notes and the Trustee's (or the authenticating agent's) certificate of authentication shall be substantially in the form of Exhibit A-2 hereto with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture.

The Notes may have notations, legends or endorsements required by law, the rules of any securities exchange agreements to which either Issuer is subject, if any, or usage; provided that any such notation, legend or endorsement is in form reasonably acceptable to the Issuers. The Issuers shall approve the form of the Notes. Each Note shall be dated the date of its authentication. The terms and provisions contained in the form of the Notes shall constitute and are hereby expressly made a part of this Indenture. The Dollar Notes shall be issued in fully registered, global form in minimum denominations of \$200,000 and integral multiples of \$1 in excess thereof. The Euro Notes shall be issued in fully registered, global form in minimum denominations of €100,000 and integral multiples of €1 in excess thereof.

(b) Global Notes. The Dollar Notes offered and sold to QIBs in reliance on Rule 144A shall be issued initially in the form of one or more Global Notes substantially in the form of Exhibit A-1 hereto, with such applicable legends as are provided in Exhibit A-1 hereto, except as otherwise permitted herein (the "Restricted Dollar Global Note"), which shall be deposited on behalf of the purchasers of the Dollar Notes represented thereby with the Common Depositary, and registered in the name of the Common Depositary or its nominee, as the case may be, for the accounts of Euroclear and Clearstream, duly executed by the Issuers and authenticated by the Trustee (or its agent in accordance with Section 2.02) as hereinafter provided. The aggregate principal amount of the Restricted Dollar Global Note may from time to time be increased or decreased by adjustments made by the Registrar on Schedule A to the Restricted Dollar Global Note and recorded in the Security Register, as hereinafter provided.

The Dollar Notes offered and sold in reliance on Regulation S shall be issued initially in the form of one or more Global Notes substantially in the form of Exhibit A-1 hereto, with such applicable legends as are provided in Exhibit A-1 hereto, except as otherwise permitted herein (the "Regulation S Dollar Global Note"), which shall be deposited on behalf of the purchasers of the Dollar Notes represented thereby with the Common Depositary, and registered in the name of the Common Depositary or its nominee, as the case may be, for the accounts of Euroclear and Clearstream, duly executed by the Issuers and authenticated by the Trustee (or its agent in accordance with Section 2.02) as hereinafter provided. The aggregate principal amount of the Regulation S Dollar Global Note may from time to time be increased or decreased by adjustments made by the Registrar on Schedule A to the Regulation S Dollar Global Note and recorded in the Security Register, as hereinafter provided.

The Euro Notes offered and sold in reliance on Rule 144A shall be issued initially in the form of one or more Global Notes substantially in the form of Exhibit A-2 hereto, with such applicable legends as are provided in Exhibit A-2 hereto, except as otherwise permitted herein (the "Restricted Euro Global Note" and, together with the Restricted Dollar Global Note, the "Restricted Global Notes"), which shall be deposited on behalf of the purchasers of the Euro Notes represented thereby with the Common Depositary, and registered in the name of the Common Depositary or its nominee, as the case may be, for the accounts of Euroclear and Clearstream, duly executed by the Issuers and authenticated by the Trustee (or its agent

in accordance with Section 2.02) as hereinafter provided. The aggregate principal amount of the Restricted Euro Global Note may from time to time be increased or decreased by adjustments made by the Registrar on Schedule A to the Restricted Euro Global Note and recorded in the Security Register, as hereinafter provided.

The Euro Notes offered and sold in reliance on Regulation S shall be issued initially in the form of one or more Global Notes substantially in the form of Exhibit A-2 hereto, with such applicable legends as are provided in Exhibit A-2 hereto, except as otherwise permitted herein (the "Regulation S Euro Global Note" and, together with the Regulation S Dollar Global Note, the "Regulation S Global Notes"), which shall be deposited on behalf of the purchasers of the Regulation S Euro Global Notes represented thereby with the Common Depositary, and registered in the name of the Common Depositary or its nominee, as the case may be, for the accounts of Euroclear and Clearstream, duly executed by the Issuers and authenticated by the Trustee (or its agent in accordance with Section 2.02) as hereinafter provided. The aggregate principal amount of the Regulation S Euro Global Note may from time to time be increased or decreased by adjustments made by the Registrar on Schedule A to the Regulation S Euro Global Note and recorded in the Security Register, as hereinafter provided.

(c) <u>Book-Entry Provisions</u>. This Section 2.01(c) shall apply to the Regulation S Global Notes and the Restricted Global Notes (collectively, the "<u>Global Notes</u>") deposited with or on behalf of the Common Depositary.

Members of, or participants and account holders in, Euroclear and Clearstream ("Participants") shall have no rights under this Indenture with respect to any Global Note held on their behalf by the Common Depositary or its nominee or by the Trustee, and the Common Depositary or its nominee may be treated by the Issuers, the Trustee and any agent of the Issuers or the Trustee as the sole owner of such Global Note for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall prevent the Issuers, the Trustee or any agent of the Issuers or the Trustee from giving effect to any written certification, proxy or other authorization furnished by the Common Depositary or impair, as between the Common Depositary, on the one hand, and the Participants, on the other, the operation of customary practices of such persons governing the exercise of the rights of a Holder of a beneficial interest in any Global Note.

The registered Holder of a Global Note may grant proxies and otherwise authorize any Person, including Participants and Persons that may hold interests through Participants, to take any action that a Holder is entitled to take under this Indenture or the Notes.

Except as provided in Section 2.10, owners of a beneficial interest in Global Notes shall not be entitled to receive physical delivery of certificated Notes.

SECTION 2.02. <u>Execution and Authentication</u>. An Officer of each of the Issuers shall sign the Notes on behalf of the Issuers by manual or facsimile signature.

If an authorized director of either Issuer whose signature is on a Note no longer holds that office at the time the Trustee authenticates the Note, the Note shall be valid nevertheless.

A Note shall not be valid or obligatory for any purpose until an authorized signatory of the Trustee or, as the case may be, an authenticating agent manually signs the certificate of

authentication on the Note. The signature shall be conclusive evidence that the Note has been authenticated under this Indenture.

The Issuer shall execute and the Trustee shall, as soon as reasonably practicable following receipt of a written order signed by at least one Office and delivered to the Trustee (an "Issuer Order") authenticate (a) the Original Dollar Notes for issue on the date of this Indenture of up to an aggregate principal amount of \$300,000,000, (b) the Original Euro Notes for original issue of the Issue Date of up to an aggregate principal amount of €500,000,000 and (c) Additional Notes, from time to time, subject to compliance at the time of issuance of such Additional Notes with the provisions of Section 4.06 of this Indenture. No issue of Additional Notes shall utilize the same ISIN or Common Code number as Notes already issued hereunder unless the Additional Notes are fungible with the Notes already issued for U.S. federal income tax purposes. The aggregate principal amount of Notes outstanding shall not exceed the amount set forth herein except as provided in Sections 2.07 and 2.15.

The Trustee may appoint an authenticating agent reasonably acceptable to the Issuers and at the expense of the Issuers to authenticate the Notes. Unless limited by the terms of such appointment, any such authenticating agent may authenticate Notes whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by any such agent. An authenticating agent has the same rights as any Registrar, co-Registrar, Transfer Agent or Paying Agent to deal with the Issuers or an Affiliate of the Issuers.

The Trustee shall have the right to decline to authenticate and deliver any Notes under this Section 2.02 if the Trustee, being advised by counsel, determines that such action may not lawfully be taken or if the Trustee in good faith shall determine that such action would expose the Trustee to personal liability to existing Holders.

SECTION 2.03. Registrar, Transfer Agent and Paying Agent. The Issuers shall maintain an office or agency for the registration of the Notes and of their transfer or exchange (the "Registrar"), an office or agency where Notes may be transferred or exchanged (the "Transfer Agent"), an office or agency where the Notes may be presented for payment (the "Paying Agent") and an office or agency where notices or demands to or upon the Issuers in respect of the Notes may be served. The Issuers may appoint one or more Transfer Agents, one or more co-Registrars and one or more additional Paying Agents. The Transfer Agent shall be appointed for record keeping purposes for so long as any Notes are represented by Global Notes held by the Common Depositary and all transfers of interests in the Notes, shall be effected through the book-entry systems of Euroclear and Clearstream.

The Issuers shall maintain a Transfer Agent in New York City. The Issuers may appoint one or more Transfer Agents, one or more co-Registrars and one or more additional Paying Agents. The Parent Guarantor or any of its Subsidiaries may act as Transfer Agent, Registrar, co-Registrar, Paying Agent and agent for service of notices and demands in connection with the Notes; *provided*, *however*, that neither the Parent Guarantor nor any of its Subsidiaries shall act as Paying Agent for the purposes of Article Three, Article Eight and Sections 4.11 and 4.15 of this Indenture.

The Issuers hereby appoint (i) the office of Glas Americas LLC, located at the address set forth in Section 14.02, as Registrar and Transfer Agent and (ii) Global Loan Agency Services Limited, located at the address set forth in Section 14.02 as Paying Agent in

London, United Kingdom. Global Loan Agency Services Limited hereby accepts such appointment. The Paying Agent, Registrar and Transfer Agent and any authenticating agent are collectively referred to in this Indenture as the "Agents". Each such Agent hereby accepts such appointments. The roles, duties and functions of the Agents are of a mechanical nature and each Agent shall only perform those acts and duties as specifically set out in this Indenture and no other acts, covenants, obligations or duties shall be implied or read into this Indenture against any of the Agents. For the avoidance of doubt, a Paying Agent's obligation to disburse any funds shall be subject to prior receipt by it of those funds to be disbursed before the deadlines referred to in this Indenture or otherwise required by the Paying Agent.

Subject to any applicable laws and regulations, the Issuers shall cause the Registrar to keep a register (the "Security Register") at its corporate trust office in which, subject to such reasonable regulations it may prescribe, the Issuers shall provide for the registration of ownership, exchange, and transfer of the Notes. Such registration in the Security Register shall be conclusive evidence of the ownership of Notes. Included in the books and records for the Notes shall be notations as to whether such Notes have been paid, exchanged or transferred, canceled, lost, stolen, mutilated or destroyed and whether such Notes have been replaced. In the case of the replacement of any of the Notes, the Registrar shall keep a record of the Note so replaced and the Note issued in replacement thereof. In the case of the cancellation of any of the Notes, the Registrar shall keep a record of the Note so canceled and the date on which such Note was canceled.

The Issuers shall enter into an appropriate agency agreement with any Paying Agent or co-Registrar not a party to this Indenture, as necessary. The agreement shall implement the provisions of this Indenture that relate to such agent. The Issuers shall notify the Trustee of the name and address of any such agent. If the Issuers fail to maintain a Registrar, the Trustee shall act as such and shall be entitled to appropriate compensation therefor pursuant to Section 7.06.

SECTION 2.04. Paying Agent to Hold Money. Not later than 9:00 am (London time) on the Business Day prior to each due date of the principal, premium, if any, and interest on any Notes, the Issuers shall deposit with the Paying Agent money in immediately available funds in dollars or euros, as applicable, sufficient to pay such principal, premium, if any, and interest so becoming due on the due date for payment under the Notes. The Issuers shall require each Paying Agent other than the Trustee to agree in writing that such Paying Agent shall hold for the benefit of the Holders or the Trustee all money held by the Paying Agent for the payment of principal of, premium, if any, and interest on the Notes (whether such money has been paid to it by the Issuers or any other obligor on the Notes), and such Paying Agent shall promptly notify the Trustee of any default by the Issuers (or any other obligor on the Notes) in making any such payment. The Issuers at any time may require a Paying Agent to pay all money held by it to the Trustee and account for any funds disbursed, and the Trustee may at any time during the continuance of any payment default, upon written request to a Paying Agent, require such Paying Agent to pay all money held by it to the Trustee and to account for any funds disbursed. Upon doing so, the Paying Agent shall have no further liability for the money so paid over to the Trustee. If the Issuers or any Affiliate of the Issuers acts as Paying Agent, it shall, on or before each due date of any principal, premium, if any, or interest on the Notes, segregate and hold in a separate trust fund for the benefit of the Holders a sum of money sufficient to pay such principal, premium, if any, or interest so becoming due until such sum of money shall be paid to such Holders or otherwise disposed of as provided in this Indenture, and shall promptly notify the Trustee of its action

or failure to act. At either Issuer's written request, the Paying Agent will complete for an Interest Payment Date the supplementary annex set forth in Exhibit D hereto. The Paying Agent shall have no duty or responsibility to comply with any tax obligations arising out of this Indenture and shall not be liable for any amounts owed to any person, entity or government authority due to its failure to properly complete the supplementary annex referred to in Exhibit D.

SECTION 2.05. <u>Holders List</u>. The Registrar shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of Holders. If the Trustee is not the Registrar, the Issuers shall furnish to the Trustee, in writing no later than the Record Date for each Interest Payment Date and at such other times as the Trustee may request in writing, a list in such form and as of such Record Date as the Trustee may reasonably require of the names and addresses of Holders, including the aggregate principal amount of Notes held by each Holder, which, for the avoidance of doubt, includes custodian holders of record of the Notes, including Euroclear and Clearstream.

SECTION 2.06. <u>Transfer and Exchange</u>. (a) Where Notes are presented to the Registrar or a co-Registrar with a request to register a transfer or to exchange them for an equal principal amount of Notes of other denominations, the Registrar shall register the transfer or make the exchange in accordance with the requirements of this Section 2.06. To permit registrations of transfers and exchanges, the Issuers shall execute and the Trustee (or the authenticating agent) shall, upon receipt of an Issuers' order, authenticate and deliver, in the name of the designated transferee or transferees, one or more new Notes, of any authorized denominations and of a like aggregate principal amount, at the Registrar's request; provided that no Note of less than \$200,000 (in the case of Dollar Notes) or €100,000 (in the case of Euro Notes) may be transferred or exchanged. No service charge shall be made for any registration of transfer or exchange of Notes (except as otherwise expressly permitted herein), but the Issuers may require payment of a sum sufficient to cover any agency fee or similar charge payable in connection with any such registration of transfer or exchange of Notes (other than any agency fee or similar charge payable upon exchanges pursuant to Sections 2.10, 3.07 or 9.05 or in accordance with an Asset Sale Offer pursuant to Section 4.11 or Change of Control Offer pursuant to Section 4.15, not involving a transfer).

Upon presentation for exchange or transfer of any Note as permitted by the terms of this Indenture and by any legend appearing on such Note, such Note shall be exchanged or transferred upon the Security Register and one or more new Notes shall be authenticated and issued in the name of the Holder (in the case of exchanges only) or the transferee, as the case may be. No exchange or transfer of a Note shall be effective under this Indenture unless and until such Note has been registered in the name of such Person in the Security Register. Furthermore, the exchange or transfer of any Note shall not be effective under this Indenture unless the request for such exchange or transfer is made by the Holder or by a duly authorized attorney-in-fact at the office of the Registrar.

Every Note presented or surrendered for registration of transfer or for exchange shall (if so required by the Issuers or the Registrar) be duly endorsed, or be accompanied by a written instrument or transfer, in form satisfactory to the Issuers and the Registrar, duly executed by the Holder thereof or his attorney duly authorized in writing.

All Notes issued upon any registration of transfer or exchange of Notes shall be the valid obligations of the Issuers evidencing the same indebtedness, and entitled to the same

benefits under this Indenture, as the Notes surrendered upon such registration of transfer or exchange.

Neither Issuer nor the Trustee, Registrar or any Paying Agent shall be required (i) to issue, register the transfer of, or exchange any Note during a period beginning at the opening of 15 Business Days before the day of the mailing of a notice of redemption of Notes selected for redemption under Section 3.02 and ending at the close of business on the day of such mailing, or (ii) to register the transfer of or exchange any Note so selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part.

- (b) Notwithstanding any provision to the contrary herein, so long as a Global Note remains outstanding and is held by or on behalf of the Common Depositary, transfers of a Global Note, in whole or in part, or of any beneficial interest therein, shall only be made in accordance with Section 2.01(c), Section 2.06(a) and this Section 2.06(b); provided, however, that a beneficial interest in a Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same Global Note in accordance with the transfer restrictions set forth below and in the restricted Note legend on the Note, if any.
 - (i) Except for transfers or exchanges of beneficial interests in a Global Note made in accordance with any of clauses (ii), (iii) or (iv) of this Section 2.06(b), transfers of a Global Note shall be limited to transfers of such Global Note in whole, but not in part, to nominees of the Common Depositary or to a successor of the Common Depositary or such successor's nominee.
 - Restricted Dollar Global Note to Regulation S Dollar Global Note. If the Holder of a beneficial interest in the Restricted Dollar Global Note at any time wishes to exchange its interest in such Restricted Dollar Global Note for an interest in the Regulation S Dollar Global Note, or to transfer its interest in such Restricted Dollar Global Note to a Person who wishes to take delivery thereof in the form of a beneficial interest in the Regulation S Dollar Global Note, such transfer or exchange may be effected, only in accordance with this clause (ii) and the rules and procedures of Euroclear and Clearstream, in each case to the extent applicable (the "Applicable Procedures"). Upon receipt by the Registrar from the Transfer Agent of (A) written instructions directing the Registrar to credit or cause to be credited an interest in the Regulation S Dollar Global Note in a specified principal amount and to cause to be debited an interest in the Restricted Dollar Global Note in such specified principal amount, and (B) a certificate in the form of Exhibit B attached hereto given by the Holder of such beneficial interest stating that the transfer of such interest has been made in compliance with the transfer restrictions applicable to the Global Notes and (x) pursuant to and in accordance with Regulation S or (y) that the interest in the Restricted Dollar Global Note being transferred is being transferred in a transaction permitted by Rule 144, then the Registrar shall instruct the Common Depositary to reduce or cause to be reduced the principal amount of the Restricted Dollar Global Note and to increase or cause to be increased the principal amount of the Regulation S Dollar Global Note by the aggregate principal amount of the interest in the Restricted Dollar Global Note to be exchanged or transferred.

- (iii) Regulation S Dollar Global Note to Restricted Dollar Global Note. If the Holder of a beneficial interest in the Regulation S Dollar Global Note at any time wishes to transfer such interest to a Person who wishes to take delivery thereof in the form of a beneficial interest in the Restricted Dollar Global Note, such transfer may be effected only in accordance with this clause (iii) and the Applicable Procedures. Upon receipt by the Registrar from the Transfer Agent of (A) written instructions directing the Registrar to credit or cause to be credited an interest in the Restricted Dollar Global Note in a specified principal amount and to cause to be debited an interest in the Regulation S Dollar Global Note in such specified principal amount, and (B) a certificate in the form of Exhibit C attached hereto given by the Holder of such beneficial interest stating that the transfer of such interest has been made in compliance with the transfer restrictions applicable to the Global Notes and stating that (x) the Person transferring such interest reasonably believes that the Person acquiring such interest is a QIB and is obtaining such interest in a transaction meeting the requirements of Rule 144A and any applicable securities laws of any state of the United States or (y) that the Person transferring such interest is relying on an exemption other than Rule 144A from the registration requirements of the Securities Act and, in such circumstances, such opinion of counsel as the Issuers or the Trustee may reasonably request to ensure that the requested transfer or exchange is being made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, then the Registrar shall instruct the Common Depositary to reduce or cause to be reduced the principal amount of the Regulation S Dollar Global Note and to increase or cause to be increased the principal amount of the Restricted Dollar Global Note by the aggregate principal amount of the interest in such Regulation S Dollar Global Note to be exchanged or transferred.
- Restricted Euro Global Note to Regulation S Euro Global Note. (iv) If the Holder of a beneficial interest in the Restricted Euro Global Note at any time wishes to exchange its interest in such Restricted Euro Global Note for an interest in the Regulation S Euro Global Note, or to transfer its interest in such Restricted Euro Global Note to a Person who wishes to take delivery thereof in the form of a beneficial interest in the Regulation S Euro Global Note, such transfer or exchange may be effected, only in accordance with this clause (iv) and the Applicable Procedures. Upon receipt by the Registrar from the Transfer Agent of (A) written instructions directing the Registrar to credit or cause to be credited an interest in the Regulation S Euro Global Note in a specified principal amount and to cause to be debited an interest in the Restricted Euro Global Note in such specified principal amount, and (B) a certificate in the form of Exhibit B attached hereto given by the Holder of such beneficial interest stating that the transfer of such interest has been made in compliance with the transfer restrictions applicable to the Global Notes and (x) pursuant to and in accordance with Regulation S or (y) that the interest in the Restricted Euro Global Note being transferred is being transferred in a transaction permitted by Rule 144, then the Registrar shall instruct the Common Depositary to reduce or cause to be reduced the principal amount of the Restricted Euro Global Note and increase or cause to be increased the principal amount of the Regulation S Euro Global Note by the aggregate

principal amount of the interest in the Restricted Euro Global Note to be exchanged or transferred.

- Regulation S Euro Global Note to Restricted Euro Global Note. If the Holder of a beneficial interest in the Regulation S Euro Global Note at any time wishes to transfer such interest to a Person who wishes to take delivery thereof in the form of a beneficial interest in the Restricted Euro Global Note, such transfer may be effected only in accordance with this clause (v) and the Applicable Procedures. Upon receipt by the Registrar from the Transfer Agent of (A) written instructions directing the Registrar to credit or cause to be credited an interest in the Restricted Euro Global Note in a specified principal amount and to cause to be debited an interest in the Regulation S Euro Global Note in such specified principal amount, and (B) a certificate in the form of Exhibit C attached hereto given by the Holder of such beneficial interest stating that the transfer of such interest has been made in compliance with the transfer restrictions applicable to the Global Notes and stating that (x) the Person transferring such interest reasonably believes that the Person acquiring such interest is a QIB and is obtaining such interest in a transaction meeting the requirements of Rule 144A and any applicable securities laws of any state of the United States or (y) that the Person transferring such interest is relying on an exemption other than Rule 144A from the registration requirements of the Securities Act and, in such circumstances, such opinion of counsel as the Issuers or the Trustee may reasonably request to ensure that the requested transfer or exchange is being made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, then the Registrar shall instruct the Common Depositary to reduce or cause to be reduced the principal amount of the Regulation S Euro Global Note and to increase or cause to be increased the principal amount of the Restricted Euro Global Note by the aggregate principal amount of the interest in such Regulation S Euro Global Note to be exchanged or transferred.
- (vi) Global Notes to certificated Notes. In the event that a Global Note is exchanged for Notes in certificated, registered form pursuant to Section 2.10, such Notes may be exchanged only in accordance with such procedures as are substantially consistent with the provisions of clauses (ii) and (iii) above (including the certification requirements intended to ensure that such transfers comply with Rule 144A or Regulation S under the Securities Act, as the case may be) and such other procedures as may from time to time be adopted by the Issuers and the Trustee.
- (c) If Notes are issued upon the transfer, exchange or replacement of Notes bearing the restricted Notes legends set forth in Exhibit A-1 or Exhibit A-2 hereto, as applicable, the Notes so issued shall bear the restricted Notes legends, and a request to remove such restricted Notes legends from Notes shall only be honored at the option of the Issuers and if there is delivered to the Issuers such satisfactory evidence, which may include an Opinion of Counsel licensed to practice law in the State of New York, as may be reasonably required by the Issuers, that neither the legend nor the restrictions on transfer set forth therein are required to ensure that transfers thereof comply with the provisions of Rule 144A and the applicable holding period under Rule 144(d) of the Securities Act. Upon provision of such satisfactory

evidence and at the option of the Issuers, the Trustee, at the direction of the Issuers, shall (or shall direct the authenticating agent to) authenticate and deliver Notes that do not bear the legend.

(d) The Trustee shall have no responsibility for any actions taken or not taken by Euroclear or Clearstream, as the case may be.

SECTION 2.07. Replacement Notes. If a mutilated certificated Note is surrendered to the Registrar or if the Holder claims that the Note has been lost, destroyed or wrongfully taken, the Issuers shall issue and the Trustee shall (or shall direct the authenticating agent to), as soon as reasonably practicable following receipt of an Issuer Order, authenticate a replacement Note in such form as the Note mutilated, lost, destroyed or wrongfully taken if the Holder satisfies any other reasonable requirements of the Trustee or the Issuers. If required by the Trustee or the Issuers, such Holder shall furnish an indemnity bond sufficient in the judgment of the Issuers and the Trustee to protect the Issuers, the Trustee, the Paying Agent, the Transfer Agent, the Registrar and any co-Registrar and any authenticating agent from any loss that any of them may suffer if a Note is replaced. The Issuers and the Trustee may charge the Holder for their expenses in replacing a Note.

Every replacement Note shall be an additional obligation of the Issuers.

SECTION 2.08. <u>Outstanding Notes</u>. Notes outstanding at any time are all Notes authenticated by the Trustee (or the authenticating agent) except for those cancelled by it, those delivered to it for cancellation and those described in this Section 2.08 as not outstanding. A Note does not cease to be outstanding because either Issuer or an Affiliate of either Issuer holds the Note.

If a Note is replaced pursuant to Section 2.07, it ceases to be outstanding unless the Trustee and the Issuers receive proof satisfactory to them that the Note which has been replaced is held by a bona fide purchaser.

If the Paying Agent segregates and holds, in accordance with this Indenture, on a Redemption Date or maturity date money sufficient to pay all principal, premium, if any, interest and Additional Amounts, if any, payable on that date with respect to the Notes (or portions thereof) to be redeemed or maturing, as the case may be, and the Paying Agent is not prohibited from paying such money to the Holders on that date pursuant to the terms of this Indenture or the Intercreditor Agreement, then on and after that date such Notes (or portions thereof) cease to be outstanding and interest on them ceases to accrue.

SECTION 2.09. <u>Notes Held by Issuers</u>. In determining whether the Holders of the required principal amount of Notes have concurred in any direction or consent or any amendment, modification or other change to this Indenture, Notes owned by either Issuer or by an Affiliate of either Issuer shall be disregarded and treated as if they were not outstanding, except that for the purposes of determining whether the Trustee shall be protected in relying on any such direction, waiver or consent or any amendment, modification or other change to this Indenture, only Notes which a Trust Officer of the Trustee actually knows are so owned shall be so disregarded. Notes so owned which have been pledged in good faith shall not be disregarded if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to the Notes and that the pledgee is not either Issuer or an Affiliate of either Issuer.

- SECTION 2.10. Certificated Notes. A Global Note deposited with the Common Depositary pursuant to Section 2.01 shall be transferred to the beneficial owners thereof in the form of certificated Notes only if such transfer complies with Section 2.06 and (i) Euroclear or Clearstream, as applicable, (A) notifies the Issuers that it is unwilling or unable to continue to act as depositary for the Global Notes or (B) has ceased to be a clearing agency registered under the Exchange Act and, in either case, a successor depositary is not appointed by the Issuers within 120 days of such notice, or (ii) the Issuers, at their option, execute and deliver to the Trustee a notice that such Global Note be so transferable, registrable and exchangeable, or (iii) an Event of Default, or an event which after notice or lapse of time or both would be an Event of Default, has occurred and is continuing with respect to the Notes or (iv) the issuance of such certificated Notes is necessary in order for a Holder or beneficial owner to present its Note or Notes to a Paying Agent in order to avoid any Tax that is imposed on or with respect to a payment made to such Holder or beneficial owner. Notice of any such transfer shall be given by the Issuers in accordance with the provisions of Section 14.02(a).
- (a) Any Global Note that is transferable to the beneficial owners thereof in the form of certificated Notes pursuant to this Section 2.10 shall be surrendered by the Common Depositary to the Transfer Agent, to be so transferred, in whole or from time to time in part, without charge, and the Trustee shall itself or via the authenticating agent authenticate and deliver, as soon as reasonably practicable following such transfer of each portion of such Global Note, an equal aggregate principal amount at maturity of Notes of authorized denominations in the form of certificated Notes. Any portion of a Global Note transferred or exchanged pursuant to this Section 2.10 shall be executed, authenticated and delivered only in registered form (i) with respect to Dollar Notes, in minimum denominations of \$200,000 and any integral multiples of \$1 in excess thereof and registered in such names as the Common Depositary shall direct and (ii) with respect to Euro Notes, in minimum denominations of €100,000 and any integral multiples of €1 in excess thereof and registered in such names as the Common Depositary shall direct. Subject to the foregoing, a Global Note is not exchangeable except for a Global Note of like denomination to be registered in the name of the Common Depositary or its nominee. In the event that a Global Note becomes exchangeable for certificated Notes, payment of principal, premium, if any, and interest on the certificated Notes shall be payable, and the transfer of the certificated Notes shall be registrable, at the office or agency of the Issuers maintained for such purposes in accordance with Section 2.03. Such certificated Notes shall bear the applicable legends set forth in Exhibit A-1 or Exhibit A-2 hereto, as applicable.
- (b) In the event of the occurrence of any of the events specified in Section 2.10(a), the Issuers shall promptly make available to the Trustee and the authenticating agent a reasonable supply of certificated Notes in definitive, fully registered form without interest coupons.
- SECTION 2.11. <u>Cancellation</u>. The Issuers at any time may deliver Notes to the Trustee for cancellation. The Registrar shall forward to the Trustee any Notes surrendered to them for registration of transfer, exchange or payment. The Trustee, in accordance with its customary procedures, and no one else shall cancel (subject to the record retention requirements of the Exchange Act and the Trustee's retention policy) all Notes surrendered for registration of transfer, exchange, payment or cancellation and dispose of such cancelled Notes in its customary manner. Except as otherwise provided in this Indenture the Issuers may not issue new Notes to replace Notes it has redeemed, paid or delivered to the Trustee for cancellation.

- SECTION 2.12. <u>Defaulted Interest</u>. Any interest on any Note that is payable, but is not punctually paid or duly provided for, on the dates and in the manner provided in the Notes and this Indenture (all such interest herein called "<u>Defaulted Interest</u>") shall forthwith cease to be payable to the Holder on the relevant Record Date by virtue of having been such Holder, and such Defaulted Interest may be paid by the Issuers, at their election in each case, as provided in clause (a) or (b) below:
- (a) The Issuers may elect to make payment of any Defaulted Interest to the Persons in whose names the Notes are registered at the close of business on a special record date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Issuers shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Note and the date of the proposed payment, and at the same time the Issuers may deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest; or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as provided in this clause. In addition, the Issuers shall fix a special record date for the payment of such Defaulted Interest, such date to be not more than 15 days and not less than 10 days prior to the proposed payment date and not less than 15 days after the receipt by the Trustee of the notice of the proposed payment date. The Issuers shall promptly but, in any event, not less than 15 days prior to the special record date, notify the Trustee of such special record date and, in the name and at the expense of the Issuers, the Trustee shall cause notice of the proposed payment date of such Defaulted Interest and the special record date therefor to be mailed first-class, postage prepaid to each Holder as such Holder's address appears in the Security Register, not less than 10 days prior to such special record date. Notice of the proposed payment date of such Defaulted Interest and the special record date therefor having been so mailed, such Defaulted Interest shall be paid to the Persons in whose names the Notes are registered at the close of business on such special record date and shall no longer be payable pursuant to clause (b) below.
- (b) The Issuers may make payment of any Defaulted Interest on the Notes in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Notes may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Issuers to the Trustee of the proposed payment date pursuant to this clause, such manner of payment shall be deemed reasonably practicable.

Subject to the foregoing provisions of this Section 2.12, each Note delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Note shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Note.

- SECTION 2.13. <u>Computation of Interest</u>. Interest on the Notes shall be computed on the basis of a 360-day year of twelve 30-day months.
- SECTION 2.14. <u>ISIN and Common Code Numbers</u>. The Issuers in issuing the Notes may use ISIN and Common Code numbers (if then generally in use), and, if so, the Trustee shall use ISIN and Common Code numbers, as appropriate, in notices of redemption as a convenience to Holders; *provided* that any such notice may state that no representation is made as to the correctness of such numbers or codes either as printed on the Notes or as contained in any notice of a redemption and that reliance may be placed only on the other identification numbers printed on the Notes, and any such redemption shall not be affected by

any defect in or omission of such numbers. The Issuers shall promptly notify the Trustee of any change in the ISIN or Common Code numbers.

SECTION 2.15. <u>Issuance of Additional Notes</u>. The Issuers may, subject to Section 4.06 of this Indenture, issue Additional Dollar Notes under this Indenture from time to time in accordance with the procedures of Section 2.02. Such Additional Dollar Notes shall rank *pari passu* with the Original Dollar Notes and with the same terms as to status, redemption and otherwise as such Original Dollar Notes (except for the date of issuance). The Original Dollar Notes issued on the date of this Indenture and any Additional Dollar Notes, including PIK Dollar Notes, subsequently issued shall be treated as a single class for all purposes under this Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase.

The Issuers may, subject to Section 4.06 of this Indenture, issue Additional Euro Notes under this Indenture from time to time in accordance with the procedures of Section 2.02. Such Additional Euro Notes shall rank *pari passu* with the Original Euro Notes and with the same terms as to status, redemption and otherwise as such Original Euro Notes (except for the date of issuance). The Original Euro Notes issued on the date of this Indenture and any Additional Euro Notes, including PIK Euro Notes, subsequently issued shall be treated as a single class for all purposes under this Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase.

SECTION 2.16. Deposit of Moneys. Prior to 9:00 am (London time) on the Business Day prior to each Interest Payment Date and Redemption Date, the Issuers shall have deposited with the Paying Agent in immediately available funds in dollars or euros, as applicable, sufficient to make cash payments, if any, due on such Interest Payment Date or Redemption Date, as the case may be, in a timely manner which permits the Paying Agent to remit payment to the Holders on such Interest Payment Date or Redemption Date, as the case may be. Subject to actual receipt of such funds as provided by this Section 2.16 by the designated Paying Agent, such Paying Agent shall make payments on the Notes in accordance with the provisions of this Indenture. The principal and interest on Global Notes shall be payable to the Common Depositary or its nominees, as the case may be, as the sole registered owner and the sole Holder of the Global Notes represented thereby. The principal and interest on Notes in certificated form shall be payable at the office of the Paying Agent. The principal Paying Agent shall make the payments no later than 11:00 a.m. (London Time) on the relevant payment date.

ARTICLE THREE REDEMPTION; OFFERS TO PURCHASE

SECTION 3.01. <u>Right of Redemption</u>. The Issuers may redeem all or any portion of the Notes upon the terms and at the Redemption Prices set forth in the Notes. Any redemption pursuant to this Section 3.01 shall be made pursuant to the provisions of this Article Three.

SECTION 3.02. <u>Notices to Trustee</u>. If the Issuers elect to redeem Notes pursuant to Section 3.01, they shall notify the Trustee in writing of the Redemption Date, the Redemption Price, the principal amount of Notes to be redeemed and the paragraph of the Notes pursuant to which the redemption shall occur.

The Issuers shall give each notice to the Trustee provided for in this Section 3.02 in writing at least 35 days before the date notice is mailed to the Holders pursuant to Section 3.04 unless the Trustee consents to a shorter period. Such notice to the Trustee shall be accompanied by an Officer's Certificate from the Issuers to the effect that such redemption shall comply with the conditions herein. If fewer than all the Notes are to be redeemed, the record date relating to such redemption shall be selected by the Issuers and given to the Trustee, which record date shall be not less than 15 days after the date of notice to the Trustee.

SECTION 3.03. <u>Selection of Notes to be Redeemed</u>. If less than all of the Dollar Notes or Euro Notes are to be redeemed at any time, the Trustee shall select the Dollar Notes or Euro Notes to be redeemed as follows:

- (a) if the Notes are listed on any securities exchange, in compliance with the requirements of the principal securities exchange on which the Notes are listed; or
- (b) if the Notes are not listed on any securities exchange, on a pro rata basis, by lot or by such method as the Trustee deems fair and appropriate and in accordance with Euroclear or Clearstream procedures,

provided, however, that (i) no such partial redemption shall reduce the portion of the principal amount of a Dollar Note not redeemed to less than \$200,000 and (ii) no such partial redemption shall reduce the portion of the principal amount of Euro Note not redeemed to less than €100,000.

The Trustee shall make the selection from the Notes outstanding and not previously called for redemption. The Trustee may select for redemption portions equal to (i) with respect to Dollar Notes, \$200,000 in principal amount or any integral multiple of \$1 in excess thereof and (ii) with respect to Euro Notes, €100,000 in principal amount or any integral multiple of €1 in excess thereof. Provisions of this Indenture that apply to Notes called for redemption also apply to portions of Notes called for redemption. The Trustee shall notify the Issuers and the Registrar promptly in writing of the Notes or portions of Notes to be called for redemption. The Trustee shall not be liable for selections made in accordance with the provisions of this Section 3.03.

Any redemption and notice may, in the Issuers' discretion, be subject to the satisfaction of one or more conditions precedent.

SECTION 3.04. <u>Notice of Redemption</u>. At least 10 days but not more than 60 days before a date for redemption of Notes, the Issuers shall mail a notice of redemption by first-class mail to each Holder to be redeemed, at its registered address, and shall comply with the provisions of Section 14.02 *provided*, *however*, that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of this Indenture. Any redemption and notice may, in the Issuers' discretion, be subject to the satisfaction of one or more conditions precedent.

- (a) The notice shall identify the Notes to be redeemed (including ISIN and Common Code or other securities identification numbers, as applicable) and shall state:
 - (i) the Redemption Date and the Record Date;

- (ii) the appropriate calculation of the Redemption Price and the amount of accrued interest, if any, and Additional Amounts, if any, to be paid;
 - (iii) the name and address of the Paying Agent;
- (iv) that Notes called for redemption must be surrendered to the Paying Agent to collect the Redemption Price plus accrued interest, if any, and Additional Amounts, if any;
- (v) that, if any Note is being redeemed in part, the portion of the principal amount (equal to (x) \$200,000 in principal amount or any integral multiple of \$1 in excess thereof with respect to Dollar Notes and (y) \$100,000 in principal amount or any integral multiple of \$1 in excess thereof with respect to Euro Notes) of such Note to be redeemed and that, on and after the Redemption Date, upon surrender of such Note, a new Note or Notes in principal amount at maturity equal to the unredeemed portion thereof shall be reissued;
- (vi) that, if any Note contains an ISIN or Common Code number, no representation is being made as to the correctness of such ISIN or Common Code number either as printed on the Notes or as contained in the notice of redemption and that reliance may be placed only on the other identification numbers printed on the Notes;
- (vii) that, unless the Issuers and the Guarantors default in making such redemption payment, interest on the Notes (or portion thereof) called for redemption shall cease to accrue on and after the Redemption Date; and
- (viii) the paragraph of the Notes pursuant to which the Notes called for redemption are being redeemed.
- (b) The Trustee shall not be liable for selections made in accordance with the provisions of this Section 3.04.

At the Issuers' written request, the Trustee shall give a notice of redemption in the Issuers' name and at the Issuers' expense. In such event, the Issuers shall provide the Trustee with the notice, the other information required by this Section 3.04 and such other information which the Trustee may reasonably require.

SECTION 3.05. Deposit of Redemption Price. Prior to 9:00 am (London time) on the Business Day prior to any Redemption Date, the Issuers shall deposit or cause to be deposited with the Paying Agent (or, if either Issuer or a Wholly Owned Subsidiary is the Paying Agent, shall segregate and hold in trust) a sum in same day funds sufficient to pay the Redemption Price of and accrued interest and Additional Amounts, if any, on all Notes to be redeemed on that date other than Notes or portions of Notes called for redemption that have previously been delivered by the Issuers to the Trustee for cancellation. The Paying Agent shall return to the Issuers any money so deposited that is not required for that purpose. The Principal Paying Agent shall make the payments no later than 11:00 a.m. (London Time) on the relevant payment date.

SECTION 3.06. Payment of Notes Called for Redemption. If notice of redemption has been given in the manner provided below, the Notes or portion of Notes specified in such notice to be redeemed shall become due and payable on the Redemption Date at the Redemption Price stated therein, together with accrued interest to such Redemption Date, and on and after such date (unless the Issuers shall default in the payment of such Notes at the Redemption Price and accrued interest to the Redemption Date, in which case the principal, until paid, shall bear interest from the Redemption Date at the rate prescribed in the Notes), such Notes shall cease to accrue interest. Upon surrender of any Note for redemption in accordance with a notice of redemption, such Note shall be paid and redeemed by the Issuers at the Redemption Price, together with accrued interest, if any, to the Redemption Date; *provided* that installments of interest whose Stated Maturity is on or prior to the Redemption Date shall be payable to the Holders registered as such at the close of business on the relevant Record Date.

Notice of redemption shall be deemed to be given when mailed, whether or not the Holder receives the notice. In any event, failure to give such notice, or any defect therein, shall not affect the validity of the proceedings for the redemption of Notes held by Holders to whom such notice was properly given.

SECTION 3.07. <u>Notes Redeemed in Part</u>. Upon surrender of a Global Note that is redeemed in part, the Paying Agent shall forward such Global Note to the Trustee who shall make a notation on the Security Register to reduce the principal amount of such Global Note to an amount equal to the unredeemed portion of the Global Note surrendered; *provided* that each such Global Note shall be in a principal amount at final Stated Maturity of (i) in the case of Dollar Notes, \$200,000 or an integral multiple of \$1 in excess thereof, and (ii) in the case of Euro Notes, €100,000 or an integral multiple of €1 in excess thereof.

(a) Upon surrender and cancellation of a certificated Note that is redeemed in part, the Issuers shall execute and the Trustee shall authenticate for the Holder (at the Issuers' expense) a new Note equal in principal amount to the unredeemed portion of the Note surrendered and canceled; *provided*, *however*, that each such certificated Note shall be in a principal amount at final Stated Maturity of (i) in the case of Dollar Notes, \$200,000 or an integral multiple of \$1 in excess thereof, and (ii) in the case of Euro Notes, €100,000 or an integral multiple of €1 in excess thereof.

ARTICLE FOUR COVENANTS

SECTION 4.01. Payment of Notes. The Issuers and the Guarantors covenant and agree for the benefit of the Holders that they shall duly and punctually pay the principal of, premium, if any, interest and Additional Amounts, if any, on the Notes on the dates and in the manner provided in the Notes and in this Indenture. Principal, premium, if any, interest and Additional Amounts, if any, shall be considered paid on the date due if on such date the Trustee or the Paying Agent (other than the Issuers or any of their Affiliates) has received from the Issuers or any Guarantor, as of 9:00 a.m. London time on the Business Day prior to the due date, in accordance with this Indenture, money sufficient to pay all principal, premium, if any, interest and Additional Amounts, if any then due. If the Issuers or any of their Affiliates acts as Paying Agent, principal, premium, if any, interest and Additional Amounts, if any, shall be considered paid on the due date if the entity acting as Paying Agent complies with Section 2.04.

PIK Dollar Interest shall be paid by increasing the principal amount of the outstanding Dollar Notes or by issuing Additional Dollar Notes in a principal amount equal to such interest, rounded up to the nearest whole dollar (or, if necessary, pursuant to the requirements of the Common Depositary or otherwise, by authenticating a new Global Note executed by the Issuers reflecting such increased principal amount).

PIK Euro Interest shall be paid by increasing the principal amount of the outstanding Euro Notes or by issuing Additional Euro Notes in a principal amount equal to such interest, rounded up to the nearest whole euro (or, if necessary, pursuant to the requirements of the Common Depositary or otherwise, by authenticating a new Global Note executed by the Issuers reflecting such increased principal amount).

The Issuers or a Guarantor shall pay interest on overdue principal at the rate specified therefor in the Notes. The Issuers or a Guarantor shall pay interest on overdue installments of interest at the same rate to the extent lawful.

Guarantor, the Issuer, the Co-Issuer and each Restricted Group Member shall do or cause to be done all things necessary to preserve and keep in full force and effect their corporate, partnership, limited liability company or other existence and the rights (charter and statutory), licences and franchises of the Parent Guarantor, the Issuers and each Restricted Group Member; *provided* that the Parent Guarantor, the Issuers and any Restricted Group Member shall not be required to preserve and keep in full force and effect such corporate, partnership, limited liability company or other existence or preserve any such right, licence or franchise if the Board of Directors of the Parent Guarantor shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Parent Guarantor and the Restricted Group Members as a whole and that the loss thereof is not disadvantageous in any material respect to the Holders.

SECTION 4.03. [Reserved].

SECTION 4.04. [Reserved].

SECTION 4.05. <u>Statement as to Compliance</u>. The Parent Guarantor shall deliver to the Trustee, within 120 days after the end of each fiscal year, an Officer's Certificate stating that in the course of the performance by the signer of its duties as an officer of the Parent Guarantor he would normally have knowledge of any Default and whether or not the signer knows of any Default that occurred during such period and if any specifying such Default, its status and what action the Issuers are taking or proposed to take with respect thereto. For purposes of this Section 4.05, such compliance shall be determined without regard to any period of grace or requirement of notice under this Indenture.

(a) When any Default has occurred and is continuing under this Indenture, or if the Trustee of, or the holder of, any other evidence of Debt of the Parent Guarantor or any Restricted Group Member outstanding in a principal amount of €50,000,000 or more gives any notice stating that it is a notice of Default or takes any other action to accelerate such Debt or enforce any Note therefor, the Parent Guarantor shall deliver to the Trustee within 30 days by registered or certified mail or facsimile transmission an Officer's Certificate specifying such event, notice or other action, its status and what action the Parent Guarantor is taking or proposes to take with respect thereto.

SECTION 4.06. <u>Limitation on Debt.</u> (a) The Parent Guarantor shall not, and shall not permit any Restricted Group Member to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, "<u>incur</u>") any Debt (including Acquired Debt); provided, however, that the Issuer and any Guarantor may incur Debt if at the time of such incurrence, the Fixed Charge Coverage Ratio for the Parent Guarantor's most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the incurrence of such Debt, taken as one period, would be greater than 2.25 to 1.00, determined on a pro forma basis after giving effect to the incurrence of such Debt and the application of the net proceeds therefrom.

- (b) The foregoing paragraph shall not, however, prohibit the incurrence of any of the following items of Debt (collectively "Permitted Debt"):
 - (i) the incurrence by the Issuer or any Guarantor under Credit Facilities of:
 - (A) Debt represented by the Super Senior Secured Notes issued on the Super Senior Secured Notes Issue Date and Debt incurred pursuant to the Revolving Credit Facility; provided that upon the refinancing of the Revolving Credit Facility, the Issuer or any Guarantor may incur Debt represented by additional Super Senior Secured Notes issued to the Holders of the Notes or Related Funds or any other person pursuant to, and permitted by, the Scheme, that together with the Super Senior Secured Notes issued on the Super Senior Secured Notes Issue Date, amount to an aggregate principal amount at any one time outstanding not to exceed (x) €350.0 million at any time that any Super Senior Secured Notes remain outstanding and (y) thereafter, €250.0 million, provided that any amounts incurred while the Super Senior Secured Notes remain outstanding shall not constitute a breach under this clause (y); and
 - (B) Debt under the Surety Bonds Facilities and obligations in respect of letters of credit in an aggregate principal amount at any one time outstanding not to exceed €75.0 million;
 - (ii) the Notes, including any PIK Notes issued in respect of PIK Interest (excluding any other form of Additional Notes);
 - (iii) the incurrence by the Parent Guarantor or any Restricted Group Member of Debt, and any Permitted Refinancing Debt of any Restricted Group Member incurred to renew, refund, refinance, replace, defease or discharge any Debt incurred pursuant to this clause (iii), in an aggregate principal amount at any time outstanding not to exceed €95.0 million; provided that the aggregate amount of Debt that may be incurred pursuant to this clause (iii) by Restricted Group Members that are not the Issuer or a Guarantor shall not exceed €75.0 million at any one time outstanding;

- (iv) the incurrence by the Parent Guarantor or any Restricted Group Member of Permitted Refinancing Debt in exchange for, or the net proceeds of which are used to refund, refinance or replace Debt (other than intercompany Debt between the Parent Guarantor and any Restricted Group Member or between any Restricted Group Members) that was permitted to be incurred under Section 4.06(a) hereof or clauses (ii), (iv) or (xii) of this Section 4.06(b);
- (v) the incurrence by the Parent Guarantor or any Restricted Group Member of intercompany Debt between the Parent Guarantor and any Restricted Group Member or between any Restricted Group Members; provided, however, that:
 - (A) if a Subsidiary Guarantor is the obligor on such Debt and the creditor is not the Issuer or a Guarantor, such Debt must be unsecured and expressly subordinated to the prior payment in full in cash of all of its Obligations with respect to its Subsidiary Guarantee;
 - (B) if the Issuer is the obligor on such Debt and the creditor is not a Guarantor, such Debt must be unsecured and expressly subordinated to the prior payment in full in cash of all Obligations with respect to the Notes; and
 - (C) (i) any subsequent issuance or transfer of Equity Interests that results in any such Debt being held by a Person other than the Parent Guarantor or a Restricted Group Member and (ii) any sale or other transfer of any such Debt to a Person that is not either the Parent Guarantor or a Restricted Group Member shall be deemed, in each case, to constitute an incurrence of such Debt by the Parent Guarantor or such Restricted Group Member, as the case may be, that was not permitted by this clause (v);
- (vi) the incurrence by the Parent Guarantor or any Restricted Group Member of Hedging Obligations entered into in the ordinary course of business and not for speculative purposes;
- (vii) the guarantee by the Issuer or a Guarantor of Debt of a Restricted Group Member or by a Restricted Group Member that is not a Guarantor of Debt of another Restricted Group Member that is not a Guarantor, in each case that was permitted to be incurred by another provision of this Section 4.06;
- (viii) the incurrence of Debt by the Parent Guarantor or any Restricted Group Member arising from (i) overdrafts and related liabilities arising from banking, treasury, depositary or cash management services or in connection with any automated clearinghouse transfer of funds, in each case incurred in the ordinary course of business; *provided* that such Debt is extinguished within ten Business Days of incurrence, (ii) performance, surety, judgment, appeal or similar bonds (including under the Surety Bonds Facility),

instruments or obligations in the ordinary course of business and, in each case, not in connection with the borrowing of or obtaining of advances of credit, (iii) completion guarantees provided or letters of credit obtained by the Parent Guarantor or any Restricted Group Member in the ordinary course of business, in each case, not in connection with the borrowing of or obtaining of advances of credit

- (ix) the incurrence by the Parent Guarantor or any Restricted Group Member (other than the Issuer) of Debt to suppliers, lessors, licensees, government authorities, contractors, franchisees or customers incurred in the ordinary course of business;
- (x) the incurrence by the Parent Guarantor or any Restricted Group Member (other than the Issuer) of Debt in respect of workers' compensation and claims arising under similar legislation, or pursuant to self-insurance obligations and not in connection with the borrowing of money or the obtaining of advances or credit;
- (xi) the incurrence by the Parent Guarantor or any Restricted Group Member (other than the Issuer) of Debt under Capital Lease Obligations or Purchase Money Obligations, and in each case any Permitted Refinancing Debt of any Restricted Group Member incurred to renew, refund, refinance, replace, defease or discharge any Debt incurred pursuant to this clause (xi) in an aggregate principal amount at any time outstanding not to exceed €25.0 million;
- (xii) Debt of Persons that are acquired by the Issuer or any Guarantor or merged, consolidated, amalgamated, or otherwise combined with (including pursuant to any acquisition of assets and assumption of related liabilities) the Issuer or any Guarantor in accordance with the terms of the Indenture; *provided* that after giving effect to such acquisition, merger, consolidation, amalgamation or other combination, the Parent Guarantor would be permitted to incur at least €1.00 of additional Debt pursuant to the Fixed Charge Coverage Ratio test set forth in the first sentence of this covenant;

(xiii) [Reserved];

(xiv) the incurrence by the Parent Guarantor or any Restricted Group Member of Debt in an aggregate principal amount at any time outstanding, and any Permitted Refinancing Debt incurred to refund, refinance or replace any Debt incurred by them pursuant to this clause (xiv), not to exceed €25.0 million;

(xv) [Reserved];

(xvi) the incurrence by the Parent Guarantor or any Restricted Group Member of Debt in the form of guarantees of loans and advances and reimbursements owed to officers, directors, consultants and employees, in the ordinary course of business;

- (xvii) the incurrence by the Parent Guarantor or any Restricted Group Member of Debt consisting solely of Liens granted in reliance on clause (15) or (18) of the definition of "Permitted Liens";
- (xviii) the incurrence by the Parent Guarantor or any Restricted Group Member of Debt in the form of purchase price adjustments, earnouts, indemnification obligations, non-competition agreements or other arrangements representing acquisition consideration or deferred payments of a similar nature incurred in connection with any acquisition or disposition; and
- (xix) the incurrence by the Issuer or any Guarantor of Debt in an aggregate principal amount not greater than the aggregate amount of net cash proceeds (other than Excluded Contributions) received by the Parent Guarantor after the date of this Indenture as a contribution to its common equity capital, or from the issue or sale of its Equity Interests (other than Disqualified Stock) at any time outstanding to the extent such cash proceeds have not been relied upon to make Restricted Payments pursuant to clause (b)(iii)(B) of Section 4.07.
- (c) Neither the Parent Guarantor nor any Restricted Group Member shall incur (i) debt or other obligations under any Credit Facility that is secured by Liens on the Collateral or (ii) debt in the form of Additional Notes that are secured by Liens on the Collateral, unless (in the case of (i), above) the persons from whom such Debt is incurred or their legal representative or (in the case of (ii), above) the Trustee under the indenture for such Additional Notes accedes to, or enters into an agreement on substantially the same terms as, the Intercreditor Agreement with respect to such Credit Facility or Additional Notes.
- (d) The accrual of interest, the accretion or amortization of original issue discount, the payment of interest on any Debt in the form of additional Debt with the same terms, and the payment of dividends on Disqualified Stock or Preferred Stock in the form of additional shares of the same class of Disqualified Stock or Preferred Stock, as the case may be, will not be deemed to be an incurrence of Debt or an issuance of Disqualified Stock or Preferred Stock, as the case may be, for purposes of this covenant; *provided*, in each such case, that the amount thereof is included in Fixed Charges of the Parent Guarantor as accrued or paid.
- (e) For purposes of determining compliance with this Section 4.06, the outstanding principal amount of any particular Debt, including any obligations arising under any related guarantee, Lien, letter of credit or similar instrument, shall be counted only once, and in the event that an item of proposed Debt meets the criteria of more than one of the categories of Permitted Debt described in clauses (i) through (xix) above, or is entitled to be incurred under Section 4.06(a), the Parent Guarantor shall be permitted to classify such item of Debt on the date of its incurrence, or later reclassify all or a portion of such item of Debt, in any manner that complies with this Section 4.06, and shall only be required to include the amount and type of such Debt in one of such clauses and shall be entitled to divide and classify an item of Debt in more than one of the types of Debt described in this Section 4.06; provided that Existing Debt will be deemed incurred pursuant to Section 4.06(b)(iii) and Debt under Capital Lease Obligations in existence as of the date of this Indenture will be deemed incurred pursuant to Section 4.06(b)(xi); provided further that Debt under the Revolving Credit Facility, the Super Senior Secured Notes or otherwise incurred pursuant to clauses (i), (ii) and (iii) of Section 4.06(b) may not be reclassified.

SECTION 4.07. <u>Limitation on Restricted Payments</u>. (a) The Parent Guarantor shall not, and shall not permit any Restricted Group Member to, directly or indirectly (including, for the avoidance of doubt, through an Unrestricted Group Member):

- (i) declare or pay any dividend or make any other payment or distribution (whether made in cash, securities or other property) on account of the Parent Guarantor's or any Restricted Group Member's Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Parent Guarantor or any Restricted Group Member) or to the direct or indirect holders of the Parent Guarantor's or any Restricted Group Member's Equity Interests in their capacity as such (other than dividends or distributions payable (A) solely in Equity Interests (other than Disqualified Stock) of the Parent Guarantor or (B) in the case of a Restricted Group Member, to all holders of Equity Interests of such Restricted Group Member on a pro rata basis or on a basis that results in the receipt by the Parent Guarantor or a Restricted Group Member of dividends or distributions of greater value than the Parent Guarantor or such Restricted Group Member would receive on a pro rata basis);
- (ii) repay or distribute any dividend or share premium reserve (subject to same exceptions set forth in clause (i) above);
- (iii) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Parent Guarantor) any Equity Interests of the Parent Guarantor;
- (iv) the prepayment, or purchase, repurchase, redemption, defeasement or other acquisition or retirement for value, prior to any scheduled maturity, scheduled repayment or scheduled sinking fund payment any Subordinated Debt, other than (a) Debt permitted under Section 4.06(b)(v); or (b) the prepayment, purchase, repurchase, redemption, defeasance or other acquisition or retirement of Subordinated Debt purchased in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case due within one year of the date of prepayment, purchase, repurchase, redemption, defeasance or other acquisition or retirement; or

(v) make any Restricted Investment,

(all such payments and other actions set forth in these clauses (i) through (v) above being collectively referred to as "Restricted Payments").

- (b) Notwithstanding paragraph (a) above, the Parent Guarantor or any Restricted Group Member may make a Restricted Investment, if at the time of and after giving proforma effect to such proposed Restricted Investment:
 - (i) no Default or Event of Default has occurred and is continuing or would occur as a consequence of such Restricted Investment;

- (ii) the Parent Guarantor would have been permitted to incur at least €1.00 of additional Debt pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4.06(a) of this Indenture; and
- (iii) such Restricted Investment, together with the aggregate amount of all other Restricted Payments made by the Parent Guarantor and the Restricted Group Members after the date of this Indenture (excluding Restricted Payments permitted by clauses (ii), (iii), (iv), (vi), (vii), (viii), (xiv), (xvii) and (xviii) of the next succeeding paragraph (c)), is less than the sum of:
 - (A) 50% of the Consolidated Net Income of the Parent Guarantor for the period (taken as one accounting period) from the fiscal quarter commencing January 1, 2021 to the end of the Parent Guarantor's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit), *plus*
 - (B) 100% of the aggregate net cash proceeds and the Fair Market Value of property or assets received by the Parent Guarantor since the date of this Indenture (i) as a contribution to its common equity capital, (ii) from the issue or sale of Equity Interests (other than Disqualified Stock) of the Parent Guarantor, or (iii) from the issue or sale of convertible or exchangeable Disqualified Stock or convertible exchangeable debt securities of the Parent Guarantor that have been converted into or exchanged for Equity Interests (other than Disqualified Stock) of the Parent Guarantor, other than (1) Excluded Contributions, (2) net cash proceeds that have been relied upon to incur Debt then outstanding or issue Disqualified Stock or Preferred Stock pursuant to Section 4.06(b)(xix) and (3) in the case of (ii) or (iii), above, Equity Interests (or Disqualified Stock or debt securities) (A) sold to a Subsidiary of the Parent Guarantor or (B) acquired using funds borrowed from the Parent Guarantor or any Subsidiary until and to the extent such borrowing is repaid), plus
 - (C) 100% of any dividends or distributions (including payments made in respect of loans or advances) received by the Parent Guarantor or any Restricted Group Member after the date of this Indenture from an Unrestricted Group Member or a Permitted Joint Venture, to the extent that such dividends or distributions were not otherwise included in Consolidated Net Income for such period (and *provided* that such dividends or distributions are not included in the calculation of that amount of Permitted Investments permitted under clause (10) of the definition thereof), *provided further* that such dividends or distributions are not being made from the proceeds of any Investment in an Unrestricted Group Member or Permitted Joint Venture, *plus*

- (D) to the extent that any Unrestricted Group Member is redesignated as a Restricted Group Member or all of the assets of such Unrestricted Group Member are transferred to the Parent Guarantor or a Restricted Group Member, or the Unrestricted Group Member is merged or consolidated into the Parent Guarantor or a Restricted Group Member, in each case after the date of this Indenture, 100% of the amount received in cash and the Fair Market Value of any property received by the Parent Guarantor or any Restricted Group Member in respect of such redesignation, merger, consolidation or transfer of assets, excluding the amount of any Investment in such Unrestricted Group Member that constituted a Permitted Investment made pursuant to clause (15) of the definition of "Permitted Investments," plus
- (E) to the extent that any Restricted Investment that was made after the date of this Indenture is sold for cash or otherwise liquidated or repaid for cash or Cash Equivalents, the lesser of (i) the cash return of capital with respect to such Restricted Investment (less the cost of disposition, if any) and (ii) the initial amount of such Restricted Investment.
- (c) The preceding provisions will not prohibit:
 - (i) [Reserved];
 - (ii) cash payments in lieu of issuing fractional shares pursuant to the exchange or conversion of any exchangeable or convertible securities or in connection with any stock dividend, distribution, stock split, reverse stock split, merger, consolidation, amalgamation or other business combination;
 - (iii) the redemption, repurchase, retirement, defeasance or other acquisition of any Subordinated Debt, or of any Equity Interests of the Parent Guarantor, in either case in exchange for, or out of the net cash proceeds of the substantially concurrent sale (other than to a Subsidiary of the Parent Guarantor) of, Equity Interests of the Parent Guarantor (other than Disqualified Stock); *provided* that the amount of any such net cash proceeds that are utilized for any such redemption, repurchase, retirement, defeasance or other acquisition shall be excluded from clause (iii) (B) of the preceding paragraph (b);
 - (iv) the defeasance, redemption, repurchase, repayment or other acquisition of Subordinated Debt with the net cash proceeds from an incurrence of Permitted Refinancing Debt;
 - (v) [Reserved];
 - (vi) Restricted Payments in an aggregate amount equal to the aggregate amount of Excluded Contributions;

- (vii) (i) loans or advances made to employees, officers or directors in amounts not exceeding €5.5 million at any time outstanding or (ii) any payments made or expected to be made in respect of withholding or similar taxes payable by any future, present or former directors, officers or employees of the Parent Guarantor or any Restricted Group Member;
- (viii) the purchase, retirement, redemption or other acquisition for value of Equity Interests (including related stock appreciation rights or similar securities) of the Parent Guarantor held directly or indirectly by any future, present or former employee, officer, director, manager, consultant or independent contractor of the Parent Guarantor or any Subsidiary of Parent Guarantor or their estates, heirs, family members, former spouses or permitted transferees (including for all purposes of this clause (viii), Equity Interests held by any entity whose Equity Interests are held by any such future, present or former employee, officer, director, manager, consultant or independent contractor or their estates, heirs, family members, former spouses or permitted transferees) pursuant to the management incentive plan existing as at the date of this Indenture; *provided*, *however*, that the aggregate amounts paid under this clause (viii) shall not exceed €10.0 million in any calendar year; provided, further, however, that such amount in any calendar year may be increased by an amount not to exceed;
 - (A) the cash proceeds received by Parent Guarantor from the issuance or sale of Equity Interests (other than Disqualified Stock) of Parent Guarantor or any direct or indirect parent of Parent Guarantor (to the extent contributed to Parent Guarantor), in each case, to any future, present or former employees, officers, directors, managers, consultants or independent contractors of the Parent Guarantor or any Restricted Group Member or any direct or indirect parent of Parent Guarantor that occurs on or after the date of this Indenture, plus
 - (B) the cash proceeds of key man life insurance policies received by Parent Guarantor or any Restricted Group Member or any direct or indirect parent of Parent Guarantor (to the extent contributed to Parent Guarantor) after the date of this Indenture, plus
 - (C) the amount of any cash bonuses otherwise payable to employees, officers, directors, managers, consultants or independent contractors of Parent Guarantor or any Restricted Group Member that are foregone in return for the receipt of Equity Interests, less,
 - (D) the amount of cash proceeds described in clause (A), (B) or (C) of this clause (viii) previously used to make Restricted Payments pursuant to this clause (viii) provided that the Parent Guarantor may elect to apply all or any portion of the aggregate increase contemplated by clauses (A), (B) and (C) above in any calendar year; provided, further, that cancellation of Debt

owing to the Parent Guarantor or any Restricted Group Member from any future, current or former officer, director, employee, manager, consultant or independent contractor (or any permitted transferees thereof) of the Parent Guarantor or any Restricted Group Member, in connection with a repurchase of Equity Interests of the Parent Guarantor from such Persons will not be deemed to constitute a Restricted Payment;

- (ix) [Reserved];
- (x) [Reserved];
- (xi) [Reserved];
- (xii) the purchase, repurchase, redemption, defeasance or other acquisition or retirement for value of any Subordinated Debt (i) at a purchase price not greater than 101% of the principal amount of such Subordinated Debt in the event of a Change of Control in accordance with provisions similar to the offer to purchase the Notes described under Section 4.15 or (ii) at a purchase price not greater than 100% of the principal amount thereof in accordance with provisions similar to the offer to purchase the Notes described under Section 4.11; *provided* that, prior to or simultaneously with such purchase, repurchase, redemption, defeasance or other acquisition or retirement, a Change of Control Offer or Asset Sale Offer, as applicable, has been made as provided in such provisions with respect to the Notes and the repurchase or redemption of all Notes validly tendered for payment in connection with such Change of Control Offer or Asset Sale Offer has been completed;
 - (xiii) [Reserved];
- (xiv) the declaration and payment of dividends to holders of any class or series of Disqualified Stock of the Parent Guarantor or any Restricted Group Member or Preferred Stock of the Parent Guarantor or any Restricted Group Member issued in accordance with the terms of the Indenture to the extent such dividends are included in the definition of "Fixed Charges";
 - (xv) [Reserved];
 - (xvi) [Reserved];
- (xvii) Restricted Investments in an aggregate amount taken together with all other Restricted Investments made pursuant to this clause (xvii) not to exceed the greater of (x) 650.0 million and (y) 3.25% of Consolidated Cash Flow of the Parent Guarantor; or
- (xviii) any other Restricted Investment so long as after giving effect to such Restricted Investment on a pro forma basis, the Consolidated Net Leverage Ratio for the four full fiscal quarters for which financial statements are available immediately preceding such Restricted Investment, taken as one period, would be less than 2.00 to 1.0;

provided, however, that at the time of and after giving effect to, any Restricted Payment made under clause (xv), (xvi), (xvii) or (xviii) above, no Event of Default shall have occurred and be continuing or would occur as a consequence thereof.

- (d) For the avoidance of doubt, the Parent Guarantor shall not, and shall not permit any Restricted Group Member to, directly or indirectly (including, through an Unrestricted Group Member) (i) declare or make any dividends, payments or distributions to, (ii) repay or distribute any dividend or share premium reserve to, (iii) purchase, redeem or otherwise acquire or retire for value any Equity Interest of the Parent Guarantor, other than pursuant to Section 4.07(c)(viii), from or (iv) purchase, redeem or otherwise acquire for value any Subordinated Debt from, in each case, any direct or indirect shareholder of the Parent Guarantor.
- (e) Neither the Parent Guarantor nor any Restricted Group Member will transfer the ownership of any intellectual property or other assets that the Parent Guarantor determines in good faith is material to the Parent Guarantor and its Restricted Group Members, taken as a whole, to an Unrestricted Group Member (provided that such intellectual property or other assets may not be encumbered for the express purpose of depreciating the value of such assets) except to the extent such intellectual property or assets is related to the anticipated business activities to be conducted by such Unrestricted Group Member (as determined by the Parent Guarantor in good faith) and not for the primary purpose of such Unrestricted Group Member incurring indebtedness. Furthermore, neither the Parent Guarantor nor any Restricted Group Member will designate any Restricted Group Member as an Unrestricted Group Member for the purpose of incurring or exchanging Debt; provided, such Unrestricted Group Member may incur Debt up to 20.0% of the cash received from such Unrestricted Group Member by a third-party in exchange for Equity Interests in such Unrestricted Group Member; provided further, that any Preferred Stock that is not Disqualified Stock of such Unrestricted Group Member shall be treated as Equity Interests and not Debt for the purposes of the 20.0% calculation in the immediately preceding proviso.
- (f) The amount of a proposed Restricted Payment if not made in cash shall be the Fair Market Value on the date of the Restricted Payment of the assets or securities proposed to be transferred or issued by the Parent Guarantor or Restricted Group Member, as the case may be, pursuant to the Restricted Payment.

SECTION 4.08. [Reserved].

SECTION 4.09. <u>Limitation on Transactions with Affiliates</u>. (a) The Parent Guarantor shall not, and shall not permit any Restricted Group Member to, directly or indirectly, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with any Affiliate of the Parent Guarantor or such Restricted Group Member (each, an "<u>Affiliate Transaction</u>"), involving aggregate payments in excess of €5.0 million unless:

(i) the Affiliate Transaction is on terms that are no less favorable to the Parent Guarantor or the relevant Restricted Group Member, as the case may be, than those that would have been obtained in a comparable arm's length transaction by the Parent Guarantor or such Restricted Group Member, as the case may be, with an unrelated Person; and

- (ii) the Parent Guarantor delivers to the Trustee with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of €25.0 million, a resolution of the Board of Directors of the Parent Guarantor set forth in an Officers' Certificate (on which the Trustee shall rely absolutely) certifying that such Affiliate Transaction complies with this Section 4.09 and that such Affiliate Transaction has been approved by a majority of the members of the Board of Directors of the Parent Guarantor disinterested in such Affiliate Transaction.
- (b) Notwithstanding Section 4.09(a) above, the following items (including the performance of obligations related thereto) shall not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of Section 4.09(a):
 - (i) any stock option, employee benefit plan or employment or severance agreement entered into by the Parent Guarantor or any Restricted Group Member in the ordinary course of business;
 - (ii) payment of reasonable directors' fees, expenses and indemnities, and agreement with respect thereto;
 - (iii) transactions between or among the Parent Guarantor and/or Restricted Group Members;
 - (iv) any agreement or arrangement of the Parent Guarantor and/or its Restricted Group Members as in effect on the date of this Indenture or any transaction contemplated thereby or similar in nature thereto;
 - (v) any Restricted Payment permitted to be made pursuant to Section 4.07 and any Permitted Investments;
 - (vi) transactions with customers, clients, suppliers, joint venture partners, consultants or purchasers or sellers of goods or services or any management services or support agreements, in each case in the ordinary course of the business of the Parent Guarantor and the Restricted Group Members and otherwise in compliance with the terms of the Indenture; provided that in the reasonable determination of the Board of Directors or an executive officer of the Parent Guarantor or the relevant Restricted Group Member, such transactions or agreements are on terms that are not materially less favorable, when taken as a whole, to the Parent Guarantor or the relevant Restricted Group Member than those that could have been obtained at the time of such transactions or agreements in a comparable transaction or agreement by the Parent Guarantor or such Restricted Group Member with an unrelated Person:
 - (vii) any issuance or sale of Equity Interests (other than Disqualified Stock) of the Parent Guarantor to Affiliates of the Parent Guarantor and any agreement that grants registration and other customary rights in connection therewith or otherwise to the direct or indirect securityholders of the Parent Guarantor (and the performance of such agreements);

- (viii) any transaction with a Person (other than an Unrestricted Group Member) that is an Affiliate of the Parent Guarantor solely because the Parent Guarantor or any Restricted Group Member owns, directly or indirectly, any equity interest in or otherwise controls such Person;
- (ix) any merger, amalgamation, arrangement, consolidation or other reorganization of the Parent Guarantor with an Affiliate solely for the purpose and with the sole effect of forming a holding company or reincorporating the Parent Guarantor in a new jurisdiction;
- (x) the entering into of a tax sharing agreement, or payments pursuant thereto, between the Parent Guarantor and one or more subsidiaries, on the one hand, and any other Person with which the Parent Guarantor and such subsidiaries are required or permitted to file a consolidated tax return or with which the Parent Guarantor and such subsidiaries are part of a consolidated group for tax purposes, on the other hand;
- (xi) pledges of Equity Interests or Debt of Unrestricted Group Members; and
- (xii) the Shareholders Agreement and any transaction related thereto.
- SECTION 4.10. <u>Limitation on Liens</u>. (a) The Parent Guarantor shall not, and shall not permit any Restricted Group Member to, directly or indirectly, create, incur or assume any Lien of any kind securing Debt upon any of its property or assets, now owned or hereafter acquired, or any income, profits or proceeds therefrom, except:
 - (i) in the case of any property that, at the time of determination, does not already constitute Collateral, Permitted Liens, or unless:
 - (A) in the case of any Lien securing Subordinated Debt, the Issuer's obligations in respect of the Notes, the obligations of the Guaranters under the Guarantees and all other amounts due under this Indenture are directly secured by a Lien on such property, assets or proceeds that is senior in priority to the Lien securing the Subordinated Debt until such time as the Subordinated Debt is no longer secured by a Lien; and
 - (B) in the case of any other Lien, the Issuer's obligations in respect of the Notes, the obligations of the Guarantors under the Guarantees and all other amounts due under this Indenture are equally and ratably secured with the obligation or liability secured by such Lien until such time as such obligations are no longer secured by a Lien; and
 - (ii) in the case of any property that, at the time of determination, constitutes Collateral, Permitted Collateral Liens.
- (b) Any such Lien created in favor of the Notes pursuant to Section 4.10(a)(i)(B) will be automatically and unconditionally released and discharged (i) upon the release and

discharge of the Lien to which it relates and (ii) otherwise as set forth under the Security Documents.

- SECTION 4.11. <u>Limitation on Sale of Certain Assets</u>. (a) The Parent Guarantor shall not, and shall not permit any Restricted Group Member to, consummate an Asset Sale unless:
 - (i) the Parent Guarantor (or the Restricted Group Member, as the case may be) receives consideration at least equal to the Fair Market Value (such Fair Market Value to be determined on the date of contractually agreeing to such Asset Sale) of the assets or Equity Interests issued or sold or otherwise disposed of; and
 - (ii) at least 75% of the consideration received in the Asset Sale by the Parent Guarantor or such Restricted Group Member is in the form of (A) cash, (B) Cash Equivalents, (C) any Designated Non-cash Consideration received by the Parent Guarantor or any Restricted Group Member having an aggregate Fair Market Value, taken together with all other Designated Non-cash Consideration received from any Asset Sale that is at any one time outstanding, not to exceed €37.5 million (with the Fair Market Value of each item of Designated Non-cash Consideration being measured at the time received and without giving effect to subsequent changes in value) or (D) any combination thereof. For purposes of this provision, each of the following shall be deemed to be cash:
 - (A) any liabilities, as shown on the Parent Guarantor's most recent consolidated balance sheet, of the Parent Guarantor or any Restricted Group Member (other than contingent liabilities, liabilities that are by their terms subordinated to the Notes or to any Guarantee of the Notes and liabilities secured with a Lien that is junior to the Liens on the Collateral securing the Notes or the Guarantees) that are assumed by the transferee of any such assets pursuant to a customary novation or similar agreement that releases the Parent Guarantor or such Restricted Group Member from further liability;
 - (B) any securities, notes or other obligations received by the Parent Guarantor or any such Restricted Group Member from such transferee that are contemporaneously, subject to ordinary settlement periods, converted by the Parent Guarantor or such Restricted Group Member into cash, to the extent of the cash received in that conversion; and
 - (C) the principal amount of any Debt (other than Subordinated Debt) of any Restricted Group Member that ceases to be a Restricted Group Member as a result of such Asset Sale (other than intercompany debt owed to the Parent Guarantor or any such Restricted Group Member), to the extent that the Parent Guarantor and each other Restricted Group Member are released from any guarantee of payment of the principal amount of such Debt or any primary obligation thereunder in connection with such Asset Sale.

- (b) Within 365 days after the receipt of any Net Proceeds from an Asset Sale, the Parent Guarantor may apply those Net Proceeds at its option:
 - to permanently repay or prepay any then outstanding (A) revolving or term Debt incurred under a Credit Facility which ranks pari passu with or senior to the Notes or is a secured by a lien ranking pari passu with the Notes (and to effect a corresponding commitment reduction thereunder) at a purchase price equal to 100% of the principal outstanding amount of such Debt plus accrued and unpaid interest, (provided that the Parent Guarantor or the Issuer shall make an offer to purchase from all holders of Notes on a pro rata basis the Notes at an offer price equal to 100% of the principal amount of the Notes to be purchased plus accrued and unpaid interest and Additional Amounts, if any, to the date of purchase, in each case, payable in cash), (B) Super Senior Secured Notes pursuant to an offer, on a pro rata basis, to all holders of Super Senior Secured Notes at a purchase price equal to the price specified in the optional redemption provisions of paragraph 6 of the applicable Super Senior Secured Note or (C) Debt of a Restricted Group Member that is not a Guarantor owing to a Person other than the Parent Guarantor or a Restricted Group Member;
 - (ii) to acquire other long-term assets, including Capital Stock of a Person engaged in a Permitted Business, that are used or useful in the business of the Parent Guarantor; *provided* that Liens are granted over such assets such that they form part of the Collateral;
 - (iii) to make a capital expenditure;
 - (iv) invest in or commit to invest in Additional Assets (including by means of an investment in Additional Assets by a Restricted Group Member with Net Proceeds received by the Parent Guarantor or another Restricted Group Member); or
 - (v) any combination of the foregoing;

provided that in the case of clauses (ii), (iii), (iv) and (v) above, any such acquisition, expenditure or investment in or commitment to invest in Additional Assets made pursuant to a definitive binding agreement or a commitment approved by the Board of Directors of the Parent Guarantor that is executed or approved within such 365 days will satisfy this requirement, so long as such investment is consummated within 180 days of such 365th day or within 180 days thereafter.

- (c) Pending the final application of any Net Proceeds, the Parent Guarantor may temporarily reduce revolving credit borrowings or otherwise invest the Net Proceeds in any manner that is not prohibited by this Indenture. Any Net Proceeds from Asset Sales that are not applied or invested as provided in the preceding paragraph shall constitute "Excess Proceeds".
- (d) When the aggregate amount of Excess Proceeds exceeds €15.0 million, the Parent Guarantor or the Issuer shall make an offer to purchase (an "Asset Sale Offer") (x) from all holders of Super Senior Secured Notes or (y) from all holders of Notes and from the holders of other Pari Passu Debt that contains similar asset sale provisions, to the extent required by

the terms thereof, in each case at the maximum principal amount (expressed as an integral multiple of \$1 with respect to the Dollar Notes and as an integral multiple of €1 with respect to the Euro Notes) of Super Senior Secured Notes or Notes and such other Pari Passu Debt, respectively, that may be purchased out of the Excess Proceeds. The offer price in any Asset Sale Offer shall be (x) with respect to offers to purchase Super Senior Secured Notes, a purchase price equal to the price specified in the optional redemption provisions of paragraph 6 of the applicable Super Senior Secured Note or (y) with respect to offers to purchase Notes or other Pari Passu Debt, equal to 100% of the principal amount of the Notes to be purchased plus accrued and unpaid interest and Additional Amounts, if any, to the date of purchase, in each case, payable in cash. If any Excess Proceeds remain after consummation of an Asset Sale Offer, the Parent Guarantor may use those Excess Proceeds for any purpose not otherwise prohibited by this Indenture. If the aggregate principal amount of (x) Super Senior Secured Notes or (y) Notes and other Pari Passu Debt tendered into such Asset Sale Offer exceeds the amount of Excess Proceeds, the Trustee shall select the (x) Super Senior Secured Notes or (y) Notes and such other Pari Passu Debt to be purchased on a pro rata basis. Upon completion of each Asset Sale Offer, the amount of Excess Proceeds shall be reset at zero.

(e) The Issuers and the Parent Guarantor shall comply with the requirements of any securities laws and the regulations thereunder (including Rule 14e-1 under the Exchange Act) to the extent those laws and regulations are applicable in connection with each repurchase of Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the Asset Sale provisions of this Indenture, the Issuers and the Parent Guarantor shall comply with the applicable securities laws and regulations and shall not be deemed to have breached their obligations under the Asset Sale provisions of this Indenture by virtue of such conflict.

SECTION 4.12. [Reserved].

- SECTION 4.13. <u>Limitation on Dividend and Other Payment Restrictions</u>
 <u>Affecting Restricted Group Members</u>. (a) The Parent Guarantor shall not, and shall not permit any Restricted Group Member to, directly or indirectly, create or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Group Member to:
 - (i) pay dividends, in cash or otherwise, or make any other distributions on its Capital Stock, or with respect to any other interest or participation in, or measured by, its profits, to the Parent Guarantor or any Restricted Group Member, or pay any Debt owed to the Parent Guarantor or any Restricted Group Member;
 - (ii) make loans or advances to the Parent Guarantor or any Restricted Group Member; or
 - (iii) transfer any of its properties or assets to the Parent Guarantor or any Restricted Group Member.
- (b) The restrictions described above in Section 4.13(a) shall not apply to encumbrances or restrictions existing under or by reason of:
 - (i) agreements in effect on the date of this Indenture in the form existing on the date of this Indenture and any amendments, modifications,

restatements, renewals, increases, supplements, or replacements of those agreements *provided* that the amendments, modifications, restatements, renewals, increases, supplements or replacements are no more restrictive, taken as a whole, with respect to the restrictions set forth in Section 4.13(a) above, than those contained in those agreements on the date of this Indenture;

- (ii) applicable law or regulation or by governmental licenses, concessions, franchises or permits;
- (iii) the Notes, this Indenture, any Guarantees, the Credit Facilities, the Surety Bonds Facility, the Intercreditor Agreement and the security documents related thereto or by other agreements governing Debt that the Parent Guarantor or any Restricted Group Member incurs, *provided* that the encumbrances or restrictions imposed by such other agreements are not materially more restrictive, taken as a whole, than the restrictions imposed by this Indenture, the Revolving Credit Facility, the Surety Bonds Facility, the Intercreditor Agreement and such security documents as of the date of this Indenture;
- (iv) any encumbrances or restrictions created under any agreements with respect to Debt of the Parent Guarantor or any Restricted Group Member permitted to be incurred subsequent to the date of this Indenture pursuant to Section 4.06 of this Indenture, including encumbrances or restrictions imposed by Debt permitted to be incurred under Credit Facilities or any guarantees thereof in accordance with such covenant; *provided* that such encumbrances or restrictions are not materially more restrictive, taken as a whole, than those imposed by the Revolving Credit Facility or the Surety Bonds Facility as of the date of this Indenture;
- (v) any instrument governing Debt or Capital Stock of a Person acquired by the Parent Guarantor or any Restricted Group Member as in effect at the time of such acquisition (except to the extent such Debt or Capital Stock was incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired;
- (vi) customary non-assignment provisions in leases entered into in the ordinary course of business and consistent with past practice;
- (vii) purchase money obligations for property acquired in the ordinary course of business that impose restrictions on that property, *provided* that such encumbrances or restrictions are of the nature described in Section 4.13(a)(iii) above;
- (viii) any agreement for the sale or other disposition of a Restricted Group Member that restricts distributions by that Restricted Group Member pending its sale or other disposition;
- (ix) Permitted Refinancing Debt, *provided* that the restrictions set forth in Section 4.13(a) above contained in the agreements governing such

Permitted Refinancing Debt are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Debt being refinanced;

- (x) Liens securing Debt otherwise permitted to be incurred under Section 4.10 of this Indenture that limit the right of the debtor to dispose of the assets subject to such Liens;
- (xi) in the case of any Person that is not a wholly owned subsidiary, restrictions and conditions imposed by its organizational documents or any related joint venture or similar agreements; *provided* that such restrictions and conditions apply only to such Person and its subsidiaries and to the Equity Interests of such Person and its subsidiaries; and
- (xii) other Debt permitted to be incurred subsequent to the date of this Indenture pursuant to Section 4.06 of this Indenture; *provided* that such encumbrances or restrictions will not materially affect the Issuers' ability to make anticipated principal and interest payments on the Notes (in the good faith judgment of an executive officer of the Parent Guarantor at the time such encumbrances or restrictions are entered into).

SECTION 4.14. [Reserved].

- SECTION 4.15. Change of Control. If a Change of Control occurs, each holder of Notes shall have the right to require the Issuers (or the Parent Guarantor, if the Parent Guarantor makes the purchase offer referred to below) to repurchase all or any part (equal to \$200,000 or any integral multiple of \$1 in excess thereof, with respect to the Dollar Notes, or equal to €100,000 or any integral multiple of €1 in excess thereof, with respect to the Euro Notes) of that holder's applicable series of Notes pursuant to an offer (a "Change of Control Offer") on the terms set forth in this Indenture. In the Change of Control Offer, the Issuers or the Parent Guarantor shall offer a payment in cash equal to 101% of the aggregate principal amount of the applicable series of Notes repurchased plus accrued and unpaid interest and Additional Amounts, if any, on the Notes repurchased, to the date of purchase (a "Change of Control Payment").
- (a) Within ten days following any Change of Control, the Issuers or the Parent Guarantor shall (i) cause the Change of Control Offer to be published through (A) the newswire service of Bloomberg, or if Bloomberg does not then operate, any similar agency; and (B) if at the time of such notice the Notes are listed on the Irish Stock Exchange and the rules of the Irish Stock Exchange so require, in the Irish Times (or another leading newspaper of general circulation in Ireland); and (ii) mail the Change of Control Offer to each registered holder. The Change of Control Offer shall describe the transaction or transactions that constitute the Change of Control and shall offer to repurchase the applicable series of Notes on the date (the "Change of Control Payment Date") specified therein, which date shall be no earlier than 30 days and no later than 60 days from the date such notice is mailed, pursuant to the procedures required by this Indenture and described in such notice. The Issuers and the Parent Guarantor shall comply with the requirements of any securities laws and the regulations thereunder (including Rule 14e-1 under the Exchange Act) to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of this Indenture, the Issuers and the Parent

Guarantor shall comply with the applicable securities laws and regulations and shall not be deemed to have breached their obligations under the Change of Control provisions of this Indenture by virtue of such conflict.

- (b) On the Change of Control Payment Date, the Issuers or the Parent Guarantor shall, to the extent lawful:
 - (i) accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;
 - (ii) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and
 - (iii) deliver or cause to be delivered to the registrar the Notes properly accepted together with an Officers' Certificate (on which the Trustee shall rely absolutely) stating the aggregate principal amount of Notes or portions of Notes being purchased by the Issuers.
- (c) The Issuers shall promptly mail to each holder of Notes properly tendered the Change of Control Payment for such Notes, and the registrar shall promptly authenticate and mail (or cause to be transferred by book entry) to each holder a new Note equal in principal amount to any unpurchased portion of the applicable series of Notes surrendered, if any; provided that each new Note shall be in a principal amount of \$200,000 or any integral multiple of \$1 in excess thereof, with respect to the Dollar Notes, or equal to €100,000 or any integral multiple of €1 in excess thereof, with respect to the Euro Notes.
- (d) The provisions described above that require the Issuers or the Parent Guarantor to make a Change of Control Offer following a Change of Control will be applicable whether or not any other provisions of this Indenture are applicable. Except as described above with respect to a Change of Control, this Indenture does not contain provisions that permit the holders of the Notes to require that the Issuers or the Parent Guarantor repurchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction.
- (e) The Issuers and the Parent Guarantor shall not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Indenture applicable to a Change of Control Offer made by the Issuers or the Parent Guarantor and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer. The Issuers and the Parent Guarantor also shall not be required to make a Change of Control Offer following a Change of Control if the Issuers has theretofore issued a redemption notice in respect of all of the Notes in the manner and in accordance with the provisions described under Article Three and thereafter redeems all of the Notes pursuant to such notice.
- (f) A Change of Control Offer may be made in advance of a Change of Control, conditional upon a Change of Control, if a definitive agreement is in place for the Change of Control at the time of making of the Change of Control Offer. In the event that the Change of Control has not occurred as of the purchase date for the Change of Control Offer specified in the notice therefor (or amendment thereto), the Issuers (or third party offeror) may, in their discretion, rescind such notice or amend it to specify another purchase date.

- (g) If holders of not less than 90% in aggregate principal amount of the outstanding Notes validly tender and do not withdraw such Notes in a Change of Control Offer and the Issuers, or any third party making a Change of Control Offer in lieu of the Issuers as described above, purchases all of the Notes validly tendered and not withdrawn by such holders, the Issuers or such third party will have the right, upon not less than 10 nor more than 60 days' prior notice (*provided* that such notice is given not more than 10 days following such purchase pursuant to the Change of Control Offer described above) to redeem all Notes that remain outstanding following such purchase at a price in cash equal to 101% of the principal amount thereof on the redemption date plus accrued and unpaid interest (if any) to but not including the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).
- SECTION 4.16. Additional Amounts. (a) All payments in respect of the Notes made by or on behalf of the Issuers, a Guarantor, or any successor person to the Issuers or any Guarantor (each a "Successor Person") (each a "Payer"), shall be made free and clear without withholding or deduction for, or on account of, any present or future taxes, duties, levies, imposts, assessments or other governmental charges (including, without limitation, penalties, interest and other similar liabilities related thereto) of whatever nature, (collectively, "Taxes") imposed or levied by or on behalf of any jurisdiction or any political subdivision or governmental authority thereof or therein having the power to tax where such Payer is incorporated, organized or otherwise resident for tax purposes or from or through which the Payer makes a payment on the Notes or its Guarantee or by the Kingdom of Spain (and any subdivision or governmental authority thereof or therein) (each, a "Relevant Taxing Jurisdiction"), unless the withholding or deduction of such Taxes is then required by law. If the Payer is required to withhold or deduct any amount for, or on account of, Taxes imposed or levied on behalf of a Relevant Taxing Jurisdiction from any payment made under or with respect to the Notes, the Payer shall pay such additional amounts ("Additional Amounts") as may be necessary to ensure that the net amount received by each holder of the Notes (including Additional Amounts) after such withholding or deduction has been made shall be not less than the amount the holder would have received if such Taxes had not been required to be withheld or deducted.
- (b) The Payer shall not be required to make any payment of Additional Amounts for or on account of:
 - (i) any Taxes that are imposed or levied by a Relevant Taxing Jurisdiction by reason of (A) the holder's or a beneficial owner's present or former connection with such Relevant Taxing Jurisdiction other than the mere acquisition or holding of Notes or by reason of the receipt of payments in respect thereunder or the exercise or enforcement of any rights under the Notes, this Indenture, or any Guarantee (including a connection between a fiduciary, settlor, beneficiary, member, partner or shareholder of, or possessor of power over, the relevant holder or beneficial owner, if the relevant holder or beneficial owner is an estate, nominee, trust, partnership or corporation, and the Relevant Taxing Jurisdiction), or (B) the presentation of a Note (where presentation is required) for payment on a date more than 30 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later, except to the extent that the beneficial owner or holder thereof would have been entitled to

Additional Amounts had the Notes been presented for payment on any day during such 30 day period;

- (ii) any estate, inheritance, gift, sales, excise, transfer, personal property or similar Tax;
- (iii) any Tax which is payable otherwise than by withholding or deduction from payments made under or with respect to the Notes;
- any Taxes that are imposed or withheld by reason of the failure by the holder or the beneficial owner of the Notes, following the Issuers' written request addressed to the holder or otherwise provided to the holder or beneficial owner (and made at a time that would enable the holder or beneficial owner acting reasonably to comply with that request) to provide certification, information, documents or other evidence concerning the nationality, residence or identity of the holder or such beneficial owner or to make any valid or timely declaration or similar claim or satisfy any other reporting requirements relating to such matters, whether required or imposed by statute, treaty, regulation or administrative practice of the Relevant Taxing Jurisdiction, as a precondition to exemption from, or reduction in the rate of withholding or deduction of, Taxes imposed by the Relevant Taxing Jurisdiction, including, for the avoidance of doubt, any Taxes that are imposed or withheld under Spanish law by reason of the Payer not receiving (either directly or through its agent) such information from a holder or beneficial owner as may be necessary to allow payments on the Notes to be made free and clear of Spanish withholding tax or deduction on account of Spanish taxes, pursuant to Law 10/2014 of June 26, Royal Decree 1065/2007 of July 27, as amended by Royal Decree 1145/2011 of July 29, and any implementing legislation or regulation;
- (v) any Tax that is imposed on or with respect to a Note presented for payment (where presentation is required) on behalf of a holder or beneficial owner who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent in a Member State of the European Union;
- (vi) any Tax that would not have been imposed but for a failure by the holder or beneficial owner (or any financial institution through which the holder or beneficial owner holds any Note through which payment on the Note is made) to comply with any certification, information, identification, documentation or other reporting requirements (including entering into and complying with an agreement with the U.S. Internal Revenue Service) imposed pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (or any intergovernmental agreement, or legislation enacted pursuant thereto, to implement such provisions) as in effect on the date of issuance of the Notes or any successor or amended version of these provisions, to the extent such successor or amended version is not materially more onerous than these provisions as enacted on such date; or
- (vii) any combination of Taxes referred to in clauses (i) to (vi) above.

- (c) Additional Amounts shall not be paid with respect to any payment made under or with respect to the Notes or any Guarantee in the case of a holder who is a fiduciary, a partnership or other than the sole beneficial owner of such payment, to the extent that such payment is required by the laws of the Relevant Taxing Jurisdiction to be included in the income, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, a member of that partnership or a beneficial owner and such person would not have been entitled to the Additional Amounts had it been the holder of the Note or Guarantee.
- (d) The Payer shall (i) make such withholding or deduction required by applicable law and (ii) remit the full amount withheld or deducted to the relevant taxing authority in accordance with applicable law.
- (e) At least 30 calendar days prior to each date on which any payment under or with respect to the Notes is due and payable, if the Payer shall be obligated to pay Additional Amounts with respect to such payment (unless such obligation to pay Additional Amounts arises after the 30th day prior to the date on which payment under or with respect to the Notes is due and payable, in which case it shall be promptly thereafter), the Issuers shall deliver to the Trustee an Officer's Certificate stating that such Additional Amounts shall be payable and the amounts so payable and shall set forth such other information necessary to enable the Paying Agent to pay such Additional Amounts to holders on the relevant payment date. The Trustee shall, without further enquiry, be entitled to rely absolutely on each such Officer's Certificate as conclusive proof that such payments are necessary. The Issuers shall promptly publish a notice in accordance with Section 14.02 stating that such Additional Amounts shall be payable and describing the obligation to pay such amounts.
- (f) Upon request, within a reasonable time the Payer shall provide the Trustee, to provide to the holders, certified copies of tax receipts evidencing the payment by the Payer of any Taxes imposed or levied by a Relevant Taxing Jurisdiction in such form as provided in the normal course by the taxing authority imposing such Taxes and as is reasonably available to the Payer. If, notwithstanding the reasonable efforts of the Payer to obtain such receipts, the same are not obtainable, the Payer shall provide the Trustee a copy of the return reporting such payment or with other evidence reasonably satisfactory to the Trustee of such payments by the Payer.
- In addition, the Parent Guarantor undertakes to indemnify, pay and maintain all holders of the Notes or the Guarantees harmless for all Taxes that are imposed under Spanish law on the payments received or income derived from the Notes or the Guarantees that (a) are not compensated by the payment of Additional Amounts under the first paragraph of this "Additional Amounts" section; and that (b) are not excluded under clauses (i) through (ii) and (iv) through (vii) of Section 4.16(b) above, or any combination thereof. Furthermore, the Issuers will pay any present or future stamp, issue, registration, court documentation, excise, or property Taxes, or other similar Taxes imposed by or in any Relevant Taxing Jurisdiction, including any political jurisdiction thereof, in respect of the execution, issue, delivery or registration of the Notes, the Indenture, or the Guarantees, or any other document or instrument referred to thereunder and any such Taxes imposed by any jurisdiction as a result of, or in connection with, the enforcement of the Notes, the Guarantees, or any other such document or instrument following, and relating to, the occurrence of any Event of Default with respect to the Notes or the receipt of any payments with respect thereto (other than with respect to a transfer of the Notes following the initial sale of the Notes by the Initial Purchasers and limited, solely in the case of Taxes attributable to the receipt of any payments with respect thereto, to any such Taxes imposed in a Relevant Tax Jurisdiction that are not

excluded under clauses (i) through (ii) and (iv) through (xi) of Section 4.16(b) above, or any combination thereof, and other than (i) any stamp duty, registration or other similar Taxes payable on or by reference to or in consequence of the transfer or assignment of the whole or any part of the rights of a holder of the Notes and (ii) any Luxembourg registration duties (*droits d'enregistrement*) payable due to registration, submission or filing of any finance document when such registration, submission or filing is or was not required to maintain or preserve the rights of any party under that finance document).

- (h) If the Issuers elect to pay an amount of interest as PIK Interest and are required to pay Additional Amounts in respect of PIK Interest, such Additional Amounts may, at the sole discretion of the Issuers, be paid as PIK Interest. In other cases, such Additional Amounts shall be paid as cash interest.
- (i) Whenever this Indenture refers to, in any context, the payment of principal, premium, if any, interest or any other amount payable under or with respect to any Note (including payments thereof made pursuant to any Guarantee or in connection with a redemption of the Notes), such reference includes the payment of Additional Amounts, if applicable.
- (j) The provisions set forth under Section 4.16(a) (j) above shall survive any termination, defeasance or discharge of this Indenture.
- SECTION 4.17. Designation of Unrestricted and Restricted Group Members. The Board of Directors of the Parent Guarantor may designate any Restricted Group Member (other than the Issuers) to be an Unrestricted Group Member (a "Designation") if that Designation would not cause a Default. If a Restricted Group Member is designated as an Unrestricted Group Member, the Fair Market Value of the Parent Guarantor's interest in the Subsidiary or Non-Subsidiary Affiliate so designated shall be deemed to be an Investment made as of the time of the Designation and shall reduce without duplication the amounts available for Restricted Payments under Section 4.07(b) and/or the amount available for Permitted Investments, as determined by the Parent Guarantor. That Designation shall only be permitted if the Investment would be permitted at that time and if the Restricted Group Member otherwise meets the definition of an Unrestricted Group Member. The Board of Directors may redesignate any Unrestricted Group Member to be a Restricted Group Member (a "Redesignation") if the Redesignation would not cause a Default and if all Liens and Debt of such Unrestricted Group Member outstanding immediately following such Redesignation would, if incurred at that time, have been permitted to be incurred for all purposes of this Indenture.
- (a) Any Designation shall be evidenced to the Trustee by filing with the Trustee a certified copy of the Board Resolution giving effect to such Designation and an Officers' Certificate (on which the Trustee shall rely absolutely) certifying that such Designation complied with the preceding conditions and was permitted by Section 4.07 of this Indenture. If, at any time, any Unrestricted Group Member would fail to meet the preceding requirements as an Unrestricted Group Member, it shall thereafter cease to be an Unrestricted Group Member for purposes of this Indenture, and any Debt of such Person shall be deemed to be incurred by a Restricted Group Member as of such date and, if such Debt is not permitted to be incurred as of such date under Section 4.06 hereto, the Parent Guarantor shall be in default of such provision.

SECTION 4.18. Payment of Taxes and Other Claims. The Parent Guarantor shall pay or discharge and shall cause each of its Subsidiaries to pay or discharge, or cause to be paid or discharged, before the same shall become delinquent: (a) all material taxes, assessments and governmental charges levied or imposed upon (i) the Parent Guarantor or any such Subsidiary, (ii) the income or profits of any such Subsidiary which is a corporation or (iii) the property of the Parent Guarantor or any such Subsidiary and (b) all material lawful claims for labor, materials and supplies that, if unpaid, might by law become a lien upon the property of the Parent Guarantor or any such Subsidiary; *provided*, that the Parent Guarantor shall not be required to pay or discharge, or cause to be paid or discharged, any such tax, assessment, charge or claim the amount, applicability or validity of which is being contested in good faith by appropriate proceedings and for which adequate reserves have been established in accordance with IFRS.

SECTION 4.19. <u>Reports to Holders</u>. The Parent Guarantor shall furnish to the Trustee (who, at the expense of the Parent Guarantor, shall furnish by mail to the holders of the Notes):

- (i) within 120 days following the end of each of the Parent Guarantor's fiscal years, information including "Selected Financial and Other Data", "Management's Discussion and Analysis of Operating Results and Financial Condition" and "Business" sections with scope and content substantially equivalent to the corresponding sections of the Offering Memorandum (after taking into consideration any changes to the business and operations of the Parent Guarantor after the date of this Indenture), and audited consolidated income statements, balance sheets and cash flow statements and the related notes thereto, and the aggregate amount of the Available Liquidity for the Parent Guarantor for and as of the two most recent fiscal years and, in each case in accordance with IFRS, which need not, however, contain any reconciliation to U.S. GAAP or otherwise comply with Regulation S-X under the Exchange Act ("Regulation S-X"), together with an audit report thereon;
- (ii) within 60 days following the end of the first three fiscal quarters in each of the Parent Guarantor's fiscal years, quarterly reports containing unaudited balance sheets, statements of income, statements of cash flows, and the aggregate amount of the Available Liquidity for the Parent Guarantor on a consolidated basis, in each case for and as of the quarterly period then ended and the corresponding quarterly period in the preceding fiscal year, in each case prepared in accordance with IFRS, which need not, however, contain any reconciliation to U.S. GAAP or otherwise comply with Regulation S-X, together with a "Management's Discussion and Analysis of Operating Results and Financial Condition" section for such quarterly period and condensed footnote disclosure; and
- (iii) promptly from time to time after the occurrence of a material acquisition, disposition or restructuring, or any senior management change at the Parent Guarantor or any change in auditors, a report containing a description of such event and, in the case of a material acquisition or disposition that would constitute a Significant Subsidiary, financial statements of the acquired business and a pro forma consolidated balance sheet and statement of operations of the Parent Guarantor giving effect to the acquisition

or disposition to the extent practicable utilizing available information (which need not be required to contain any U.S. GAAP information or otherwise comply with Regulation S-X).

- (b) If any of the Parent Guarantor's Subsidiaries or Non-Subsidiary Affiliates are Unrestricted Group Members and in the aggregate have total assets or cash flow (using the methodology used for calculating Consolidated Total Assets or Consolidated Cash Flow, as the case may be) constituting, based on the good faith determination of the Parent Guarantor, more than 5.0% of the Parent Guarantor's Consolidated Total Assets or Consolidated Cash Flow for the most recent four quarters preceding any annual or quarterly report, then the annual and quarterly financial information referred to above will include a reasonably detailed presentation, either on its face or in the footnotes thereto, of the financial condition and results of operations of the Parent Guarantor and its Restricted Group Members separate from the financial condition and results of operations of the Parent Guarantor's Unrestricted Group Members.
- (c) In addition, the Parent Guarantor shall furnish to the holders and to prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act so long as the Notes are not freely transferable under the Securities Act by Persons who are not "affiliates" under the Securities Act.
- (d) The Parent Guarantor shall make available all reports referred to in this section at the offices of the principal Paying Agent, through the newswire service of Bloomberg, or, if Bloomberg does not then operate, any similar agency and on Codere S.A.'s website at www.codere.com
- (e) The Parent Guarantor shall not be deemed to have failed to comply with any of its obligations hereunder until 60 days after the date any report hereunder is due.
- SECTION 4.20. <u>Impairment of Security Interest</u>. (a) The Parent Guarantor shall not, and shall not permit any Restricted Group Member to, take, or knowingly or negligently omit to take, any action which action or omission would have the result of materially impairing the security interest with respect to the Collateral for the benefit of the Trustee and the holders of the Notes.
- (b) At the direction of the Parent Guarantor and without the consent of the holders of the Notes, the Security Agent may from time to time enter into one or more amendments to or any other agreements in connection with the Security Documents and carry out any other action as may be necessary or adopt any resolutions that may be necessary or convenient to: (i) cure any ambiguity, omission, defect or inconsistency therein, (ii) ratify, confirm the creation of, or cure any defect in the constitution of, such Liens over the Collateral; (iii) provide for Permitted Collateral Liens, (iv) add to the Collateral, (v) confirm and evidence the release, termination, discharge or retaking of any of the Collateral when such release, termination, discharge or retaking is provided for in the Indenture, the Security Documents or the Intercreditor Agreement or (vi) make any other change thereto that does not adversely affect the holders of the Notes in any material respect as determined in good faith by the Board of Directors of the Parent Guarantor.
- (c) Except as provided in Sections 4.20(a) or (b) above and pursuant to or in connection with any Permitted Reorganization, no Security Document may be amended, extended, renewed, restated, supplemented or otherwise modified or replaced, unless

contemporaneously with such amendment, extension, renewal, restatement, supplement, modification or replacement, the Parent Guarantor delivers to the Security Agent either:

- (A) a solvency opinion, in form and substance satisfactory to the Security Agent, from an investment banking firm, appraisal firm or accounting firm of international standing confirming the solvency of the Parent Guarantor and its Subsidiaries, taken as a whole, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or replacement;
- (B) an opinion of counsel acceptable to the Security Agent, in form and substance satisfactory to the Security Agent, confirming that, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or replacement, the Lien or Liens securing the Notes created under the Security Documents, as so amended, extended, renewed, restated, supplemented, modified or replaced, are valid and perfected Liens not otherwise subject to any limitation, imperfection or new hardening period, in equity or at law, that such Lien or Liens were not otherwise subject to immediately prior to such amendment, extension, renewal, restatement, supplement, modification or replacement; or
- (C) an Officer's Certificate from the Parent Guarantor (acting in good faith), in the form set forth as an exhibit to the Indenture, that confirms the solvency of the Parent Guarantor and its subsidiaries after giving effect to any transaction related to such amendment, extension, renewal, restatement, replacement, supplement, modification or release.
- SECTION 4.21. <u>Additional Guarantors</u>. The Parent Guarantor shall not permit any Restricted Group Member, directly or indirectly, to guarantee or pledge any assets to secure the payment of any Debt of the Issuer or any Guarantor, other than Debt permitted to be incurred under Section 4.06 with a principal amount less than €20.0 million, unless such Restricted Group Member simultaneously executes and delivers a supplemental indenture providing for the Guarantee of the payment of the Notes by such Restricted Group Member, which Guarantee shall be senior to or pari passu with such Restricted Group Member's guarantee of or pledge to secure such other Debt.
- (a) The Parent Guarantor shall not be obligated to cause such Restricted Group Member to guarantee the Notes pursuant to the first paragraph of this Section 4.21 above to the extent that such Guarantee could reasonably be expected to give rise to or result in any violation of (i) applicable law or regulation that cannot be avoided or otherwise prevented through measures reasonably available to the Parent Guarantor or such Restricted Group Member or (ii) in the case of a Person that becomes a Restricted Group Member after the date of this Indenture, any contract or license to which such Person is a party at the time such Person became a Restricted Group Member, *provided* that such contract or license was not entered into in connection with, or in contemplation of, such Person becoming a Restricted Group Member.

- (b) The Parent Guarantor shall not be obligated to cause such Restricted Group Member to guarantee the Notes pursuant to this Section 4.21 to the extent that such Guarantee could reasonably be expected to give rise to or result in a requirement under applicable law, rule or regulation to obtain or prepare financial statements or financial information of such Person to be included in any required filing with a legal or regulatory authority that the Parent Guarantor is not able to obtain or prepare without unreasonable expense.
- (c) subject to the Agreed Security Principles, the Parent Guarantor shall ensure at all times from July 1, 2021:
 - (i) each Material Subsidiary is a Guarantor, subject to paragraph (f) below; and
 - (ii) the Guarantors shall together account for not less than 65% of Consolidated Cash Flow of the Restricted Group Members (calculated on an unconsolidated basis and excluding the contribution of any Consolidated Cash Flow attributable to any Unrestricted Subsidiary, Mexican Subsidiary, Uruguayan Subsidiary or Excluded Subsidiary and any accounting consolidation adjustments provided for in the relevant financial statements; provided that any Guarantor that generates negative cash flow shall be deemed to have a cash flow of zero) (the "Guarantor Coverage Test").
- (d) Subject to the Agreed Security Principles, in order to ensure on-going compliance with the Guarantor Coverage Test, the Parent Guarantor shall within 45 days of the delivery of a Compliance Certificate referred to in paragraph (e) below, procure that additional members of the Restricted Group accede to this Agreement as Additional Guarantors in accordance with this Section 4.21 as may be required to ensure compliance with paragraph (a) above.
- (e) Compliance with paragraph (c) above shall only be tested on each June 30 and December 31 by reference to the most recent financial statements of the Parent Guarantor which have been delivered in accordance with Section 4.19 of this Indenture and certified in each Compliance Certificate delivered with such financial statements.
- (f) Notwithstanding that a Mexican Subsidiary or an Uruguayan Subsidiary may, from time to time, satisfy the provisions of the definition of "Material Subsidiary", no Mexican Subsidiary or Uruguayan Subsidiary shall be deemed to be a Material Subsidiary (other than for Section 6.01, in respect of which each such Mexican Subsidiary or Uruguayan Subsidiary shall be deemed to be a Material Subsidiary to the extent such entity falls within either of subsections (i) and (ii) of the definitions of "Material Subsidiary") and there shall be no obligation on any such Mexican or Uruguayan Subsidiary to accede to this Agreement as a Guarantor pursuant to this Section 4.22.
- SECTION 4.22. <u>Further Instruments and Acts</u>. Upon request of the Trustee (but without imposing any duty or obligation of any kind on the Trustee to make any such request), the Issuers and the Guarantors shall execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purpose of this Indenture.

- SECTION 4.23. <u>Additional Intercreditor Agreements</u>. (a) The Issuers, each Guarantor, the Trustee and the Security Agent are hereby authorized (without any further consent of the holders of the Notes) to enter into any other intercreditor agreement or deed (including a restatement, replacement, amendment, or other modification of the Intercreditor Agreement) in connection with entry into any future Indebtedness with substantially the same terms as the Intercreditor Agreement (the "<u>Additional Intercreditor Agreement</u>").
- (b) At the written direction of the Parent Guarantor or the Issuers and without the consent of the holders of the Notes, the Trustee or the Security Agent shall from time to time enter into one or more amendments to any Intercreditor Agreement to: (i) cure any ambiguity, omission, defect or inconsistency of any such agreement, (ii) increase the amount or types of Debt covered by any such agreement that may be incurred by the Parent Guarantor or any Restricted Group Member that is subject to any such agreement (provided that such Debt is incurred in compliance with this Indenture), (iii) add Restricted Group Members to the Intercreditor Agreement, (iv) further secure the Notes (including Additional Notes incurred in compliance with this Indenture), (v) make provision for equal and ratable pledges of the Collateral to secure Additional Notes incurred in compliance with this Indenture or to implement any Permitted Collateral Liens, (vi) enter into an Additional Intercreditor Agreement under circumstances provided for therein or (vii) make any other change to any such agreement that does not adversely affect the holders of the Notes in any material respect. Neither Issuer shall otherwise direct the Trustee or the Security Agent to enter into any amendment to any Intercreditor Agreement without the consent of the holders of the Notes of a majority in aggregate principal amount of the Notes then outstanding, except as otherwise permitted under Article Nine of this Indenture or as permitted by the terms of such Intercreditor Agreement, and the Issuers may only direct the Trustee or the Security Agent to enter into any amendment to the extent such amendment does not impose any personal obligations on the Trustee or the Security Agent or, in the opinion of the Trustee or the Security Agent, adversely affect the rights, duties, liabilities or immunities of the Trustee or the Security Agent under the Indenture relating to the Notes or any Intercreditor Agreement. In formulating its opinion on such matters, the Trustee shall be entitled to request and rely absolutely on such evidence as it deems appropriate, including an Officer's Certificate from the Issuers and an Opinion of Counsel
 - (c) Each holder of a Note, by accepting such Note, shall be deemed to have:
 - (i) appointed and authorized the Trustee to give effect to such provisions;
 - (ii) authorized the Trustee to become a party to any future intercreditor arrangements described above;
 - (iii) agreed to be bound by such provisions and the provisions of any future intercreditor arrangements described above; and
 - (iv) irrevocably appointed the Trustee to act on its behalf to enter into and comply with such provisions and the provisions of any future intercreditor arrangements described above.
- SECTION 4.24. <u>Stay, Extension and Usury Laws</u>. The Parent Guarantor and each of the Subsidiary Guarantors covenant (to the extent that it may lawfully do so) that they shall not at any time insist upon, plead, or in any manner whatsoever, claim or take the

benefit of advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Indenture and the Parent Guarantor and each of the Subsidiary Guarantors (to the extent that it may lawfully do so) hereby expressly waive all benefit or advantage of any such law, and covenants that they shall not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but shall suffer and permit the execution of every such power as tough so such law has been exacted.

SECTION 4.25. <u>Listing</u>. The Issuers shall use their best efforts to maintain the listing of the Notes on the Irish Stock Exchange for so long as such Notes are outstanding *provided* that if at any time the Issuers determine that they can no longer reasonably comply with the requirements for listing the Notes on the Irish Stock Exchange or if maintenance of such listing becomes unduly onerous, it shall obtain prior to the delisting of the Notes on the Irish Stock Exchange, and thereafter use its reasonable best efforts to maintain, a listing of such Notes on such other recognized stock exchange.

SECTION 4.26. Center of Main Interests and Establishments.

- (a) Prior to a Change of Control, each of Luxco 1 and Luxco 2 (and any successor Person) will, for the purposes of Council Regulation (EU) 2015/848 of May 20, 2015 on insolvency proceedings (recast) (the "EU Insolvency Regulation") or otherwise, ensure that its "centre of main interests" (as that term is used in Article 3(1) of the EU Insolvency Regulation) is situated in its original jurisdiction of incorporation and ensure that it has no "establishment" (as that term is used in Article 2(b) of the EU Insolvency Regulation) in any other jurisdiction. Notwithstanding the foregoing, the Parent Guarantor and each of Luxco 1 and Luxco 2 may sell, convey, transfer, lease or dispose of all or substantially all of their respective assets or consolidate with or merge into any person to the extent permitted by Section 4.27(c).
- (b) Without prejudice to the generality of the foregoing, prior to a Change of Control each of Luxco 1 and Luxco 2 (and any successor Person) will:
 - (i) hold all shareholders' meetings, all meetings of its board of managers and take all decisions in the Grand Duchy of Luxembourg, to the extent practicable; *provided* that if it is not reasonably practicable for a manager to be physically present at such meeting, then such manager can attend by teleconference or video conference, so long as the meeting is opened by a manager physically present in the Grand Duchy of Luxembourg;
 - (ii) ensure that at least half of its board of managers are resident in the Grand Duchy of Luxembourg; and
 - (iii) keep any share register, preferred equity certificates register, notes register or any other securities register, official corporate books and account records in the Grand Duchy of Luxembourg at its registered office.
- (c) Each of the Issuer, Luxco 1 and Luxco 2 (together, the "<u>Luxcos</u>") undertakes that its head office (*administration centrale*), its place of effective management (*siège de direction effective*) and (for the purposes of the EU Insolvency Regulation) its centre of main interests (*centre des intérêts principaux*) will be located at all times at the place of its registered office (*siège statutaire*) in Luxembourg.

- (d) None of the Luxcos will amend their articles of association in a way which would negatively affect any Transaction Security to which they are a party, any Lien granted thereunder, the assets subject to such Lien, the rights of the Security Agent under any Transaction Security or which could affect the location of their centre of main interests (centre des intérêts principaux) in Luxembourg.
- (e) None of the Luxcos will permit any increase in its share capital unless the shares are subscribed for by their current shareholder or if the subscriber of the new shares, prior to the creation and subscription of such new shares, accepts to pledge and actually pledges such new shares in favour of the Security Agent.
 - (f) None of the Luxcos shall issue any bearer shares or dematerialised shares.
- (g) The board of directors or managers of the Luxcos shall not be authorised to take any circular resolutions.
- (h) Promptly upon request of the holders of at least 25% in principal amount of the then outstanding Notes in the event they reasonably suspect there could have been a breach of any of the undertakings listed in this Section 4.26 or Section 4.27, each Luxco will provide copies of all convening notices for shareholder and board meetings, minutes of any shareholder and board meetings and copies of all resolutions, each from the last twelve (12) months, and copies of the current constitutional documents of the Luxcos.

SECTION 4.27. Maintenance of Double Luxco Structure.

- (a) Prior to a Change of Control, Luxco 1 or any successor Person will not sell, assign, convey, transfer, lease or otherwise dispose of any voting power of the Capital Stock and Voting Stock of Luxco 2 or any successor Person and will not otherwise cease to own and hold directly all of the total voting power of the Voting Stock of Luxco 2 or such successor Person and all of the Capital Stock of Luxco 2 or such successor Person shall constitute Collateral.
- (b) Prior to a Change of Control, Luxco 2 or any successor Person will not sell, assign, convey, transfer, lease or otherwise dispose of any voting power of the Capital Stock and Voting Stock of Codere Newco S.A.U. or any successor Person and will not otherwise cease to own and hold directly or indirectly all of the total voting power of the Voting Stock of Codere Newco S.A.U. or such successor Person (other than voting power in respect of directors' qualifying shares or shares (or other voting power in the Voting Stock) required by applicable law to be held by a Person other than Luxco 2 or such successor Person), and Luxco 2 or such successor Person will ensure that all of the Capital Stock of Codere Newco S.A.U. or its successor Person (other than directors' qualifying shares or shares (or other Capital Stock) required by applicable law to be held by a Person other than Luxco 2 or its successor Person) constitutes Collateral.
- (c) Notwithstanding Sections 4.27(a) and (b), the Parent Guarantor may sell, convey, transfer, lease or dispose of all or substantially all their respective assets or consolidate with or merge into any Person, so long as:
 - (i) in the case of Luxco 1, (A) the resulting, surviving or transferee person (the "successor Person" of Luxco 1) will be a Person organized and existing under the laws of the Grand Duchy of Luxembourg; (B) the successor

Person expressly assumes all of the obligations of Luxco 1 under this Indenture and the Notes (pursuant to an accession or a supplemental agreement executed and delivered in a form reasonably satisfactory to the Trustee) and all obligations of Luxco 1 under the Intercreditor Agreement, any Additional Intercreditor Agreement and the Security Documents (or the successor Person shall have entered into a security document creating a Lien over the relevant Collateral on substantially the same terms as the corresponding Security Document then in force), as applicable; and (C) immediately after giving effect to the transaction, no Default or Event of Default shall have occurred and is continuing; and

- (ii) in the case of Luxco 2, (A) the resulting, surviving or transferee Person (the "successor Person" of Luxco 2) will be a Person organized and existing under the laws of the Grand Duchy of Luxembourg; (B) the successor Person expressly assumes all of the obligations of Luxco 2 under this Indenture and the Notes (pursuant to an accession or supplemental agreement executed and delivered in a form reasonably satisfactory to the Trustee) and all obligations of Luxco 2 under the Intercreditor Agreement, any Additional Intercreditor Agreement and the Security Documents (or the successor Person shall have entered into a security document creating a Lien over the relevant Collateral on substantially the same terms as the corresponding Security Document then in force), as applicable; (C) immediately after giving effect to the transaction, no Default or Event of Default shall have occurred is continuing; and (D) Luxco 1 shall comply with the provisions of Section 4.27(c)(i).
- SECTION 4.28. <u>Limitation on Issuer Activities</u>. The Issuer shall not engage in any business activity or undertake any other activity, except any activity:
 - (i) relating to the offering, sale or issuance of the Notes or the incurrence of Debt by the Issuer represented by the Notes or the incurrence of other Debt permitted by the terms of this Indenture (including distributing, lending or otherwise advancing, whether directly or through an intermediary bank or institution, funds to any Restricted Group Member in the case of such other Debt);
 - (ii) undertaken with the purpose of, and directly related to, fulfilling its obligations under the Notes or this Indenture;
 - (iii) directly related to the establishment and maintenance of the Issuer's corporate existence (including redomiciliation);
 - (iv) reasonably related to the foregoing; or
 - (v) not specifically enumerated above that is de minimis in nature.
- SECTION 4.29. <u>Limitation on Codere Luxembourg 1 and Codere Luxembourg 2 Activities</u>. Notwithstanding anything contained in this Indenture, none of Luxco 1 or Luxco 2 shall engage in any business activity or undertake any other activity, except any activity (1) relating to the offering, sale or issuance of the Notes or the incurrence of Debt by Luxco 1 or Luxco 2 represented by the Notes or the incurrence of other Debt permitted by the terms of

this Indenture (including distributing, lending, relaying or otherwise advancing, whether directly or through an intermediary bank or institution, funds to or from any Restricted Group Member in the case of such other Debt); (2) related to the payment of dividends, the making of distributions to its parent company or payments permitted by Section 4.07; (3) undertaken with the purpose of, and directly related to, fulfilling its obligations under any Security Document or Subsidiary Guarantee to which it is a party; (4) related or reasonably incidental to the establishment and/or maintenance of its corporate existence and the corporate existence of its Subsidiaries, if any; (5) involving the provision of administrative services and management services to its Subsidiaries, if any, of a type customarily provided by a holding company to its Subsidiaries and the ownership of assets needed to provide such service (which, for the avoidance of doubt, shall not include any other assets not necessary for such holding company activities); (6) related to the ownership of the Capital Stock of its immediate Subsidiary, if any; (7) related to the issuance of Capital Stock and activities related to any stock option plan or any other management or employee benefit or incentive plan; (8) related to the ownership of cash and Cash Equivalents; (9) reasonably related to the foregoing; and (10) not specifically enumerated above that is de minimis in nature.

SECTION 4.30. <u>Liquidity Covenant</u>. (a) Subject to Section 9.01(j), the Parent Guarantor and its Restricted Group Members shall, on a consolidated basis, maintain a minimum aggregate amount of €40 million in cash, Cash Equivalents, and borrowings available under their Credit Facilities (the "<u>Available Liquidity</u>"), tested monthly (the "<u>Test Period</u>") by reference to the Parent Guarantor's consolidated monthly balance sheet, *unless* (i) the Consolidated Net Leverage Ratio for the Parent Guarantor and its Restricted Group Member's most recently ended fiscal month is less than 3.00 to 1.00 or (ii) the Notes receive a rating equal to or higher than two of the following: (i) "B-" (or the equivalent) from Fitch, (ii) "B-" (or the equivalent) from Moody's.

(b) In the event that the Available Liquidity for a Test Period does not meet the required amount under Section 4.30(a), the Issuer shall notify the Trustee in writing within 10 days from the date such a determination was made.

SECTION 4.31. Suspension of Covenants on Achievement of Investment Grade Status. If on any date following the date of this Indenture, the Notes have achieved Investment Grade Status and no Default or Event of Default has occurred and is continuing (a "Suspension Event"), then, from the date that the Parent Guarantor delivers to the Trustee an Officer's Certificate declaring that Investment Grade Status has been achieved and continuing until the Reversion Date, the following covenants of this Indenture shall not apply to the Notes: Section 4.06, Section 4.07, Section 4.09, Section 4.11, Section 4.13, Section 4.17 and the provisions of Section 5.01(a)(iii)(A) and, in each case, any related default provisions of this Indenture shall cease to be effective and shall not be applicable to the Parent Guarantor and its Restricted Group Members. For purposes of determining compliance with Section 4.11 of this Indenture, the amount of Net Proceeds from all Asset Sales not applied in accordance with Section 4.11 will be deemed to reset to zero. Such covenants and any related default provisions shall again apply according to their terms from the first day on which a Suspension Event ceases to be in effect. Such covenants shall not, however, be of any effect with regard to actions of the Parent Guarantor and the Restricted Group Members properly taken during the continuance of the Suspension Event, and Section 4.07 shall be interpreted as if it has been in effect since the date of this Indenture except that no default shall be deemed to have occurred solely by reason of a Restricted Payment made while that covenant was suspended. On the Reversion Date, all Debt incurred during the

continuance of the Suspension Event will be classified, at the Parent Guarantor's option, as having been incurred pursuant to Section 4.06(a) or Section 4.06(b) (to the extent such Debt would be permitted to be incurred thereunder as of the Reversion Date and after giving effect to Debt incurred prior to the Suspension Event and outstanding on the Reversion Date). To the extent such Debt would not be so permitted to be incurred under Section 4.06(a) or Section 4.06(b), such Debt will be deemed to have been outstanding on the date of this Indenture, so that it is classified as permitted.

On and after each Reversion Date, the Parent Guarantor and its Subsidiaries will be permitted to consummate the transactions contemplated by any agreement or commitment entered into during the relevant period of suspension, so long as such agreement or commitment and such consummation would have been permitted during such period of suspension.

- SECTION 4.32. <u>Limitation on the Co-Issuer</u>. (a) The Parent Guarantor shall cause the Co-Issuer not to trade, carry on any business, own any assets, incur Debt, make any payments or investments or engage in any activity, other than:
- (i) relating to the offering, sale or issuance of the Notes or the incurrence of Debt by the Co-Issuer represented by the Notes;
- (ii) undertaken with the purpose of, and directly related to, fulfilling its obligations under the Notes or the Indenture;
- (iii) directly related to the establishment and maintenance of the Co-Issuer's corporate existence or its liquidation, dissolution or wind down; or
- (iv) relating to the completion and enforcement of the Scheme (as defined in the Lock-Up Agreement) and any ancillary actions related thereto;
- (b) The Parent Guarantor shall not, and shall not permit any Restricted Group Member to, directly or indirectly (including, for the avoidance of doubt, through an Unrestricted Group Member) make any Restricted Payment or Investment or other transfer of value to or in the Co-Issuer other than directly for the establishment and maintenance of the Co-Issuer's corporate existence or its liquidation, dissolution or winding down costs.

ARTICLE FIVE CONSOLIDATION, MERGER OR SALE OF ASSETS

- SECTION 5.01. <u>Consolidation, Merger or Sale of Assets.</u> (a) The Parent Guarantor shall not, directly or indirectly consolidate or merge with or into another Person (whether or not the Parent Guarantor is the surviving corporation); or sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Parent Guarantor and its Restricted Group Members taken as a whole, in one or more related transactions, to another Person; unless:
 - (i) either: (A) the Parent Guarantor is the surviving corporation; or (B) the Person formed by or surviving any such consolidation or merger (if other than the Parent Guarantor) or to which such sale, assignment, transfer, conveyance or other disposition has been made:

- (I) is a corporation organized or existing under the laws of (w) Spain, (x) any other member of the European Union that has adopted the Euro as its national currency, (y) the United Kingdom or (z) the United States, any state of the United States or the District of Columbia; and
- (II) assumes all the obligations of the Parent Guarantor under the Parent Guarantee and this Indenture pursuant to agreements reasonably satisfactory to the Trustee;
- (ii) immediately after giving effect to such transaction, no Default or Event of Default exists or would exist; and
- (iii) the Parent Guarantor or the Person formed by or surviving any such consolidation or merger (if other than the Parent Guarantor) or to which such sale, assignment, transfer, conveyance or other disposition has been made, as the case may be, shall:
 - (A) on the date of such transaction after giving pro forma effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable four-quarter period, (I) be permitted to incur at least €1.00 of additional Debt pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4.06(a) of this Indenture or (II) the Fixed Charge Coverage Ratio would have been equal to or higher than such ratio immediately prior to such transaction; and
 - (B) if the surviving Person is not the Parent Guarantor, have delivered to the Trustee, in form and substance satisfactory to the Trustee, an Officers' Certificate and an opinion of independent counsel (on each of which the Trustee shall rely absolutely), each stating that such consolidation, merger, sale, assignment, conveyance, transfer, lease or other disposition, and if a supplemental indenture is required in connection with such transaction, such supplemental indenture, complies with the requirements of this Indenture and that all conditions precedent in this Indenture relating to such transaction have been satisfied and that this Indenture and the Parent Guarantee constitute legal, valid and binding obligations of the continuing person, enforceable in accordance with their terms, subject to customary qualifications as determined by the Board of Directors of the Parent Guarantor acting in good faith.

Notwithstanding the foregoing clause (iii), any Restricted Group Member may consolidate with, merge with or into or transfer all or part of its properties and assets to the Parent Guarantor so long as no Equity Interests of such Restricted Group Member are distributed to any Person other than the Parent Guarantor; and the Parent Guarantor may consolidate or merge with or into an Affiliate of the Parent Guarantor solely for the purpose of reincorporating the Parent Guarantor in Spain, any other member of the European Union that has adopted the euro as its national currency, the United Kingdom or the United States, any state of the United States or the District of Columbia.

- (b) In addition, the Parent Guarantor may not, directly or indirectly, lease all or substantially all of its properties or assets, in one or more related transactions, to any other Person.
- (c) The Issuer may not merge, consolidate or amalgamate with or into any other Person or sell, transfer, assign, lease, convey or otherwise dispose of all or substantially all of its property in any one transaction or series of related transactions; *provided*, *however*, that the Issuer may consolidate or merge with or into another Person if:
 - (i) the Person formed by or surviving any such consolidation or merger:
 - (A) is a corporation organized or existing under the laws of (i) Spain, (ii) any other member of the European Union that has adopted the euro as its national currency, (iii) the United Kingdom or (iv) the United States, any state of the United States or the District of Columbia; and
 - (B) assumes all the obligations of the Issuer under the Notes and this Indenture pursuant to agreements reasonably satisfactory to the Trustee;
 - (ii) immediately after giving effect to such transaction, no Default or Event of Default exists or would exist;
 - (iii) the Person formed by or surviving any such consolidation or merger shall:
 - (A) on the date of such transaction after giving pro forma effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable four-quarter period, (I) be permitted to incur at least €1.00 of additional Debt pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4.06(a) of this Indenture or (II) the Fixed Charge Coverage Ratio would have been equal to or higher than such ratio immediately prior to such transactions; and
 - if the surviving Person is not the Issuer, have delivered to the (B) Trustee, in form and substance satisfactory to the Trustee, an Officers' Certificate (attaching the computations demonstrate compliance with clause (A) above) and an opinion of independent counsel (on each of which the Trustee shall rely absolutely), each stating that such consolidation or merger, and if a supplemental indenture is required in connection with such transaction, such supplemental indenture, complies with the requirements of this Indenture and that all conditions precedent in this Indenture relating to such transaction have been satisfied and that this Indenture and the Notes constitute legal, valid and binding obligations of the continuing person, enforceable in accordance with their terms, subject to customary qualifications

as determined by the Board of Directors of the Parent Guarantor acting in good faith; and

(iv) the Issuer indemnifies each holder and beneficial owner on an after-tax basis for the full amount of any and all Taxes imposed on such a holder or beneficial owner of any Notes resulting from such consolidation or merger.

Notwithstanding the foregoing clause (iii), any Restricted Group Member may consolidate with, merge with or into or transfer all or part of its properties and assets to the Issuer so long as no Equity Interests of the Restricted Group Member are distributed to any Person other than the Issuer; and the Issuer may consolidate or merge with or into an Affiliate of the Issuer solely for the purpose of reincorporating the Issuer in Spain, any other member of the European Union that has adopted the euro as its national currency, the United Kingdom or the United States, any state of the United States or the District of Columbia.

ARTICLE SIX DEFAULTS AND REMEDIES

SECTION 6.01. <u>Events of Default</u>. (a) Each of the following shall be an "<u>Event</u> of Default" under this Indenture:

- (i) default for 30 days in the payment when due of interest on, or Additional Amounts with respect to, the Notes;
- (ii) default in payment when due of the principal of, or premium, if any, on the Notes;
- (iii) failure by the Parent Guarantor or any Restricted Group Member to comply for 30 days after written notice by the Trustee or by holders of 25% in principal amount of Notes then outstanding with Section 4.15 or Article Five of this Indenture;
- (iv) failure by the Parent Guarantor or any Restricted Group Member for 60 days after notice from the Trustee or the holders of at least 25% in aggregate principal amount of the Notes to comply with any of the other agreements or obligations in this Indenture; *provided, however*, that failure to comply with Section 4.26 or Section 4.27 shall result in an immediate Event of Default;
- (v) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Debt for money borrowed by the Parent Guarantor or any Restricted Group Member (or the payment of which is guaranteed by the Parent Guarantor or any Restricted Group Member) whether such Debt or guarantee now exists, or is created after the date of this Indenture, if that default:
 - (A) is caused by a failure to pay principal on such Debt upon the expiration of the grace period after final maturity provided in such Debt on the date of such default (a "Payment Default"); or

(B) results in the acceleration of such Debt (which acceleration has not been rescinded, annulled or otherwise cured within 10 days from the date of acceleration) prior to its express maturity;

and, in each case, the principal amount of any such Debt, together with the principal amount of any other such Debt under which there has been a Payment Default or the maturity of which has been so accelerated (and the 10-day period described above has elapsed), aggregates €50.0 million or more; *provided*, *however*, that no such default will be deemed to have occurred with respect to any obligations of Carrasco Nobile S.A. and its successors and assigns;

- (vi) failure by the Parent Guarantor or any Restricted Group Member to pay final judgments (exclusive of any amounts relating to a claim that has been submitted to an insurer and for which the insurer has not disclaimed or indicated an intent to disclaim responsibility for payment thereof) aggregating in excess of €50.0 million (in excess of amounts which the Parent Guarantor's or such Restricted Group Member's insurance carriers have agreed to pay under applicable policies), which judgments are not paid, discharged or stayed for a period of 60 days;
- (vii) except as permitted by this Indenture, the Notes, any Guarantee of the Parent Guarantor or a Subsidiary Guarantor that is a Significant Subsidiary or any group of Subsidiary Guarantors that, taken together, would constitute a Significant Subsidiary shall be held in any judicial proceeding to be unenforceable or invalid or shall cease for any reason to be in full force and effect or any of the Parent Guarantor or a Subsidiary Guarantor that is a Significant Subsidiary, the Issuer, or any Person acting on behalf of the Issuer or any such Guarantor, shall deny or disaffirm its obligations under the Notes or its Guarantee;
- (viii) other than in connection with the Scheme (as defined in the Lock-Up Agreement), any attachment (saises) is levied against any of the pledged shares of any of the Luxcos or the entry by a court of competent jurisdiction of (A) a decree or order for relief in respect of the Parent Guarantor or any Subsidiary Guarantor that is a Significant Subsidiary (other than Carrasco Nobile S.A. and its successors and assigns) in an involuntary case or proceeding under any applicable Bankruptcy Law or (B) a decree or order adjudging the Parent Guarantor or a Subsidiary Guarantor that is a Significant Subsidiary (other than Carrasco Nobile S.A. and its successors and assigns) bankrupt or insolvent, or seeking reorganization, arrangement, adjustment or composition of or in respect of the Parent Guarantor or a Subsidiary Guarantor that is a Significant Subsidiary (other than Carrasco Nobile S.A. and its successors and assigns) under any applicable law, or appointing a custodian, receiver, liquidator, assignee, Trustee, sequestrator (or other similar official) of the Parent Guarantor or any Subsidiary Guarantor that is a Significant Subsidiary (other than Carrasco Nobile S.A. and its successors and assigns) or of any substantial part of their respective properties or ordering the winding up or liquidation of their affairs, and any such decree, order, attachment or appointment pursuant to any Bankruptcy Law for relief shall

continue to be in effect, or any such other decree, appointment, attachment or order shall be unstayed and in effect, for a period of 100 consecutive days;

- (ix) other than in connection with the Scheme (as defined in the Lock-Up Agreement), (A) the Parent Guarantor or any Subsidiary Guarantor that is a Significant Subsidiary (other than Carrasco Nobile S.A. and its successors and assigns) (x) commences a voluntary case or proceeding under any applicable Bankruptcy Law or any other case or proceeding to be adjudicated bankrupt or insolvent or (y) consents to the filing of a petition, application, answer or consent seeking reorganization or relief under any applicable Bankruptcy Law, (B) the Parent Guarantor or any Subsidiary Guarantor that is a Significant Subsidiary (other than Carrasco Nobile S.A. and its successors and assigns) consents to the entry of a decree or order for relief in respect of the Parent Guarantor or any Subsidiary Guarantor that is a Significant Subsidiary in an involuntary case or proceeding under any applicable Bankruptcy Law or to the commencement of any bankruptcy, concurso mercantil or insolvency case or proceeding against it or, (C) the Parent Guarantor or any Subsidiary Guarantor that is a Significant Subsidiary (other than Carrasco Nobile S.A. and its successors and assigns) (x) consents to the appointment of, or taking possession by, a custodian, receiver, liquidator, administrator, supervisor, assignee, Trustee, sequestrator or similar official of the Parent Guarantor or any Subsidiary Guarantor that is a Significant Subsidiary (other than Carrasco Nobile S.A. and its successors and assigns) or of any substantial part of their respective properties, (y) makes an assignment for the benefit of creditors or (z) admits in writing its inability to pay its debts generally as they become due; or
- (x) the security interests under any of the Security Documents shall, at any time, other than in accordance with their terms, this Indenture or the Intercreditor Agreement cease to be in full force and effect for any reason other than the satisfaction in full of all obligations under this Indenture, discharge of this Indenture or the release of such security interests in accordance with the terms of this Indenture or the Intercreditor Agreement, or any security interest created thereunder is declared invalid or unenforceable, or the Issuer or any Guarantor asserts in writing that any such security interest is invalid or unenforceable and such Default continues for a period of 30 days; provided that this clause (x) will only apply to security interests in respect of Collateral with an aggregate value of more than €50.0 million.
- (b) If a Default or an Event of Default occurs and is continuing and is known to the Trustee, the Trustee shall mail to each holder of the Notes notice of the Default or Event of Default within 30 Business Days after it occurs and is known to the Trustee. Except in the case of a Default or an Event of Default in payment of principal of, premium, if any, Additional Amounts or interest on any Notes, the Trustee may withhold the notice to the holders of such Notes if a committee of its trust officers in good faith determines that withholding the notice is in the interests of the holders of the Notes.

The Trustee shall not be responsible for monitoring any of the covenants or restrictions or obligations contained in the Notes or in this Indenture. The Parent Guarantor and the Issuers are required to deliver to the Trustee annually a statement regarding compliance with this Indenture. Upon becoming aware of any Default or Event of Default,

the Parent Guarantor and the Issuers are required to deliver to the Trustee a statement specifying such Default or Event of Default. In all instances under this Indenture, the Trustee shall be entitled to rely on any certificates, statements or opinions delivered pursuant to this Indenture absolutely and shall not be obliged to enquire further as regards the circumstances then existing and shall not be responsible to the holders of the Notes for so relying.

SECTION 6.02. <u>Acceleration</u>. (a) In the case of an Event of Default specified in Sections 6.01(a)(viii) and (ix), above (with respect to the Parent Guarantor or the Issuers), all outstanding Notes shall become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the holders of at least 25% in principal amount of the then outstanding Notes may, and the Trustee, upon the request of such holders (provided it has been indemnified and/or secured (including by way of pre-funding) to its satisfaction), shall, declare all the Notes to be due and payable immediately.

- (b) At any time after a declaration of acceleration under this Indenture, but before a judgment or decree for payment of the money due has been obtained by the Trustee, the holders of a majority in aggregate principal amount of the outstanding Notes, by written notice to the Parent Guarantor and the Trustee, may rescind such declaration and its consequences if:
 - (A) the Issuers have paid or deposited with the Trustee a sum sufficient to pay all sums paid or advanced by the Trustee under this Indenture and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel;
 - (B) the rescission would not conflict with any judgment or decree of a court of competent jurisdiction; and
 - (C) except for an Event of Default in the payment of amounts of principal of, premium, if any, and any Additional Amounts and interest on the Notes.
- (c) No such rescission shall affect any subsequent default or impair any right consequent thereon.

SECTION 6.03. Other Remedies. If an Event of Default occurs and is continuing, the Trustee may in its discretion proceed to protect and enforce its rights and the rights of the Holders by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.

All rights of action and claims under this Indenture or the Notes may be prosecuted and enforced by the Trustee without the possession of any of the Notes or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name and as Trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders in respect of which such judgment has been recovered.

SECTION 6.04. <u>Waiver of Past Defaults</u>. The holders of a majority in aggregate principal amount of the Notes then outstanding by notice to the Trustee may on behalf of the holders of all of the Notes waive any existing Default or Event of Default and its consequences under this Indenture except a continuing Default or Event of Default in the payment of interest or Additional Amounts on, or the principal of, the Notes.

Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon.

SECTION 6.05. <u>Control by Majority</u>. The Holders of not less than a majority in aggregate principal amount of the Notes may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee under this Indenture; *provided*, that:

- (a) the Trustee may refuse to follow any direction that conflicts with law, this Indenture or that the Trustee determines in good faith may be unduly prejudicial to the rights of holders not joining in the giving of such direction;
- (b) the Trustee may refuse to follow any direction that the Trustee determines is unduly prejudicial to the rights of other Holders or would involve the Trustee in personal liability; and
- (c) the Trustee may take any other action deemed proper by the Trustee that is not inconsistent with such direction.

SECTION 6.06. <u>Limitation on Suits</u>. No holder of any of the Notes has any right to institute any proceedings with respect to this Indenture or any remedy thereunder, unless (a) the holders of at least 25% in aggregate principal amount of the outstanding Notes have made a written request, and offered indemnity or security including by way of pre-funding satisfactory to the Trustee, to the Trustee to institute such proceeding as Trustee under the Notes and this Indenture, (b) the Trustee has failed to institute such proceeding within 60 Business Days after receipt of such notice and (c) the Trustee within such 60 Business Day period has not received directions inconsistent with such written request by holders of a majority in aggregate principal amount of the outstanding Notes.

Such limitations do not, however, apply to a suit instituted by a holder of a Note for the enforcement of the payment of the principal of, premium, if any, and Additional Amounts or interest on such Note on or after the respective due dates expressed in such Note.

SECTION 6.07. <u>Collection Suit by Trustee</u>. The Issuers covenant that if default is made in the payment of:

- (a) any installment of interest on any Note when such interest becomes due and payable and such default continues for a period of 30 days, or
 - (b) the principal of (or premium, if any, on) any Note at the Maturity thereof,

the Issuers shall, subject to Article Eleven and the provisions of the Intercreditor Agreement, upon demand of the Trustee, pay to the Trustee for the benefit of the Holders of such Notes, the whole amount then due and payable on such Notes for principal (and premium, if any),

Additional Amounts, if any and interest, and interest on any overdue principal (and premium, if any) and Additional Amounts, if any and, to the extent that payment of such interest shall be legally enforceable, upon any overdue installment of interest, at the rate borne by the Notes, and, in addition thereto, such further amount as shall be sufficient to cover the amounts provided for in Section 7.06 and such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

(c) If the Issuers, subject to Article Eleven and the provisions of the Intercreditor Agreement, fails to pay such amounts forthwith upon such demand, the Trustee, in its own name as Trustee of an express trust, may institute a judicial proceeding for the collection of the sums so due and unpaid, may prosecute such proceeding to judgment or final decree and may enforce the same against the Issuers or any other obligor upon the Notes and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Issuers or any other obligor upon the Notes, wherever situated.

SECTION 6.08. Trustee May File Proofs of Claim. The Trustee may file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due to the Trustee under Section 7.06) and the Holders allowed in any judicial proceedings relative to the Issuers or any Guarantor, their creditors or their property and, unless prohibited by law or applicable regulations, may vote on behalf of the Holders at their direction in any election of a trustee in bankruptcy or other Person performing similar functions, and any custodian in any such judicial proceeding is hereby authorized by each Holder to make payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and its counsel, and any other amounts due to the Trustee under Section 7.06. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due to the Trustee under Section 7.06 hereof out of the estate in any such proceeding shall be denied for any reason, payment of the same shall be secured by a Lien on, and shall be paid out of, any and all distributions, dividends, money, securities and other properties that the Holders may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise.

Nothing herein contained shall be deemed to empower the Trustee to authorize or consent to, or accept or adopt on behalf of any Holder, any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

SECTION 6.09. <u>Application of Money Collected</u>. If the Trustee collects any money or property pursuant to this Article Six, it shall pay out the money or property in the following order:

FIRST: to the Trustee and to each Agent for amounts due to them under Section 7.06;

to Holders for amounts due and unpaid on the Notes for principal of, SECOND:

premium, if any, interest, if any, and Additional Amounts, if any, ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal, premium, if any,

interest, if any, and Additional Amounts, if any, respectively; and

to the Issuers, any Guarantor or any other obligors of the Notes, as THIRD:

their interests may appear, or as a court of competent jurisdiction may

direct.

The Trustee may fix a record date and payment date for any payment to Holders pursuant to this Section 6.09. At least 15 days before such record date, the Issuers shall mail to each Holder and the Trustee a notice that states the record date, the payment date and amount to be paid.

Undertaking for Costs. A court may in its discretion require, in SECTION 6.10. any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in the suit of an undertaking to pay the costs of such suit, and such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.10 does not apply to a suit by the Trustee, a suit by Holders of more than 10% in aggregate principal amount of the outstanding Notes or to any suit by any Holder pursuant to Section 6.06.

Restoration of Rights and Remedies. If the Trustee or any SECTION 6.11. Holder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case, subject to any determination in such proceeding, the Issuers, any Guarantor, the Trustee and the Holders shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding had been instituted.

SECTION 6.12. Rights and Remedies Cumulative. Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Notes in Section 2.07, no right or remedy herein conferred upon or reserved to the Trustee or to the Holders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

SECTION 6.13. Delay or Omission not Waiver. No delay or omission of the Trustee or of any Holder of any Note to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article Six or by law to the Trustee or to the Holders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders, as the case may be.

SECTION 6.14. Record Date. The Issuers may set a record date for purposes of determining the identity of Holders entitled to vote or to consent to any action by vote or consent authorized or permitted by Sections 6.04 and 6.05. Unless this Indenture provides otherwise, such record date shall be the later of 30 days prior to the first solicitation of such consent or the date of the most recent list of Holders furnished to the Trustee pursuant to Section 2.05 prior to such solicitation.

SECTION 6.15. Waiver of Stay or Extension Laws. The Issuers covenant (to the extent that they may lawfully do so) that they shall not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Indenture; and the Issuers (to the extent that they may lawfully do so) hereby expressly waive all benefit or advantage of any such law and covenants that they shall not hinder, delay or impede the execution of any power herein granted to the Trustee, but shall suffer and permit the execution of every such power as though no such law had been enacted.

ARTICLE SEVEN TRUSTEE AND PAYING AGENT

SECTION 7.01. <u>Duties</u>. (a) If an Event of Default has occurred and is continuing of which a Trust Officer of the Trustee has actual knowledge, the Trustee shall exercise such of the rights and powers vested in it under this Indenture subject and use the same degree of care in their exercise that a prudent person would use under the circumstances in conducting its own affairs.

- (b) Except during the continuance of an Event of Default of which a Trust Officer of the Trustee has actual knowledge: (i) the Trustee and the Paying Agent undertake to perform such duties and only such duties as are specifically set forth in this Indenture and no others and no implied covenants or obligations shall be read into this Indenture against the Trustee; provided that to the extent the duties of the Trustee and the Paying Agent under this Indenture and the Notes may be qualified, limited or otherwise affected by the provisions of the Intercreditor Agreement, the Trustee and the Paying Agent shall be required to perform those duties only as so qualified, limited or affected, and shall be held harmless and shall not incur any liability for so acting; and (ii) in the absence of bad faith on its part, the Trustee and the Paying Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and the Paying Agent and conforming to the requirements of this Indenture. In the case of any such certificates or opinions which by any provisions hereof are specifically required to be furnished to the Trustee and the Paying Agent, the Trustee and the Paying Agent shall examine same to determine whether they conform to the requirements of this Indenture (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein).
- (c) The Trustee and the Paying Agent shall not be relieved from liability for its own negligent action, its own negligent failure to act or its own willful misconduct, except that:
 - (i) this paragraph does not limit the effect of paragraph (b) of this Section 7.01;

- (ii) the Trustee and the Paying Agent shall not be liable for any error of judgment made in good faith by a Trust Officer unless it is proved that the Trustee and the Paying Agent were negligent in ascertaining the pertinent facts; and
- (iii) the Trustee and the Paying Agent shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.02 or 6.05.
- (d) The Trustee and the Paying Agent shall not be liable for interest on any money received by it except as the Trustee and the Paying Agent (as applicable) may agree in writing with the Issuers or any Guarantor. Money held in trust by the Trustee and Paying Agent need not be segregated from other funds except to the extent required by law.
- (e) No provision of this Indenture shall require the Trustee or the Paying Agent to expend or risk its own funds or otherwise incur financial liability in the performance of any of their respective duties hereunder or in the exercise of any of their respective rights or powers.
- (f) Every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee or the Paying Agent (as the case may be) shall be subject to the provisions of this Section 7.01.
- (g) The Trustee shall not be deemed to have notice or any knowledge of any matter (including, without limitation, Defaults or Events of Default) unless a Trust Officer assigned to and working in the Trustee's corporate trust and agency department has actual knowledge thereof or unless written notice thereof is received by the Trustee in accordance with the terms of this Indenture and such notice clearly references the Notes, the Issuers or this Indenture.

SECTION 7.02. <u>Certain Rights of Trustee and the Paying Agent</u>. (a) Subject to Section 7.01:

- (i) the Trustee and the Paying Agent may rely, and shall be protected in acting or refraining from acting, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document believed by them to be genuine and to have been signed or presented by the proper person, whether or not the proper person limits their liability under such document by a monetary cap or otherwise;
- (ii) before the Trustee or the Paying Agent, as applicable, acts or refrains from acting, it may require an Officer's Certificate or an opinion of counsel, which shall conform to Section 14.05. The Trustee and the Paying Agent shall not be liable for any action they take or omit to take in good faith in reliance on such certificate or opinion. The Trustee and the Paying Agent may consult with counsel and any opinion of counsel shall be full and complete authorization and protection from liability in respect of any action taken, suffered or omitted by them hereunder in good faith and in reliance thereon;

- (iii) each of the Trustee and the Paying Agent may act through its attorneys and agents and shall not be responsible for the misconduct or negligence of any attorney or agent appointed with due care by it;
- (iv) neither the Trustee nor the Paying Agent shall be under obligation to exercise any of the rights or powers under this Indenture at the request of any of the Holders, unless such Holders shall have offered to the Trustee and the Paying Agent (as applicable) security (including by way of pre-funding) and indemnity satisfactory to them against loss, liability or expense;
- (v) the Trustee shall not be liable for any action it takes or omits to take in good faith that it believes to be authorized or within its rights or powers, *provided* that the Trustee's conduct does not constitute negligence or bad faith;
- (vi) whenever in the administration of this Indenture the Trustee or the Paying Agent shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee and the Paying Agent (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officer's Certificate;
- (vii) the Trustee and the Paying Agent shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee and the Paying Agent (as applicable), in their discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee or the Paying Agent 8as applicable) shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Issuers personally or by agent or attorney;
- (viii) neither the Trustee nor the Paying Agent shall be required to give any bond or surety with respect to the performance of its duties or the exercise of its powers under this Indenture;
- (ix) in the event the Trustee or the Paying Agent receives inconsistent or conflicting requests and indemnity from two or more groups of holders, each representing less than a majority in aggregate principal amount of the Notes then outstanding, pursuant to the provisions of this Indenture, the Trustee and the Paying Agent (as applicable), in its sole discretion, may determine what action, if any, shall be taken and shall not incur any liability for their failure to act until such inconsistency or conflict is, in the Trustee's reasonable opinion, resolved;
- (x) the permissive right of the Trustee and the Paying Agent to take the actions permitted by this Indenture (as may be qualified, limited or otherwise affected by the provisions of the Intercreditor Agreement shall not be construed as an obligation or duty to do so;

- (xi) delivery of reports, information and documents to the Trustee under Section 4.19 is for informational purposes only and the Trustee's receipt of the foregoing shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Issuers' compliance with any of their covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officer's Certificates);
- (xii) whether or not expressly provided in any other provision herein, the rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its rights to be indemnified and all other rights provided in Section 7.07, Section 7.06, Section 7.01(d) and (e) and this Section 7.02, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and each Agent, custodian and other Person employed to act hereunder;
- (xiii) the Trustee may consult with counsel and the advice of such counsel or any opinion of counsel shall, subject to Section 7.01(c), be full and complete authorization and protection from liability in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;
- (xiv) except with respect to Section 4.01, the Trustee shall have no duty to inquire as to the performance of the Parent Guarantor or any Restricted Group Member with respect to the covenants contained in Article Four;
- (xv) except as otherwise required by this Indenture or the terms of the Notes, the Trustee and the Paying Agent shall not have any obligation or duty to monitor, determine or inquire as to compliance, and shall not be responsible or liable for compliance, with restrictions on transfer, exchange, redemption, purchase or repurchase, as applicable, of minimum denominations imposed under this Indenture or under applicable law or regulation with respect of any transfer, exchange, redemption, purchase or repurchase, as applicable, of any interest in any Note;
- (xvi) if any Guarantor is substituted to make payments on behalf of the Issuers pursuant to Article Ten, the Issuers and the relevant Guarantor shall promptly notify the Trustee and the Paying Agent and any clearing house through which the Notes are traded of such substitution;
- (xvii) under no circumstances shall the Trustee and the Paying Agent be liable for any consequential loss or damage to the Issuers or any Guarantor (including loss of business, goodwill, opportunity or profit), even if advised of the possibility of such loss or damage; and
- (xviii) no provision of this Indenture shall require the Trustee and the Paying Agent to do anything which, in their reasonable opinion, may be illegal or contrary to applicable law or regulation.
- (b) The Trustee and the Paying Agent may request that the Issuers deliver an Officer's Certificate setting forth the names of the individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture, which Officer's

Certificate may be signed by any person authorized to sign an Officer's Certificate, including any person specified as so authorized in any such certificate previously delivered and not superseded.

SECTION 7.03. <u>Individual Rights of Trustee</u>. The Trustee, any Paying Agent, any Registrar or any other agent of the Issuers or of the Trustee, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with the Issuers with the same rights it would have if it were not Trustee, Paying Agent, Registrar or such other agent.

SECTION 7.04. <u>Trustee's Disclaimer</u>. The recitals contained herein and in the Notes, except for the Trustee's certificates of authentication, shall be taken as the statements of the Issuers, and the Trustee assumes no responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Notes, except that the Trustee represents that it is duly authorized to execute and deliver this Indenture, authenticate the Notes and perform its obligations hereunder. The Trustee shall not be accountable for the use or application by the Issuers of Notes or the proceeds thereof or the use or application of any money received by any Paying Agent other than the Trustee.

SECTION 7.05. [Reserved]

SECTION 7.06. Compensation and Indemnity. The Issuers, failing which the Guarantors, shall pay to the Trustee and the Paying Agent such compensation as shall be agreed in writing for its services hereunder. The Trustee's compensation shall not be limited by any law on compensation of a trustee of an express trust. The Issuers, failing which the Guarantors, shall reimburse the Trustee and the Paying Agent promptly upon request for all reasonable out-of-pocket expenses incurred or made by it, including costs of collection, in addition to the compensation for its services. Such expenses shall include the reasonable compensation and out-of-pocket expenses of the Trustee's and the Paying Agent's agents and counsel.

The Issuers, failing which each of the Guarantors and/or any Additional Guarantor, shall indemnify, jointly and severally, the Trustee, the Agents and their officers, directors, employees and agents and its officers, directors and agents for and hold harmless against any and all loss, liability or expense (including attorneys' fees and expenses) incurred by it without willful misconduct or negligence on its part arising out of or in connection with the administration and the performance of its duties hereunder, (including, without limitation, the costs and expenses of enforcing this Indenture against the Issuers and the Guarantors (including this Section 7.06) and defending itself against any claim (whether asserted by the Issuers, any Guarantor, any Holder or any other Person) or liability in connection with the execution and performance of any of its powers and duties hereunder, as such duties may be modified, qualified or otherwise affected by the Intercreditor Agreement. The Trustee or any Agents, as the case may be, shall notify the Issuers promptly of any claim for which it may seek indemnity. Failure by the Trustee or any Agents, as the case may be, to so notify the Issuers shall not relieve the Issuers or any Guarantor of its obligations hereunder. The Issuers shall, at the Trustee's or any Agent's, as the case may be, sole discretion, defend the claim and the Trustee or any Agents, as the case may be, shall reasonably cooperate and may participate at the Issuers' expense in such defense. Alternatively, the Trustee or any Agents, as the case may be, may have separate counsel of its own choosing and the Issuers shall pay the fees and expenses of such counsel. The Issuers need not pay for any settlement made without its consent, which consent may not be unreasonably withheld. The Issuers shall not

reimburse any expense or indemnify against any loss, liability or expense incurred by the Trustee or any Agents, as the case may be, through the Trustee's or any Agent's, as the case may be, own willful misconduct or negligence.

The total liability of the Paying Agent, contractual or legal related to the compliance, default or omission by it of its obligations and undertakings under this Indenture, shall not exceed, in aggregate, the total compensation to be paid to the Paying Agent.

To secure the Issuers' and Guarantors' payment obligations in this Section 7.06, the Trustee shall have a Lien prior to the Notes on all money or property held or collected by the Trustee, in its capacity as Trustee, except money or property held in trust to pay principal of, premium, if any, and interest on particular Notes. Such lien shall survive the satisfaction and discharge of this Indenture.

When the Trustee incurs expenses after the occurrence of a Default specified in Section 6.01(a)(viii) or (ix) with respect to the Issuers any Guarantor, or any Restricted Subsidiary, the expenses are intended to constitute expenses of administration under Bankruptcy Law.

The Issuers' obligations under this Section 7.06 and any claim or lien arising hereunder shall survive the resignation or removal of any Trustee, the satisfaction and discharge of the Issuers' obligations pursuant to Article Eight and any rejection or termination under any Bankruptcy Law, and the termination of this Indenture.

SECTION 7.07. <u>Replacement of Trustee</u>. A resignation or removal of the Trustee and appointment of a successor Trustee shall become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.07.

The Trustee may resign, with or without cause, at any time by so notifying the Issuers. The Holders of a majority in outstanding principal amount of the outstanding Notes may remove the Trustee by so notifying the Trustee and the Issuers. The Issuers shall remove the Trustee if:

- (a) the Trustee fails to comply with Section 7.09;
- (b) the Trustee is adjudged bankrupt or insolvent;
- (c) a receiver or other public officer takes charge of the Trustee or its property; or
- (d) the Trustee otherwise becomes incapable of acting.

If the Trustee resigns or is removed, or if a vacancy exists in the office of Trustee for any reason, the Issuers shall promptly appoint a successor Trustee. Within one year after the successor Trustee takes office, the Holders of a majority in principal amount of the outstanding Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Issuers. If the successor Trustee does not deliver its written acceptance required by the next succeeding paragraph of this Section 7.07 within 30 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Issuers or the Holders of a majority in principal amount of the outstanding Notes may, at the expense of the Issuers, petition any court of competent jurisdiction for the appointment of a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Issuers. Thereupon the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee shall mail a notice of its succession to Holders. The retiring Trustee shall promptly transfer all property held by it as Trustee to the successor Trustee, *provided* that all sums owing to the Trustee hereunder have been paid and subject to the lien provided for in Section 7.06.

If a successor Trustee does not take office within 60 days after the retiring Trustee resigns or is removed, (i) the retiring Trustee, the Issuers or the Holders of at least 25% in outstanding principal amount of the Notes may petition any court of competent jurisdiction for the appointment of a successor Trustee at the expense of the Issuers or (ii) the retiring Trustee may appoint a successor Trustee at any time prior to the date on which a successor Trustee takes office; *provided* that such appointment shall be reasonably satisfactory to the Issuers.

If the Trustee fails to comply with Section 7.09, any Holder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

Notwithstanding the replacement of the Trustee pursuant to this Section 7.07, the Issuers' and the Guarantors' obligations under Section 7.06 shall continue for the benefit of the retiring Trustee.

Notwithstanding the foregoing provisions of this Section 7.07, and notwithstanding the provisions of Section 7.09 hereof, if (a) the holders of at least 25% in aggregate principal amount of the outstanding Notes have made a written request, and offered indemnity or security satisfactory to the Trustee, to the Trustee to institute proceedings with respect to this Indenture or any remedy thereunder as Trustee under the Notes and this Indenture, (b) the Trustee has failed to institute such proceeding within 30 Business Days after receipt of such notice and (c) the Trustee within such 30-Business Day period has not received directions inconsistent with such written request by holders of a majority in aggregate principal amount of the outstanding Notes, then the holders of at least 25% in aggregate principal amount of the outstanding Notes may remove the Trustee by so notifying the Trustee and the Issuers and appoint any holder of Notes to act as Trustee under this Indenture, and such holder shall not be required to satisfy the requirements set out in Section 7.09 hereof that are otherwise applicable to the Trustee; *provided*, *however*, that if such holder does not satisfy such requirements, such holder shall not be entitled to the benefits of the provisions of section 14.1(a) of the Intercreditor Agreement.

SECTION 7.08. Successor Trustee by Merger. Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, *provided* such corporation shall be otherwise qualified and eligible under this Article Seven, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Notes shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Notes so authenticated with the same effect as if such successor Trustee had itself authenticated such Notes. In case at that time any of the

Notes shall not have been authenticated, any successor Trustee may authenticate such Notes either in the name of any predecessor hereunder or in the name of the successor Trustee. In all such cases such certificates shall have the full force and effect which this Indenture provides for the certificate of authentication of the Trustee shall have; *provided*, *however*, that the right to adopt the certificate of authentication of any predecessor Trustee or to authenticate Notes in the name of any predecessor Trustee shall apply only to its successor or successors by merger, conversion or consolidation.

SECTION 7.09. <u>Eligibility: Disqualification</u>. There will at all times be a Trustee hereunder that is a corporation organized and doing business under the laws of England and Wales or within a member state of the European Union that is authorized under such laws to exercise corporate trustee power, that is a corporation which customarily performs such corporate trustee roles.

SECTION 7.10. [Reserved]

SECTION 7.11. Appointment of Co-Trustee. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction denying or restricting the right of banking corporations or associations to transact business as trustee in such jurisdiction. It is recognized that in case of litigation under this Indenture or the Intercreditor Agreement, and in particular in case of the enforcement thereof on default, or in the case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted or take any action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an individual or institution as a separate or co-trustee. The following provisions of this Section 7.11 are adopted to these ends.

- (a) In the event that the Trustee appoints an additional individual or institution as a separate or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate or co-trustee but only to the extent necessary to enable such separate or co-trustee to exercise such powers, rights and remedies, and only to the extent that the Trustee by the laws of any jurisdiction is incapable of exercising such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them.
- (b) Should any instrument in writing from the Issuers be required by the separate or co-trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to him or it such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuers; *provided*, *however*, that if an Event of Default shall have occurred and be continuing, if the Issuers does not execute any such instrument within 15 days after request therefor, the Trustee shall be empowered as an attorney-in-fact for the Issuers to execute any such instrument in the Issuers' name and stead. In case any separate or co-trustee or a successor to either shall die, become incapable or acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new trustee or successor to such separate or co-trustee.

- (c) Each separate trustee and co-trustee shall, to the extent permitted by law, be appointed and act subject to the following provisions and conditions:
 - (i) all rights and powers, conferred or imposed upon the Trustee shall be conferred or imposed upon and may be exercised or performed by such separate trustee or co-trustee; and
 - (ii) no Trustee hereunder shall be personally liable by reason of any act or omission of any other Trustee hereunder.
- (d) Any notice, request or other writing given to the Trustee shall be deemed to have been given to each of the then separate trustees and co-trustees, as effectively as if given to each of them. Every instrument appointing any separate trustee or co-trustee shall refer to this Indenture and the conditions of this Article Seven.
- (e) Any separate trustee or co-trustee may at any time appoint the Trustee as its agent or attorney-in-fact with full power and authority, to the extent not prohibited by law, to do any lawful act under or in respect of this Indenture on its behalf and in its name. If any separate trustee or co-trustee shall die, become incapable of acting, resign or be removed, all of its estates, properties, rights, remedies and trusts shall vest in and be exercised by the Trustee, to the extent permitted by law, without the appointment of a new or successor trustee.
- Program). The parties hereto acknowledge that in order to help the United States government fight the funding of terrorism and money laundering activities, pursuant to federal regulations that became effective on October 1, 2003, Section 326 of the USA PATRIOT Act requires all financial institutions to obtain, verify, record and update information that identifies each person establishing a relationship or opening an account. The parties to this Indenture agree that they will provide to the Trustee such information as it may request, from time to time, in order for the Trustee to satisfy the requirements of the USA PATRIOT Act, including but not limited to the name, address, tax identification number and other information that will allow the Trustee to identify the individual or entity who is establishing the relationship or opening the account and may also ask for formation documents such as articles of incorporation or other identifying documents to be provided.
- SECTION 7.13. <u>Force Majeure</u>. The Trustee and the Paying Agent shall not incur any liability for not performing any act or fulfilling any duty, obligation or responsibility hereunder by reason of any occurrence beyond the control of the Trustee or the Paying Agent (including, but not limited to, any act or provision of any present or future law or regulation or governmental authority, any act of God or war, civil unrest, local or national disturbance or disaster, any act of terrorism, or the unavailability of the Federal Reserve Bank wire or facsimile or other wire or communication facility).

ARTICLE EIGHT DEFEASANCE; SATISFACTION AND DISCHARGE

SECTION 8.01. <u>Issuers' Option to Effect Defeasance or Covenant Defeasance</u>. The Issuers may, at its option or at the option of the Parent Guarantor, at any time elect to have either Section 8.02 or Section 8.03 be applied to all outstanding Notes upon compliance with the conditions set forth below in this Article Eight.

SECTION 8.02. Defeasance and Discharge. Upon the Issuer's or the Parent Guarantor's exercise under Section 8.01 of the option applicable to this Section 8.02, the Issuer and the Co-Issuer shall be deemed to have been discharged from its obligations with respect to the Notes and the Guarantors shall be deemed to have been discharged from their obligations with respect to the Guarantees on the date the conditions set forth in Section 8.04 are satisfied (hereinafter, "legal defeasance"). For this purpose, such legal defeasance means that the Issuers and the Guarantors shall be deemed to have paid and discharged the entire indebtedness represented by the Notes or the Guarantees (as the case may be) and to have satisfied all their other obligations under the Notes, the Guarantees and this Indenture (and the Trustee, at the expense of the Issuers, shall execute proper instruments acknowledging the same), except for the following which shall survive until otherwise terminated or discharged hereunder: (a) the rights of Holders of Notes to receive, solely from the trust fund described in Section 8.08 and as more fully set forth in such Section, payments in respect of the principal of (and premium, if any, on) and interest on such Notes when such payments are due, (b) the provisions set forth at Section 8.06 below, (c) the rights, powers, trusts, duties and immunities of the Trustee hereunder and the Issuers' and the Guarantors' obligations in connection therewith, and (d) the provisions of Section 8.04. Subject to compliance with this Article Eight, the Issuers or the Parent Guarantor may exercise their respective option under this Section 8.02 notwithstanding the prior exercise of their option under Section 8.03 below with respect to the Notes or the Guarantees (as the case may be). If any of the Issuers or the Parent Guarantor exercises their respective legal defeasance option, payment of the Notes may not be accelerated because of an Event of Default.

SECTION 8.03. <u>Covenant Defeasance</u>. Upon the Issuers' or the Parent Guarantor's exercise under Section 8.01 of the option applicable to this Section 8.03, the Issuer, the Co-Issuer and the Guarantors shall be released from their obligations under any covenant contained in Sections 4.03 through and including 4.15, 4.18, 4.20, 4.21, 4.22 and 4.25 with respect to the Notes or the Guarantees (as the case may be) on and after the date the conditions set forth below are satisfied (hereinafter, "covenant defeasance"). For this purpose, such covenant defeasance means that, the Issuers and the Guarantors may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply shall not constitute a Default or an Event of Default, but, except as specified above, the remainder of this Indenture and such Notes shall be unaffected thereby.

SECTION 8.04. <u>Conditions to Defeasance</u>. In order to exercise either Legal Defeasance or Covenant Defeasance:

(a) the Issuers or the Parent Guarantor must irrevocably deposit with the Trustee (or such entity designated by the Trustee), in trust, (i) with respect to the Dollar Notes, for the benefit of the holders of the Dollar Notes, cash in U.S. Dollars, non-callable U.S. Government Obligations, or a combination of cash in U.S. Dollars and non-callable U.S. Government Obligations, and (ii) with respect to the Euro Notes, for the benefit of the holders of the Euro Notes, cash in Euros, non-callable European Government Obligations, or a combination of cash in Euros and non-callable European Government Obligations, in each case, in such amounts as shall be sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay the principal of, and interest, premium and Additional Amounts, if any, on the outstanding Notes on the Stated Maturity or on the applicable

redemption date, as the case may be, and the Issuers or the Parent Guarantor must specify whether the Notes are being defeased to maturity or to a particular redemption date;

- (b) in the case of Legal Defeasance, the Issuers or the Parent Guarantor must have delivered to the Trustee an opinion of counsel of recognized standing with respect to U.S. federal income tax matters (reasonably acceptable to the Trustee) confirming that (i) the Issuers has received from, or there has been published by, the U.S. Internal Revenue Service a ruling or (ii) since the date of this Indenture, there has been a change in the applicable U.S. federal income tax law, in either case to the effect that (and based thereon such opinion shall confirm that) the beneficial owners of the outstanding Notes shall not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Legal Defeasance and shall be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;
- (c) in the case of Covenant Defeasance, the Issuers or the Parent Guarantor must have delivered to the Trustee an opinion of counsel of recognized standing with respect to U.S. federal income tax matters (reasonably acceptable to the Trustee) confirming that the beneficial owners of the outstanding Notes shall not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and shall be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;
- (d) no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit);
- (e) such Legal Defeasance or Covenant Defeasance, including the deposit described in clause (a), above, shall not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than this Indenture) to which the Parent Guarantor or any of its Subsidiaries is a party or by which the Parent Guarantor or any of its Subsidiaries is bound;
- (f) the Issuers or the Parent Guarantor must deliver to the Trustee an Officers' Certificate stating that the deposit was not made by the Issuers or the Parent Guarantor with the intent of preferring the holders of Notes over the other creditors of the Issuers or the Parent Guarantor with the intent of defeating, hindering, delaying or defrauding creditors of the Issuers or the Parent Guarantor or others; and
- (g) the Issuers or the Parent Guarantor must deliver to the Trustee an Officers' Certificate and an opinion of counsel (and the Trustee shall rely on both absolutely), each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

If the funds deposited with the Trustee to effect Covenant Defeasance are insufficient to pay the principal of, premium, if any, and interest on the Notes when due because of any acceleration occurring after an Event of Default, then the Issuers and the Guarantors shall remain liable for such payments.

SECTION 8.05. <u>Satisfaction and Discharge of Indenture</u>. This Indenture shall be discharged and shall cease to be of further effect (except as to surviving rights of registration of transfer or exchange of the Notes as expressly provided for in this Indenture) when:

- (a) the Issuer, the Co-Issuer or the Parent Guarantor has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust (i) with respect to the Dollar Notes, solely for the benefit of the holders of the Dollar Notes, cash in U.S. Dollars, non-callable U.S. Government Obligations, or a combination of cash in U.S. Dollars and non-callable U.S. Government Obligations, and (ii) with respect to the Euro Notes, for the benefit of the holders of the Euro Notes, cash in Euros, non-callable European Government Obligations, or a combination of cash in Euros and non-callable European Government Obligations, in each case, in such amounts as shall be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire indebtedness on the Notes that have not, prior to such time, been delivered to the Trustee for cancellation, for principal of, premium, if any, and any Additional Amounts, if any, and accrued and unpaid interest to the date of maturity or redemption, as the case may be, and the Issuers have delivered irrevocable instructions to the Trustee under this Indenture to apply the deposited money toward the payment of Notes at Maturity or on the redemption date, as the case may be; and either:
 - (i) all Notes that have been authenticated, except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has been deposited in trust and thereafter repaid to the Issuers or the Parent Guarantor, have been delivered to the Trustee for cancellation; or
 - (ii) all Notes that have not been delivered to the Trustee for cancellation have become due and payable by reason of the mailing of a notice of redemption or otherwise or shall become due and payable within one year.
- (b) no Default or Event of Default has occurred and is continuing on the date of the deposit or shall occur as a result of the deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit and any similar deposit relating to other Debt and, in each case, the granting of Liens to secure such borrowings) and the deposit shall not result in a breach or violation of, or constitute a default under, any other instrument to which the Issuers or any Guarantor is a party or by which the Issuers or any Guarantor is bound (other than with respect to the borrowing of funds to be applied concurrently to make the deposit required to effect such satisfaction and discharge and any similar concurrent deposit relating to other Debt, and in each case the granting of Liens to secure such borrowings);
- (c) the Issuers or the Parent Guarantor has paid or caused to be paid all sums payable by the Issuers under this Indenture; and
- (d) the Issuers has delivered irrevocable instructions to the Trustee under this Indenture to apply the deposited money toward the payment of the Notes at maturity or the redemption date, as the case may be.

In addition, the Issuers must deliver an Officers' Certificate and an opinion of counsel to the Trustee (and the Trustee shall rely on both absolutely) stating that all conditions precedent to satisfaction and discharge have been satisfied and that such satisfaction and discharge shall not result in a breach or violation of, or constitute a default under, this Indenture or any other agreement or instrument to which the Parent Guarantor or any Subsidiary is a party or by which the Parent Guarantor or any Subsidiary is bound.

SECTION 8.06. <u>Survival of Certain Obligations</u>. Notwithstanding Sections 8.01 and 8.03, any obligations of the Issuers and any Guarantor in Sections 2.02 through 2.14,

7.06, 7.07 and 8.07 through 8.09 shall survive until the Notes have been paid in full. Thereafter, any obligations of the Issuers and any Guarantor in Sections 7.06, 8.07 and 8.08 shall survive such satisfaction and discharge. Nothing contained in this Article Eight shall abrogate any of the obligations or duties of the Trustee under this Indenture.

SECTION 8.07. <u>Acknowledgment of Discharge by Trustee</u>. Subject to Section 8.09, after the conditions of Section 8.02 or 8.03 have been satisfied, the Trustee upon written request shall acknowledge in writing the discharge of all of the Issuers' obligations under this Indenture except for those surviving obligations specified in this Article Eight.

SECTION 8.08. <u>Application of Trust Money</u>. Subject to Section 8.09, the Trustee shall hold in trust cash in U.S. Dollars or U.S. Government Obligations deposited with it pursuant to this Article Eight. It shall apply the deposited cash or U.S. Government Obligations through the Paying Agent and in accordance with this Indenture to the payment of principal of, premium, if any, interest, and Additional Amounts, if any, on the Notes; but such money need not be segregated from other funds except to the extent required by law.

Repayment to Issuers. Subject to Sections 7.06, and 8.01 SECTION 8.09. through 8.04, the Trustee and the Paying Agent shall promptly pay to the Issuers upon request set forth in an Officer's Certificate any excess money held by them at any time and thereupon shall be relieved from all liability with respect to such money. The Trustee and the Paying Agent shall pay to the Issuers upon request any money held by them for the payment of principal, premium, if any, interest or Additional Amounts, if any, that remains unclaimed for two years; provided that the Trustee or Paying Agent before being required to make any payment may cause to be (a) published in the Financial Times or another leading newspaper in London, England (b) made available to the newswire service of Bloomberg or, if Bloomberg does not then operate, any similar agency and, (c) if and so long as the Notes are listed on the Irish Stock Exchange and the rules and regulations of such exchange so require, published in the Irish Times or another newspaper having a general circulation in Ireland (or if, in the opinion of the Issuers such publication is not practicable, in an English language newspaper having general circulation in the United States and Europe) or mail to each Holder entitled to such money at such Holder's address (as set forth in the Security Register) notice that such money remains unclaimed and that, after a date specified therein (which shall be at least 30 days from the date of such publication or mailing) any unclaimed balance of such money then remaining shall be repaid to the Issuers. After payment to the Issuers, Holders entitled to such money must look to the Issuers for payment as general creditors unless an applicable law designates another Person, and all liability of the Trustee and such Paying Agent with respect to such money shall cease.

SECTION 8.10. <u>Indemnity for U.S. Government Obligations</u>. The Issuers shall pay and shall indemnify the Trustee against any tax, fee or other charge imposed on or assessed against deposited U.S. Government Obligations or the principal, premium, if any, interest, if any, and Additional Amounts, if any, received on such U.S. Government Obligations.

SECTION 8.11. Reinstatement. If the Trustee or Paying Agent is unable to apply cash in U.S. Dollars or U.S. Government Obligations in accordance with this Article Eight by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Issuers' and each Guarantor's obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to this Article Eight until such time

as the Trustee or any such Paying Agent is permitted to apply all such cash or U.S. Government Obligations in accordance with this Article Eight; *provided*, *however*, that, if the Issuers has made any payment of principal of, premium, if any, interest, if any, and Additional Amounts, if any, on any Notes because of the reinstatement of its obligations, the Issuers shall be subrogated to the rights of the Holders of such Notes to receive such payment from the cash in U.S. Dollars or U.S. Government Obligations held by the Trustee or Paying Agent.

ARTICLE NINE AMENDMENTS AND WAIVERS

SECTION 9.01. <u>Without Consent of Holders</u>. The Issuer, the Co-Issuer, the Guarantors, the Trustee and the other parties hereto may amend or supplement this Indenture or the Notes:

- (a) to cure any ambiguity, defect or inconsistency;
- (b) to provide for uncertificated Notes in addition to or in place of certificated Notes;
- (c) to provide for the assumption of the Parent Guarantor's, the Issuer's or the Co-Issuer's obligations to holders of Notes in the case of a merger, consolidation or sale of all or substantially all of the Parent Guarantor's assets;
- (d) to release any Guarantor in accordance with and if permitted by the terms and limitations set forth in this Indenture and to add a Guarantor under this Indenture;
- (e) to make such changes as are necessary to provide for the issuance of Additional Notes in accordance with the limitations set forth in this Indenture;
- (f) to make any change that would provide any additional rights or benefits to the holders of Notes or additional covenants or other obligations of the Issuers or any Guarantor or that does not adversely affect the legal rights under this Indenture of any such holder in any material respect;
 - (g) [Reserved];
- (h) to evidence and provide for the acceptance and appointment under this Indenture of a successor Trustee thereunder pursuant to the requirements thereof;
- (i) to provide for the issuance of Additional Notes in accordance with the terms of this Indenture; or
- (j) waive any existing Default or compliance with, or amend the terms of, Section 4.30 of this Indenture to the extent that the holders of the Super Senior Secured Notes have validly waived any existing Default or compliance with, or amended the terms of, Section 4.30 of the indenture governing the Super Senior Secured Notes.

The Subsidiary Guarantors (other than the relevant new Subsidiary Guarantor in the case of clause (d) above) need not be a party to any amendment to this Indenture referred to in this Section 9.01.

For the avoidance of doubt, Articles 470-1 to 470-19 of the Luxembourg amended companies law dated August 10, 1915 do not apply and no noteholders' meetings need to be convened to collect any necessary consent.

- SECTION 9.02. <u>With Consent of Holders</u>. (a) Except as provided in Section 9.02(b) below and Section 6.04 and without prejudice to Section 9.01, the Issuer, the Co-Issuer, the Guarantors and the Trustee may:
 - (i) modify, amend or supplement this Indenture, the Notes or the Guarantees or
 - (ii) waive any existing Default or compliance with any provision of this Indenture or the Notes,

with the written consent of the Holders of not less than a majority in aggregate principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes); *provided* that if any amendment, waiver or other modification will only affect one series of the Notes, only the consent of a majority in principal amount of the then outstanding Notes of such series shall be required.

- (b) Notwithstanding the foregoing clause (a) of this Section 9.02, no amendment, modification, supplement or waiver, including a waiver pursuant to Section 6.04 and an amendment, modification or supplement pursuant to Section 9.01, may, without the consent of the holders of 90% of each series of then outstanding Notes affected, or if any amendment, waiver or other modification will only amend, waive or modify one series of the Notes, without the consent of Holders holding not less than 90% of the then outstanding aggregate principal amount of Notes of such series, thereby:
 - (i) reduce the principal amount of Notes whose holders must consent to an amendment, supplement or waiver of provisions of this Indenture;
 - (ii) reduce the principal (or Additional Amounts or premium, if any) of or change the Stated Maturity of the principal of, or any installment of Additional Amounts or premium, if any, or interest on, any Note or alter the provisions with respect to the redemption of the Notes (other than provisions relating to Article Three of this Indenture);
 - (iii) reduce the rate of or change the time for payment of interest on any Note;
 - (iv) waive a Default or Event of Default in the payment of principal of, or interest or premium, or Additional Amounts, if any, on the Notes (except a rescission of acceleration of the Notes by the holders of at least a majority in aggregate principal amount of the Notes and a waiver of the payment default that resulted from such acceleration);
 - (v) modify the right to institute suit for the enforcement of any payment of any Note in accordance with the provisions of such Note and this Indenture;

- (vi) make any Note payable in money other than that stated in the Notes;
- (vii) make any change in the provisions of this Indenture relating to waivers of past Defaults or the rights of holders of Notes to receive payments of principal of, or interest or premium or Additional Amounts, if any, on the Notes;
- (viii) waive a redemption payment with respect to any Note (other than a payment required by Section 4.15 of this Indenture);
- (ix) release the Issuer, the Co-Issuer or any Guarantor from any of its obligations under the Notes, the Guarantees or this Indenture, except in accordance with the terms of this Indenture:
- (x) release any of the Liens on the Collateral granted for the benefit of the Holders, except in accordance with the terms of the relevant Security Documents and this Indenture; or
- (xi) make any change in the preceding amendment and waiver provisions.

The consent of the Holders is not necessary to approve the particular form of any proposed amendment, modification, supplement or waiver. It is sufficient if such consent approves the substance of the proposed amendment, modification, supplement or waiver.

For the avoidance of doubt, Articles 470-1 to 470-19 of the Luxembourg amended companies law dated August 10, 1915 do not apply and no noteholders' meetings need to be convened to collect any necessary consent.

SECTION 9.03. [Reserved]

SECTION 9.04. <u>Effect of Supplemental Indentures</u>. Upon the execution of any supplemental indenture under this Article Nine, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes; and every Holder theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

SECTION 9.05. <u>Notation on or Exchange of Notes</u>. If an amendment, modification or supplement changes the terms of a Note, the Issuers or Trustee may require the Holder to deliver it to the Trustee. The Trustee may place an appropriate notation on the Note and on any Note subsequently authenticated regarding the changed terms and return it to the Holder. Alternatively, if the Issuers so determines, the Issuers in exchange for the Note shall issue and the Trustee shall authenticate a new Note that reflects the changed terms. Failure to make the appropriate notation or to issue a new Note shall not affect the validity of such amendment, modification or supplement.

SECTION 9.06. <u>Payment for Consent</u>. The Parent Guarantor shall not and shall not permit any Restricted Group Member to, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any holder of Notes for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of this Indenture or the Notes unless such consideration is offered to be paid and is paid to all holders of the Notes that

consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement.

SECTION 9.07. <u>Notice of Amendment or Waiver</u>. Promptly after the execution by the Issuers and the Trustee of any supplemental indenture or waiver pursuant to the provisions of Section 9.02, the Issuers shall give notice thereof to the Holders of each outstanding Note affected, in the manner provided for in Section 14.02(a), setting forth in general terms the substance of such supplemental indenture or waiver.

SECTION 9.08. Trustee to Sign Amendments, Etc. The Trustee may execute any amendment, supplement or waiver authorized pursuant, and adopted in accordance with, this Article Nine; provided that the Trustee may, but shall not be obligated to, execute any such amendment, supplement or waiver which affects the Trustee's own rights, duties or immunities under this Indenture. The Trustee shall be entitled to receive, if requested, an indemnity satisfactory to it and to receive, and shall be fully protected in relying upon, an opinion of counsel reasonably satisfactory to the Trustee and an Officer's Certificate each stating that the execution of any amendment, supplement or waiver authorized pursuant to this Article Nine is authorized or permitted by this Indenture. Such opinion of counsel shall be an expense of the Issuers.

ARTICLE TEN GUARANTEE

SECTION 10.01. Notes Guarantee. (a) Each Guarantor hereby fully and unconditionally guarantees, on a joint and several basis, to each Holder and to the Trustee and its successors and assigns on behalf of each Holder, the full and punctual payment of principal of, premium, if any, interest, if any, and Additional Amounts, if any on, and all other monetary obligations of the Issuers under this Indenture and the Notes (including obligations to the Trustee and the obligations to pay Additional Amounts, if any) with respect to each Note authenticated and delivered by the Trustee or its agent pursuant to and in accordance with this Indenture, in accordance with the terms of this Indenture (all the foregoing being hereinafter collectively called the "Guaranteed Obligations"). Guarantor further agrees that the Guaranteed Obligations may be assigned (whether or not by the occurrence of the Assumption), novated, extended or renewed, in whole or in part, without notice or further assent from such Guarantor and that such Guarantor shall remain bound under this Article Ten notwithstanding any assignment (whether or not by the occurrence of the Assumption), novation, extension or renewal of any Guaranteed Obligation, including, without limitation, the occurrence of the Assumption. All payments under such Guarantee shall be made in U.S. Dollars.

For the sake of clarity, any Spanish Guarantor acknowledges that the guarantee provided by it under this Section 10.01 must be construed as a first demand guarantee (garantía a primera demanda) and not as a guarantee (fianza) and, therefore, the benefits of preference (excusión), order (orden) and division (división) shall not be applicable.

Any Colombian Guarantor expressly resigns to any and all benefits of preference (excusión) pursuant to article 2384 of Colombian Civil Code.

(b) Each Guarantor hereby agrees that its obligations hereunder shall be as if it were principal debtor and not merely surety, unaffected by, and irrespective of, any invalidity, irregularity or unenforceability of any Note or this Indenture, any failure to

enforce the provisions of any Note or this Indenture, any waiver, modification or indulgence granted to the Issuers with respect thereto by the Holders or the Trustee, or any other circumstance which may otherwise constitute a legal or equitable discharge of a surety or guarantor (except payment in full); provided that, notwithstanding the foregoing, no such waiver, modification, indulgence or circumstance shall without the written consent of such Guarantor increase the principal amount of a Note or the interest rate thereon or change the currency of payment with respect to any Note, or alter the Stated Maturity thereof. Each Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of merger or bankruptcy of the Issuer, any right to require that the Trustee pursue or exhaust its legal or equitable remedies against the Issuer prior to exercising its rights under such Guarantor's Guarantee (including, for the avoidance of doubt, any right which such Guarantor may have to require the seizure and sale of the assets of the Issuer to satisfy the outstanding principal of, interest on or any other amount payable under each Note prior to recourse against such Guarantor or its assets), protest or notice with respect to any Note or the Debt evidenced thereby and all demands whatsoever, and covenants that such Guarantee shall not be discharged with respect to any Note except by payment in full of the principal thereof and interest thereon or as otherwise provided in this Indenture, including Section 10.03. If at any time any payment of principal of, premium, if any, interest, if any, or Additional Amounts, if any, on such Note is rescinded or must be otherwise restored or returned upon the insolvency, concurso mercantil, bankruptcy or reorganization of the Issuer, each Guarantor's obligations hereunder with respect to such payment shall be reinstated as of the date of such rescission, restoration or returns as though such payment had become due but had not been made at such times.

- (c) Each Guarantor also agrees to pay any and all costs and expenses (including reasonable attorneys' fees) incurred by the Trustee or any Holder in enforcing any rights under this Section 10.01.
- (d) Each Mexican Guarantor expressly acknowledges that its guarantee hereunder is governed by New York law and expressly waives any rights and privileges that it might otherwise have under any other laws.

SECTION 10.02. <u>Subrogation</u>. Each Guarantor shall be subrogated to all rights of the Holders against the Issuers in respect of any amounts paid to such Holders by the Guarantor pursuant to the provisions of its Guarantee.

(a) The Guarantors agree that they shall not be entitled to any right of subrogation in relation to the Holders in respect of any Guaranteed Obligations guaranteed hereby until payment in full of all Guaranteed Obligations. Each guarantor further agrees that, as between it, on the one hand, and the Holders and the Trustee, on the other hand, (x) the maturity of the Guaranteed Obligations guaranteed hereby may be accelerated as provided in Section 6.02 for the purposes of their Guarantees herein, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the Guaranteed Obligations guaranteed hereby, and (y) in the event of any declaration of acceleration of such obligations as provided in Section 6.02, such Guaranteed Obligations (whether or not due and payable) shall forthwith become due and payable by the Guarantor for the purposes of this Section 10.02 subject to Section 10.01(c) above.

SECTION 10.03. Release of Guarantees.

- (a) A Guarantee (including any Guarantee provided pursuant to Section 4.21) shall be automatically and unconditionally released, and the Guarantor that granted such Guarantee shall be automatically and unconditionally released from its obligations and liabilities thereunder and hereunder upon legal defeasance as provided in Section 8.02 or covenant defeasance as provided in Section 8.03 or if all obligations under this Indenture are discharged in accordance with the terms of this Indenture, in each case, in accordance with the terms and conditions in this Indenture, the Intercreditor Agreement and any Additional Intercreditor Agreement.
- (b) In addition, the Subsidiary Guarantee of a Subsidiary Guarantor will be released:
 - (i) in connection with any sale or other disposition of all or substantially all of the assets of that Subsidiary Guarantor to a Person that is not (either before or after giving effect to such transaction) the Parent Guarantor or a Restricted Group Member, if the sale or other disposition (A) does not violate the provisions of the covenant set forth in Section 4.11 to be satisfied at the time of such sale or other disposition and (B) is made in compliance with Section 5.01 hereto;
 - (ii) in connection with any direct or indirect sale, issuance or other disposition of the Capital Stock of that Subsidiary Guarantor (including by way of merger or consolidation) upon which such Subsidiary Guarantor is no longer a Restricted Group Member, if the sale or other disposition (A) does not violate the covenant set forth in Section 4.11 and (B) is made in compliance with Section 5.01 hereto;
 - (iii) if the Parent Guarantor designates any Restricted Group Member that is a Subsidiary Guarantor to be an Unrestricted Group Member in accordance with the applicable provisions of this Indenture;
 - (iv) upon legal defeasance or satisfaction and discharge of this Indenture under Article Eight of this Indenture;
 - (v) as provided in Article Nine of this Indenture;
 - (vi) in the case of Guarantees granted pursuant to Section 4.21, upon the release and discharge of the guarantee or security that gave rise to the obligation to guarantee the Notes;
 - (vii) in connection with the solvent liquidation or dissolution of such Subsidiary Guarantor; or
 - (viii) automatically without any action by the Trustee or the Security Agent, pursuant to or in connection with any Permitted Reorganization.

In all cases the Issuers and such Guarantors that are to be released from their Guarantees shall deliver to the Trustee an Officer's Certificate and an opinion of counsel certifying compliance with this Section 10.03, in each case, evidencing such release. At the request of the Issuers, the Trustee shall as soon as reasonably practicable following receipt of

such documentation, execute and deliver an appropriate instrument evidencing such release (in the form provided by the Issuers).

SECTION 10.04. <u>Limitation and Effectiveness of Guarantees</u>. (a) Notwithstanding any other provision of this Indenture, the obligations of each Guarantor under its Guarantee shall be limited under the relevant laws applicable to such Guarantor and the granting of such Guarantees (including laws relating to corporate benefit, capital preservation, financial assistance, bankruptcy, fraudulent conveyances and transfers or transactions under value) to the maximum amount payable such that such Guarantees shall not constitute a fraudulent conveyance, fraudulent transfer, voidable preference, a transaction under value or unlawful financial assistance or otherwise, or under similar laws affecting the rights of auditors generally, cause the Guarantor to be insolvent under relevant law or such Guarantee to be void, unenforceable or ultra vires or cause the directors of such Guarantor to be held in breach of applicable corporate or commercial law providing for such Guarantee.

Each Spanish Guarantor acknowledges, represents and warrants that the obligations guaranteed by it hereunder are being incurred for and will inure to its benefit and therefore that sufficient compensatory benefit (*ventaja compensatoria*) has been obtained for the granting of the relevant Guarantee.

- (b) Notwithstanding any other provision of this Indenture and subject always to the provisions of the paragraphs below, the liability of each Italian Guarantor under this Section 10 in respect of the obligations of any obligor which is not a subsidiary (pursuant to article 2359, paragraph 1, numbers 1 and/or 2, of the Italian Civil Code) of such Italian Guarantor shall not exceed at any time an amount equal to the aggregate of:
 - (i) the aggregate principal amount of the indebtedness of such Italian Guarantor (and/or any of its direct or indirect subsidiaries pursuant to article 2359 paragraph 1, numbers 1 and/or 2 of the Italian Civil Code) as borrower under the Revolving Credit Facility; and
 - (ii) the aggregate principal amount of any intercompany loans advanced to such Italian Guarantor (or any of its direct or indirect subsidiaries pursuant to article 2359 paragraph 1, numbers 1 and/or 2 of the Italian Civil Code) by the Issuers and/or any Guarantor,

in each case as resulting from time to time from the latest financial statements (bilancio di esercizio) or, as applicable, semi-annual financial statements (relazione semestrale) or quarterly financial statements (relazione trimestrale) duly approved by the competent body of that Italian Guarantor and/or any of its direct or indirect subsidiaries pursuant to article 2359 paragraph 1, numbers 1 and/or 2 of the Italian Civil Code, as the case may be, net of any amount recovered from the relevant Italian Guarantor resulting from the enforcement under the Security Documents to which it is a party.

(c) Any guarantee, indemnity, obligations and liability granted or assumed pursuant to this Section 10 by any Italian Guarantor shall not include and shall not extend, directly or indirectly, to any amount lent to acquire or subscribe, directly or indirectly, shares or quotas in the relevant Italian Guarantor or any direct or indirect controlling entity of such Italian Guarantor (or the refinancing of any indebtedness incurred for that purpose).

- (d) Pursuant to article 1938 of the Italian Civil Code, the maximum amount that each Italian Guarantor in aggregate may be required to pay in respect of its obligations as Guarantor under this Section 10 shall not exceed one hundred and twenty per cent (120%) of the Notes.
- (e) In the case of each Spanish Guarantor, the 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 articles 143 or 150 of Spanish Companies Act.
- (f) The guarantee granted by any Subsidiary Guarantor which is incorporated and established in the Grand-Duchy of Luxembourg (a "<u>Luxembourg Guarantor</u>") under this Article 10 (*Guarantee*) shall be limited at any time to an aggregate amount not exceeding the higher of:
 - (i) Ninety-nine per cent (99%) of such Luxembourg Guarantor's *capitaux* propres (as referred to in article 34 of the Luxembourg law dated 19 December 2002 on the commercial register and annual accounts, as amended (the "2002 Law"), and as implemented by the Grand-Ducal regulation dated 18 December 2015 setting out the form and the content of the presentation of the balance sheet and profit and loss account (the "Regulation")) determined as at the date on which a demand is made under the guarantee, increased by the amount of any Intra-Group Liabilities, and
 - (ii) Ninety-nine per cent (99%) of such Luxembourg Guarantor's *capitaux propres* (as referred to in article 34 of the 2002 Law) determined as at the date of this Agreement, increased by the amount of any Intra-Group Liabilities.

The amount of the *capitaux propres* under this Clause shall be determined by the Trustee acting in its sole commercially reasonable discretion and shall be adjusted (by derogation to the rules contained in the 2002 Law and the Regulation) to take into account the fair value rather than book value of the assets of the Luxembourg Guarantor.

For the purpose of this Article 10 (*Guarantee*), "<u>Intra-Group Liabilities</u>" shall mean any amounts owed by the Luxembourg Guarantor to any other member of the group and that have not been financed (directly or indirectly) by a borrowing under the Notes.

The above limitation shall not apply:

- (i) in respect of any amounts due under the Notes by a Subsidiary Guarantor which is a direct or indirect subsidiary of that Luxembourg Guarantor;
- (ii) in respect of any amounts due under the Notes by a Subsidiary Guarantor which is not a direct or indirect subsidiary of that Luxembourg Guarantor and which have been on-lent to or made available by whatever means, directly or indirectly, to that Luxembourg Guarantor or any of its direct or indirect subsidiaries.

If a demand has been made under a guarantee given a Luxembourg Guarantor under another Debt Document (as defined in the Intercreditor Agreement), (excluding for the avoidance of doubt any payments made under a Security Document), then the amount determined under (b) above shall be reduced by the amount paid under such other guarantee by such Luxembourg Guarantor (it being understood that the amount determined under (a) above does reflect the demand made under such guarantee) even where such payment is made after the demand under this Guarantee.

- (g) The amount of any guarantee, charge, pledge or security granted by any Spanish Guarantor incorporated as a limited liability company (*sociedad de responsabilidad limitada*) will be limited to the sum of:
 - (i) the lower of (x) if any, the amount effectively received by such Spanish Guarantor from the proceeds of the Notes and (y) the maximum amount of bonds that, in accordance with applicable legislation from time to time, such Spanish Guarantor may directly issue (being, as at the date hereof, two times the amount of such sociedad limitada's "own resources" (recursos propios) in accordance with article 401.2 of the Spanish Companies Law); and
 - (ii) the amount received by the Issuers and each other Guarantor from the proceeds of the Notes.

Pursuant to Panamanian public policy provisions, a guarantee given by a Panamanian Guarantor:

- (a) would be unenforceable against the Panamanian Guarantor if the main obligation is unenforceable against the primary obligor (the Borrower or the Issuers) as a guarantee is accessory to the main obligation and cannot exist without a validly existing main obligation;
- (b) may not extend to encompass more than the main obligation in the amount, terms or conditions of said main obligation notwithstanding any agreement to the contrary which may be given by a Panamanian Guarantor; and
- (c) may be reduced to the aggregate amount of the main obligation by a court in such circumstances.
- SECTION 10.05. <u>Notation Not Required</u>. Neither Issuer nor any Guarantor shall be required to make a notation on the Notes to reflect any Guarantee or any release, termination or discharge thereof.
- SECTION 10.06. Successors and Assigns. This Article Ten shall be binding upon the Guarantors and each of their successors and assigns and shall inure to the benefit of the successors and assigns of the Trustee and the Holders and, in the event of any transfer or assignment of rights by any Holder or the Trustee, the rights and privileges conferred upon that party in this Indenture and in the Notes shall automatically extend to and be vested in such transferee or assigns, all subject to the terms and conditions of this Indenture.
- SECTION 10.07. <u>No Waiver</u>. Neither a failure nor a delay on the part of either the Trustee or the Holders in exercising any right, power or privilege under this Article Ten shall operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise of any right, power or privilege. The rights, remedies and benefits of

the Trustee and the Holders herein expressly specified are cumulative and are not exclusive of any other rights, remedies or benefits which either may have under this Article Ten at law, in equity, by statute or otherwise.

SECTION 10.08. <u>Modification</u>. No modification, amendment or waiver of any provision of this Article Ten, nor the consent to any departure by any Guarantor therefrom, shall in any event be effective unless the same shall be in writing and signed by the Trustee, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on any Guarantor in any case shall entitle any Guarantor to any other or further notice or demand in the same, similar or other circumstance.

ARTICLE ELEVEN INTERCREDITOR AGREEMENT

SECTION 11.01. <u>Intercreditor Agreement</u>. The Issuers and the Guarantors agree, and each Holder by accepting a Note agrees, that this Indenture, including the Guarantees, is subject to the limitations on enforcement and other terms of the Intercreditor Agreement.

(a) If so requested by any holder or holders of the Notes, the Trustee shall, in accordance with the Intercreditor Agreement, take any action required under the Intercreditor Agreement to require the transfer to the Trustee (or to a nominee nominated by such holders of the Notes, if such a nominee exists), on behalf of such holders of the Notes, the rights and obligations of the Senior Lenders (as defined in the Intercreditor Agreement) in connection with the Senior Liabilities (as defined in the Intercreditor Agreement).

ARTICLE TWELVE COLLATERAL SECURITY DOCUMENTS AND THE SECURITY AGENT

SECTION 12.01. <u>Collateral and Security Documents</u>. The full and punctual payment when due and the full and punctual performance of the Obligations of the parties hereto are secured as provided in the Intercreditor Agreement, any Additional Intercreditor Agreement and the Security Documents, in each case, in favor of the Security Agent and/or, to the extent required by applicable law, of the Trustee (including as *mandatario con rappresentanza*), in the name and on behalf of the Holders, as pledgee (the "<u>Pledgee</u>"). Subject to the conditions set forth herein, each pledgor is permitted to pledge the Collateral in connection with future incurrences of Debt of the Parent Guarantor or its Restricted Group Members, including any Additional Notes, permitted under this Indenture.

(a) Each Holder by accepting a Note shall be deemed to appoint, to the extent permitted by applicable law, the Security Agent to act as its trustee, *mandatario con rappresentanza*, *comisionista* and representative in connection with the Collateral and authorizes the Security Agent (acting at the direction of the Trustee) to exercise such rights, powers and discretions as are specifically delegated to the Security Agent by the terms hereof and the Intercreditor Agreement and together with all rights, powers and discretions as are reasonably incidental thereto or necessary to give effect to the trusts hereby created, and each Holder by accepting a Note shall be deemed to irrevocably authorize the Security Agent on its behalf to release any existing security being held in favor of the Holders, to enter into any and each Security Document and the Intercreditor Agreement and to deal with any formalities in relation to the perfection of any security created by such agreements (including, inter alia, entering into such other documents as may be necessary to such perfection).

Each Holder, by accepting a Note, shall be deemed to appoint the Trustee as representative of the Holders (*rappresentante*) pursuant to and for the purposes set forth under Article 2414-bis, paragraph 3 of the Italian Civil Code and the Issuers acknowledge and agree that the Trustee shall be appointed, as from the date of this Indenture, as representative of the Holders (*rappresentante*) pursuant to and for the purposes set forth under Article 2414-bis, paragraph 3 of the Italian Civil Code in order to create and grant in its favor security interests and guarantees securing and guaranteeing the Notes and the Guarantees and entitle it to exercise in the name and on behalf of the Holders of the Notes all their rights (including any rights before any court and judicial proceedings) relating to such security interests and guarantees.

Each Holder, by accepting a Note (or otherwise acquiring a Note or an interest therein), shall be deemed to appoint the Security Agent (and the Issuers acknowledge and agree that the Security Agent shall be appointed), as from the date of this Indenture as representative of the Holders with rights, powers and discretions equivalent to those of a *comisario* under Title XI of the Spanish Companies Act for the purposes of accepting, taking and holding Collateral and the Guarantees and entitle it to exercise in the name and on behalf of the Holders of the Notes all their rights (including any rights before any court and judicial proceedings) relating to such security interests and guarantees.

Each Holder, by accepting a Note (or otherwise acquiring a Note or an interest therein), shall be deemed to appoint the Security Agent (and the Issuers acknowledge and agree that the Security Agent shall be appointed), as from the date of this Indenture as representative of the Holders with rights, powers and discretions equivalent to those of a *comisionista* under the Mexican Commerce Code (*Código de Comercio*) for the purposes of accepting, taking and holding Collateral and the Guarantees and entitle it to exercise in the name and on behalf of the Holders of the Notes all their rights (including any rights before any court and judicial proceedings) relating to such security interests and guarantees.

- (b) (i) The Security Agent declares that it shall hold the Collateral on trust, or as *mandatario con rappresentanza*, for the Trustee and the Holders on the terms contained in this Indenture and the Intercreditor Agreement.
- (ii) Each Holder by accepting a Note shall be deemed to agree that the Security Agent shall have only those duties, obligations and responsibilities and such rights and protections as expressly specified in this Indenture, the Intercreditor Agreement or in the Security Agreements (and no others shall be implied).
- (c) Each of the Holders of the Notes, by accepting a Note (or otherwise acquiring a Note or an interest therein) expressly accepts, by purchasing one or several Notes (or any interests in the Notes) that the Security Agent will be entitled to enter into, accept the constitution of, take, hold and, if necessary, enforce, any Liens (including, without limitation any pledges, whether possessory or non-possessory) on the Collateral granted in favor of the Holders under the Security Documents, and expressly authorize the Security Agent to be their agent and representative with respect to the Collateral and the Security Documents (including, without limitation, by administering and enforcing remedies with respect to such Collateral and Security Documents). For the avoidance of doubt, the Security Agent is authorized to execute, sign, amend, extend, ratify and raise to the status of public deed any documents (whether public or private) to formalize, perfect or enforce any Lien (including, without limitation any pledges, whether possessory or non-possessory) for the benefit of the Holders of the Notes. Furthermore, the Security Agent is authorized to appear before any

administrative authority and sign and file with any authority or register, for the benefit of the Holders of the Notes, the necessary documents for the validity, perfection and/or effectiveness of any security. Each of the Holders undertake to carry out as many actions as may be necessary in order for the Security Agent to be so authorized in any jurisdiction and under any applicable laws or regulations, including, without limitation, the granting, notarization and apostille of the relevant power of attorney in favor of the Security Agent (or the person appointed by it) for the purposes of, inter alia, (i) appearing in the relevant agreement to accept the granting of the Lien over the Collateral, and (ii) enforcing the relevant Lien on the Collateral in any proceeding (either judicial, out-of-court or otherwise) or, if the Security Agent was, under the laws of any jurisdiction, unable to represent the Holders of the Notes in accordance with the provisions envisaged herein, the Holders undertake to (i) personally appear in or accede to the relevant agreement in order to expressly accept the granting of the Lien over the Collateral (or any amendment or ratification thereof); and (ii) personally appear in the relevant enforcement proceeding with respect to the relevant Lien. The Security Agent agrees that it shall hold the security interests in the Collateral created under any Security Document to which it is a party as contemplated by this Indenture or the Intercreditor Agreement, and any and all proceeds thereof, for the benefit of, among others, the Trustee and the Holders, without limiting the Security Agent's rights including under Section 12.02, to act in preservation of the security interest in the Collateral. The Security Agent shall take action or refrain from taking action in connection therewith only as directed by the Trustee.

(d) Each Holder, by accepting a Note, shall be deemed to have agreed to all the terms and provisions of the Security Documents and the Intercreditor Agreement and any Additional Intercreditor Agreement entered into in accordance with Section 4.23 (including the appointment of the Security Agent as its representative for the applicable purposes). The claims of Holders shall be subject to the Intercreditor Agreement and any Additional Intercreditor Agreement entered into in accordance with Section 4.23. The Security Agent shall release the security interest with respect to the Notes and this Indenture when required by the Intercreditor Agreement and any Additional Intercreditor Agreement entered into in accordance with Section 4.23.

SECTION 12.02. Suits To Protect the Collateral. Subject to the provisions of the Security Documents and the Intercreditor Agreement, the Security Agent and/or, to the extent required by applicable law, the Trustee, in the name and on behalf of the Holders, shall have power to institute and to maintain such suits and proceedings as it may deem expedient to prevent any impairment of the Collateral by any acts which may be unlawful or in violation of any of the Security Documents or this Indenture, and such suits and proceedings as the Security Agent, in its sole discretion, may deem expedient to preserve or protect the security interests in the Collateral created under the Security Documents (including power to institute and maintain suits or proceedings to restrain the enforcement of or compliance with any legislative or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid if the enforcement of, or compliance with, such enactment, rule or order would impair the Liens on the Collateral or be prejudicial to the interests of the Holders or the Trustee). Notwithstanding any other provision of this Indenture, neither the Trustee nor the Security Agent has any responsibility for the validity, perfection, priority or enforceability of any Lien, any security interest in the Collateral or other security interest. The Trustee shall have no obligation to take (or direct the Security Agent to take) any action to procure or maintain such validity, perfection, priority or enforceability.

- SECTION 12.03. <u>Replacement of Security Agent.</u> (a) The Security Agent may resign at any time by so notifying the Issuers, upon not less than 90 days' prior written notice. The Holders of a majority in principal amount of the Securities may remove the Security Agent by so notifying the Trustee, *provided* that they concurrently appoint a successor Security Agent. The Issuers shall remove the Security Agent if:
 - (i) the Security Agent is adjudged bankrupt or insolvent;
 - (ii) a receiver or other public officer takes charge of the Security Agent or its property; or
 - (iii) the Security Agent otherwise becomes incapable of acting.
- (b) If the Security Agent resigns, is removed by the Issuers or by the Holders of a majority in principal amount of the Securities and such Holders have not previously appointed a successor Security Agent, or if a vacancy exists in the office of Security Agent for any reason (the Security Agent in such event being referred to herein as the retiring Security Agent), the Issuers shall appoint a successor Security Agent prior to such resignation taking effect or such removal by the Issuers.
- (c) A successor Security Agent shall deliver a written acceptance of its appointment to the retiring Security Agent and to the Issuers. Thereupon, the resignation or removal of the retiring Security Agent shall become effective, and the successor Security Agent shall have all the rights, powers and duties of the Security Agent under this Indenture. The successor Security Agent shall transmit in accordance with Section 14.02 a notice of its succession to Holders. The retiring Security Agent shall promptly transfer all property held by it as Security Agent to the successor Security Agent.
- (d) If a successor Security Agent does not take office within 60 days after the retiring Security Agent gives notice of its resignation, the retiring Security Agent or the Holders of at least 10% in principal amount of the Notes may appoint a successor Security Agent.
- (e) Notwithstanding the replacement of the Security Agent pursuant to Section 12.03, the indemnity obligations of the Issuers and the Guarantors under the Security Documents shall continue for the benefit of the retiring Security Agent.
- SECTION 12.04. <u>Amendments</u>. The Security Agent agrees that it shall enter into an amendment to the Intercreditor Agreement or enter into or amend any other Additional Intercreditor Agreement entered into in accordance with Section 4.23 upon a direction of the Parent Guarantor given in accordance with section 4.23(c) to do so. The Security Agent shall sign any amendment authorized pursuant to Article Nine if the amendment does not adversely affect the rights, duties, liabilities or immunities of the Security Agent.
- SECTION 12.05. Release of Security Interests. To the extent a release is required by a Security Document, at the request of the Parent Guarantor, the Issuer or the Co-Issuer, the Security Agent shall release, and the Trustee (but only if required) shall release and if so requested direct the Security Agent to release (in accordance with the provisions of this Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement and the relevant Security Document), without the need for consent of the holders of the Notes, Liens on the Collateral securing the Notes:

- (a) upon payment in full of principal, interest and all other obligations on the Notes issued under this Indenture or satisfaction and discharge or defeasance hereof;
- (b) upon release of a Guarantee, with respect to the Liens securing such Guarantee granted by such Guarantor;
- (c) in connection with any disposition of Collateral, directly or indirectly, to (i) any Person other than the Parent Guarantor or any of the Restricted Subsidiaries (but excluding any transaction subject to Article Five) that is not prohibited by this Indenture or (ii) the Parent Guarantor or any Restricted Subsidiary, <u>provided</u>, in the case of (ii), the relevant Collateral remains subject to, or otherwise becomes subject to, a Lien in favor of the Notes;
- (d) if the Parent Guarantor designates any of its Restricted Subsidiaries to be an Unrestricted Subsidiary in accordance with the applicable provisions of this Indenture, the release of the property, assets and Capital Stock of such Unrestricted Subsidiary;
- (e) as otherwise provided in the Intercreditor Agreement or any Additional Intercreditor Agreement;
 - (f) as may be permitted by the covenant as provided in Section 4.20;
 - (g) [Reserved];
- (h) in order to effectuate a merger, consolidation, conveyance or transfer conducted in compliance with the covenant as provided in Article Five, provided equivalent Liens are provided for the benefit of the Notes by the surviving entity; and
- (i) automatically without any action by the Trustee or the Security Agent, pursuant to or in connection with any Permitted Reorganization.

Each of these releases shall be effected by the Security Agent without the consent of the Holders or any action on the part of the Trustee unless action is required by it to effect such release. Neither the Trustee nor the Security Agent shall be liable for any loss to any person resulting from any release of liens effected in accordance with the Notes.

SECTION 12.06. <u>Indemnification of the Security Agent</u>. The Issuers and the Guarantors jointly and severally shall promptly indemnify the Security Agent and every Receiver and Delegate against any cost, loss or liability (together with any applicable VAT), properly incurred by any of them as a result of:

- (i) any failure by any agent of them to comply with obligations to pay fees and expenses of the Security Agent under the Intercreditor Agreement;
 - (ii) the taking, holding, protection or enforcement of the Collateral;
- (iii) the proper exercise of any of the rights, powers, and discretions vested in any of them by this Indenture or the Intercreditor Agreement or by law; or

- (iv) any default by any obligor under the Intercreditor Agreement in the performance of any of the obligations expressed to be assumed by it in this Indenture or the Intercreditor Agreement
- (b) The Security Agent may, in priority to any payment to the Holders, indemnify itself out of the Collateral in respect of, and pay and retain, all sums necessary to give effect to the indemnity in Section 12.06(a) from the Issuers and the Guarantors and shall have a lien on the Collateral and the proceeds of the enforcement of the Collateral for all moneys payable to it under this Section 12.06(b).

ARTICLE THIRTEEN HOLDERS' MEETINGS

- SECTION 13.01. <u>Purposes of Meetings</u>. A meeting of the Holders may be called at any time and in any manner (including by electronic means or any other method) pursuant to this Article Thirteen for any of the following purposes:
- (a) to give any notice to the Issuers or any Guarantor or to the Trustee, or to give any directions to the Trustee, or to consent to the waiving of any Default hereunder and its consequences, or to take any other action authorized to be taken by Holders pursuant to Article Nine:
- (b) to remove the Trustee and appoint a successor trustee pursuant to Article Seven; or
- (c) to consent to the execution of an indenture supplement pursuant to Section 9.02.
- SECTION 13.02. <u>Place of Meetings</u>. Meetings of Holders may be held at such place or places as the Trustee or, in case of its failure to act, the Issuer, any Guarantor or the Holders calling the meeting, shall from time to time determine.
- SECTION 13.03. <u>Call and Notice of Meetings</u>. The Trustee may at any time (upon not less than 21 days' notice) call a meeting of Holders to be held at such time and at such place in New York City or in such other city as determined by the Trustee pursuant to Section 13.02. Notice of every meeting of Holders, setting forth the time and the place of such meeting and in general terms the action proposed to be taken at such meeting, shall be mailed, at the Issuer's expense, to each Holder and published in the manner contemplated by Section 14.02(a).
- (a) In case at any time the Issuer, pursuant to a resolution of its management board, or the Holders of at least 10% in aggregate principal amount at maturity of the Notes then outstanding, shall have requested the Trustee to call a meeting of the Holders, by written request setting forth in reasonable detail the action proposed to be taken at the meeting, and the Trustee shall not have made the first giving of the notice of such meeting within 20 days after receipt of such request, then the Issuer or the Holders of Notes in the amount above specified may determine the time (not less than 21 days after notice is given) and the place in New York City or in such other city as determined by the Issuer or the Holders pursuant to Section 13.02 for such meeting and may call such meeting to take any action authorized in Section 13.01 by giving notice thereof as provided in Section 14.02(a).

SECTION 13.04. <u>Voting at Meetings</u>. To be entitled to vote at any meeting of Holders, a Person shall be (i) a Holder at the relevant record date set in accordance with Section 6.14 or (ii) a Person appointed by an instrument in writing as proxy for a Holder or Holders by such Holder or Holders. The only Persons who shall be entitled to be present or to speak at any meeting of Holders shall be the Person so entitled to vote at such meeting and their counsel and any representatives of the Trustee and its counsel and any representatives of the Issuers and any Guarantor and their counsel.

SECTION 13.05. <u>Voting Rights, Conduct and Adjournment</u>. Notwithstanding any other provisions of this Indenture, the Trustee may make such reasonable regulations as it may deem advisable for any meeting of Holders in regard to proof of the holding of Notes and of the appointment of proxies and in regard to the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidence of the right to vote, and such other matters concerning the conduct of the meeting as it shall deem appropriate. Except as otherwise permitted or required by any such regulations, the holding of Notes shall be proved in the manner specified in Section 2.03 and the appointment of any proxy shall be proved in such manner as is deemed appropriate by the Trustee or by having the signature of the Person executing the proxy witnessed or guaranteed by any bank, banker or trust company customarily authorized to certify to the holding of a Note such as a Global Note.

- (a) At any meeting of Holders, the presence of Persons holding or representing Notes in an aggregate principal amount at Stated Maturity sufficient under the appropriate provision of this Indenture to take action upon the business for the transaction of which such meeting was called shall constitute a quorum. Subject to any required aggregate principal amount at Stated Maturity of Notes required for the taking of any action pursuant to Article Nine, in no event shall less than a majority of the votes given by Persons holding or representing Notes at any meeting of Holders be sufficient to approve an action. Any meeting of Holders duly called pursuant to Section 13.03 may be adjourned from time to time by vote of the Holders (or proxies for the Holders) of a majority of the Notes represented at the meeting and entitled to vote, whether or not a quorum shall be present; and the meeting may be held as so adjourned without further notice. No action at a meeting of Holders shall be effective unless approved by Persons holding or representing Notes in the aggregate principal amount at Stated Maturity required by the provision of this Indenture pursuant to which such action is being taken.
- (b) At any meeting of Holders, each Holder or proxy shall be entitled to one vote for each \$1,000 aggregate principal amount at Stated Maturity of outstanding Dollar Notes held or represented or €1,000 aggregate principal amount at Stated Maturity of outstanding Euro Notes held or represented, as applicable.

SECTION 13.06. Revocation of Consent by Holders at Meetings. At any time prior to (but not after) the evidencing to the Trustee of the taking of any action at a meeting of Holders by the Holders of the percentage in aggregate principal amount at maturity of the Notes specified in this Indenture in connection with such action, any Holder of a Note the serial number of which is included in the Notes the Holders of which have consented to such action may, by filing written notice with the Trustee at its principal Corporate Trust Office and upon proof of holding as provided herein, revoke such consent so far as concerns such Note. Except as aforesaid, any such consent given by the Holder of any Note shall be conclusive and binding upon such Holder and upon all future Holders and owners of such Note and of any Note issued in exchange therefor, in lieu thereof or upon transfer thereof,

irrespective of whether or not any notation in regard thereto is made upon such Note. Any action taken by the Holders of the percentage in aggregate principal amount at maturity of the Notes specified in this Indenture in connection with such action shall be conclusively binding upon the Issuer, the Co-Issuer, the Guarantors, the Trustee and the Holders. This Section 13.06 shall not apply to revocations of consents to amendments, supplements or waivers, which shall be governed by the provisions of Article Nine.

ARTICLE FOURTEEN MISCELLANEOUS

SECTION 14.01. [Reserved]

SECTION 14.02. <u>Notices</u>. Any notice or communication shall be in writing and delivered in person or mailed by first class mail or sent by facsimile transmission addressed as follows:

If to the Parent Guarantor or any Subsidiary Guarantor:

Codere, S.A.
Avenida de Bruselas, 26
28108 Alcobendas
Madrid, Spain
Telephone: +34 91 354 2836
Faccimile: +34 01 354 2880

Facsimile: +34 91 354 2880 Attention: Chief Financial Officer

If to Issuer, Luxco 1 or Luxco 2

Codere Finance 2 (Luxembourg) S.A. / Codere Luxembourg 1 S.à r.l./ Codere Luxembourg 2 S.à r.l.

6c, rue Gabriel Lippmann, L-5365 Munsbach, Luxembourg Telephone: +352 26 25 88 88 61 Attention: Eric Lie With a copy to:

Codere, S.A.
Avenida de Bruselas, 26
28108 Alcobendas
Madrid, Spain
Telephone: +34 91 354 2836

Facsimile: +34 91 354 2880 Attention: Chief Financial Officer

If to the Co-Issuer: Codere Finance 2 (UK) Limited Suite 1, 3rd Floor 11 - 12 St. James's Square London, SW1Y 4LB United Kingdom

If to the Trustee:

GLAS Trust Corporation Limited 45 Ludgate Hill London EC4M 7JU United Kingdom Telephone: + 44 203 597 2940

Facsimile: +44 203 070 0113
Attention: Transaction Management

If to the Registrar or Transfer Agent:

GLAS Americas LLC 230 Park Avenue, 10th Floor New York, New York 10169 United States of America Telephone: +1 212 808 3050 Facsimile: +1 212 202 6246

Attention: Transaction Management

If to the Paying Agent:

Global Loan Agency Services Limited
45 Ludgate Hill
London EC4M 7JU
United Kingdom
Telephone: + 44 203 597 2940
Facsimile: +44 203 070 0113

Email: tes@glas.agency Attention: TES Manager – Codere

The Issuers, any Guarantor, the Trustee, the Registrar, the Paying Agent or the Transfer Agent by notice to the other may designate additional or different addresses for subsequent notices or communications. All communications delivered to the Trustee shall be deemed effective when received.

- (a) Notices to the Holders regarding the Notes shall be:
 - (i) validly given if mailed to them at their respective addresses in the register of the holders of such Notes, if any, maintained by the Registrar;
 - (ii) for so long as any of the Notes are listed on the Irish Stock Exchange and the rules of the Irish Stock Exchange so require, notices with respect to the Notes listed on the Irish Stock Exchange will be published in a leading newspaper having general circulation in Ireland (which is expected to be the Irish Times) or if, in the opinion of either Issuer such publication is not practicable, in an English language newspaper having general circulation in the United States and Europe;
 - (iii) for so long as any Notes are represented by Global Notes held on behalf of Euroclear or Clearstream, notices may be given by delivery of the

relevant notices to Euroclear or Clearstream for communication to entitled account holders in substitution for the aforesaid mailing.

Each such notice shall be deemed to have been given on the date of such publication or, if published more than once on different dates, on the first date on which publication is made; *provided* that, if such notices are mailed, such notice shall be deemed to have been given on the later of such publication and the seventh day after being so mailed. Any notice or communication mailed to a Holder shall be mailed to such Person by first class mail or other equivalent means and shall be sufficiently given to him if so mailed within the time prescribed. Failure to mail a notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders. If a notice or communication is mailed in the manner provided above, it is duly given, whether or not the addressee receives it.

In case by reason of the suspension of regular mail service or by reason of any other cause it shall be impracticable to give such notice by mail, then such notification as shall be made with the approval of the Trustee shall constitute a sufficient notification for every purpose hereunder.

- (b) If and so long as the Notes are listed on any securities exchange instead of or in addition to the Irish Stock Exchange, notices shall also be given in accordance with any applicable requirements of such alternative or additional securities exchange.
- (c) Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 14.03. [Reserved].

SECTION 14.04. <u>Certificate and Opinion as to Conditions Precedent</u>. Upon any request or application by the Issuer, the Co-Issuer or any Guarantor to the Trustee to take or refrain from taking any action under this Indenture (except in connection with the original issuance of the Notes on the date hereof), the Issuer, the Co-Issuer or any Guarantor, as the case may be, shall furnish upon request to the Trustee:

- (a) an Officer's Certificate in form and substance satisfactory to the Trustee stating that, in the opinion of the signer, all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with; and
- (b) an opinion of counsel in form and substance satisfactory to the Trustee stating that, in the opinion of such counsel, all such conditions precedent have been complied with.

Any Officer's Certificate may be based, insofar as it relates to legal matters, upon an opinion of counsel, unless the officer signing such certificate knows, or in the exercise of reasonable care should know, that such opinion of counsel with respect to the matters upon which such Officer's Certificate is based are erroneous. Any opinion of counsel may be based and may state that it is so based, insofar as it relates to factual matters, upon an Officer's Certificate stating that the information with respect to such factual matters is in the possession of the Issuers, unless the counsel signing such opinion of counsel knows, or in the

exercise of reasonable care should know, that the Officer's Certificate with respect to the matters upon which such opinion of counsel is based are erroneous.

SECTION 14.05. <u>Statements Required in Certificate or Opinion</u>. Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include:

- (a) a statement that each individual signing such certificate or opinion has read such covenant or condition and the definitions herein relating thereto;
- (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;
- (c) a statement that, in the opinion of each such individual, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with; and
- (d) a statement as to whether, in the opinion of each such individual, such condition or covenant has been complied with.

SECTION 14.06. <u>Rules by Trustee</u>, <u>Paying Agent and Registrar</u>. The Trustee may make reasonable rules for action by or at a meeting of Holders. The Registrar and the Paying Agent may make reasonable rules for their functions.

SECTION 14.07. <u>Legal Holidays</u>. If an Interest Payment Date or other payment date is not a Business Day, payment shall be made on the next succeeding day that is a Business Day, and no interest shall accrue for the intervening period. If a Record Date is not a Business Day, the Record Date shall not be affected.

SECTION 14.08. <u>Governing Law.</u> THIS INDENTURE AND THE NOTES (INCLUDING HOLDERS' MEETINGS) SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICT OF LAW RULES THEREOF. FOR THE AVOIDANCE OF DOUBT, ARTICLES 470-1 TO 470-19 OF THE LUXEMBOURG AMENDED COMPANIES LAW DATED AUGUST 10, 1915 DO NOT APPLY.

SECTION 14.09. Jurisdiction. The Issuers, the Guarantors, the holders of the Notes and the Trustee agree that any suit, action or proceeding against the Issuers or any Guarantor brought by any Holder of the Notes or the Trustee arising out of or based upon this Indenture, any Guarantee or the Notes may be instituted in any state or Federal court in the Borough of Manhattan, New York, New York, and any appellate court from any thereof, and each of them irrevocably submits to the exclusive (and, in the case of Codere Latam Colombia, S.A., non-exclusive) jurisdiction of such courts in any suit, action or proceeding and hereby waive their rights to any other jurisdiction that may apply by virtue of their present or any future domicile or for any other reason. The Issuers, each Guarantor, each holder of the Notes and the Trustee irrevocably waive, to the fullest extent permitted by law, any objection to any suit, action, or proceeding that may be brought in connection with this Indenture, any Guarantee or the Notes, including such actions, suits or proceedings relating to securities laws of the United States of America or any state thereof, in such courts whether on the grounds of venue, residence or domicile or on the ground that any such suit, action or proceeding has been brought in an inconvenient forum. The Issuers and any Guarantor agree

that final judgment in any such suit, action or proceeding brought in such court shall be conclusive and binding upon the Issuers or a Guarantor, as the case may be, and may be enforced in any court to the jurisdiction of which the Issuers or a Guarantor, as the case may be, are subject by a suit upon such judgment; provided, however, that service of process is effected upon the Issuers or any Guarantor, as the case may be, in the manner provided by this Indenture. Each Issuer and the Guarantors has appointed CT Corporation System, with offices on the date hereof at 111 Eighth Avenue, New York, New York 10011, or any successor, as its authorized agent (the "Authorized Agent"), upon whom process may be served in any suit, action or proceeding arising out of or based upon this Indenture, the Guarantee or the Notes or the transactions contemplated herein which may be instituted in any state or Federal court in the Borough of Manhattan, New York, New York, by any Holder or the Trustee, and expressly accepts the exclusive jurisdiction of any such court in respect of any such suit, action or proceeding. Each Issuer and the Guarantors hereby represents and warrants that the Authorized Agent has accepted such appointment and has agreed to act as said agent for service of process and hereby deliver evidence in writing of such acceptance, and the Issuers and each Guarantor agree to take any and all action, including the filing of any and all documents that may be necessary to continue such respective appointment in full force and effect as aforesaid. Service of process upon the Authorized Agent shall be deemed, in every respect, effective service of process upon the Issuers and each Guarantor.

Mexican Holdco shall grant a special irrevocable power of attorney for lawsuits and collections (*pleitos y cobranzas*) notarized by a Mexican Notary Public in favor of the Authorized Agent in form and substance satisfactory to the Security Agent, and the parties hereto hereby agree that the granting of such power of attorney shall be irrevocable considering it shall be granted as a means to satisfy the obligation of the Mexican Holdco contained herein.

SECTION 14.10. <u>No Recourse Against Others</u>. No director, officer, employee, incorporator or stockholder of either Issuer or any Guarantor, as such, shall have any personal liability for any obligations of either Issuer or such Guarantor under the Notes, this Indenture, the Intercreditor Agreement, the Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

SECTION 14.11. <u>Successors</u>. All agreements of the Issuer, the Co-Issuer and any Guarantor in this Indenture and the Notes shall bind their respective successors.

- (a) All agreements of the Trustee in this Indenture shall bind its successors.
- SECTION 14.12. <u>Multiple Originals</u>. The parties may sign any number of copies of this Indenture. Each signed copy shall be an original, but all of them together represent the same agreement. One signed copy is enough to prove this Indenture.
- SECTION 14.13. <u>Table of Contents, Cross-Reference Sheet and Headings</u>. The table of contents, cross-reference sheet and headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not intended to be considered a part hereof and shall not modify or restrict any of the terms or provisions hereof.

SECTION 14.14. Severability. In case any provision in this Indenture or in the Notes shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 14.15. Currency Indemnity. The Issuers and the Guarantors, jointly and severally, agree to indemnify the holders against any loss incurred, as incurred, as a result of any judgment or award in connection with this Indenture being expressed in a currency (the "Judgment Currency") other than the U.S. Dollar and as a result of any variation as between (a) the spot rate of exchange as quoted by Reuters at which the Judgment Currency could have been converted into U.S. Dollars as of approximately 11:00 a.m. (New York City time) as of the date such judgment or award is paid and (b) the spot rate of exchange at which the indemnified party converts such Judgment Currency. The foregoing shall constitute a separate and independent obligation of the Issuers and the Guarantors and shall continue in full force and effect notwithstanding any such judgment or order. The term "spot rate of exchange" includes any premiums and costs of exchange payable in connection with the purchase of, or conversion into, the relevant currency. Except as otherwise specifically set forth herein, for purposes of determining compliance with any U.S. Dollar denominated restriction herein, the Dollar Equivalent amount for purposes hereof that is denominated in a non-U.S. Dollar currency shall be calculated based on the relevant currency exchange rate in effect on the date such non-dollar amount is incurred or made, as the case may be.

SECTION 14.16. <u>Counterparts</u>. This Indenture may be signed in any number of counterparts (which may include counterparts delivered by any standard form of telecommunication, including, without limitation, electronic transmission), each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Indenture.

[Signature pages follow.]

IN WITNESS WHEREOF, the parties have caused this Indenture to be duly executed as of the date first written above.

CODERE as Issuer	FINANCE 2 (LUXEMBOURG) S.A	•
By:		
Name:		
Title:		

CODER	E FINANCE 2 (UK) LIMITED.
as Co-Iss	suer
By:	
Name:	
Title:	

CODERE, S.A., as Parent Guarantor				
as I alcili Guaranioi				
Ву:				
Name:				
Title:				

	E LUXEMBOURG 1 S.À R.L., liary Guarantor
By: Name: Title:	

	E LUXEMBOURG 2 S.À R.L., liary Guarantor
By: Name: Title:	

CODERE AMÉRICA, S.A.U. CODERE APUESTAS ESPAÑA, S.L.U. CODERE ESPAÑA, S.A.U. CODERE INTERNACIONAL, S.A.U. CODERE INTERNACIONAL DOS, S.A.U. CODERE LATAM, S.A. CODERE NEWCO, S.A.U. CODERE OPERADORAS DE APUESTAS, S.L.U. COLONDER, S.A.U. JPVMATIC 2005, S.L.U. NIDIDEM, S.A.U. OPERIBERICA, S.A.U. ALTA CORDILLERA, S.A. CODERE MEXICO, S.A. DE C.V. CODERE LATAM COLOMBIA, S.A. CODEMATICA, S.R.L. CODERE ITALIA S.P.A. OPERBINGO ITALIA S.P.A. CODERE NETWORK, S.P.A.

each as Subsidiary Guarantor

By:			
Name:			
Title:			

GLAS TRUST CORPORATION LIMITED, as Trustee and Security Agent By: Name: Title:

GLOBAI as Paying	L LOAN AGENCY SERVICES LIMITED Agent
By: Name: Title:	

GLAS AMERICAS LLC as Registrar and Transfer Agent By: Name: Title:

[FORM OF FACE OF DOLLAR NOTE] CODERE FINANCE 2 (LUXEMBOURG) S.A. CODERE FINANCE 2 (UK) LIMITED

	\$[]	
ISIN Number [] / COMMON CODE []
No.		

THIS NOTE IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE AND IS REGISTERED IN THE NAME OF THE DEPOSITARY OR A NOMINEE OF THE DEPOSITARY OR A SUCCESSOR DEPOSITARY. THIS NOTE IS NOT EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITARY OR ITS NOMINEE EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS NOTE (OTHER THAN A TRANSFER OF THIS NOTE AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY) MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

THIS GLOBAL NOTE AND ANY RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THIS GLOBAL NOTE TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALE OR TRANSFER OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS GLOBAL NOTE SHALL BE DEEMED, BY THE ACCEPTANCE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT.

[Include if Restricted Global Note – THIS SECURITY (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND THIS SECURITY REPRESENTED BY THIS GLOBAL CERTIFICATE MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM AND UNLESS IN ACCORDANCE WITH THE INDENTURE REFERRED TO HEREINAFTER, COPIES OF WHICH ARE AVAILABLE AT THE CORPORATE TRUST OFFICE OF THE TRUSTEE. EACH PURCHASER OF THE SECURITIES REPRESENTED HEREBY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A (TOGETHER WITH ANY SUCCESSOR PROVISION, AND AS SUCH RULE MAY THEREAFTER BE AMENDED FROM TIME TO TIME, "RULE 144A"). THE HOLDER OF THIS SECURITY AGREES FOR THE BENEFIT OF THE ISSUERS THAT (A) THIS

SECURITY MAY BEOFFERED, RESOLD, PLEDGED OR **OTHERWISE** TRANSFERRED, PRIOR TO THE DATE THAT IS ONE YEAR (OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY RULE 144A OR ANY SUCCESSOR PROVISION THEREUNDER) AFTER THE COMMENCEMENT OF THE OFFERING, ONLY (I) IN THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (II) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (III) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE) OR (IV) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH OF CASES (I) THROUGH (IV) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ALL OTHER APPLICABLE JURISDICTIONS, AND (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS SECURITY FROM IT OF THE RESALE RESTRICTIONS REFERRED TO IN (A) ABOVE. THIS LEGEND WILL BE REMOVED ONLY AT THE OPTION OF THE ISSUERS.]

[Include if Regulation S Global Note – THIS SECURITY (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION ORIGINALLY EXEMPT FROM REGISTRATION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE TRANSFERRED IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON EXCEPT PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ALL APPLICABLE STATE SECURITIES LAWS. TERMS USED ABOVE HAVE THE MEANINGS GIVEN TO THEM IN REGULATION S UNDER THE SECURITIES ACT.]

[UNTIL 40 DAYS AFTER THE COMMENCEMENT OF THE OFFERING, AN OFFER OR SALE OF SECURITIES WITHIN THE UNITED STATES BY A DEALER (AS DEFINED IN THE U.S. SECURITIES ACT) MAY VIOLATE THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT IF SUCH OFFER OR SALE IS MADE OTHERWISE THAN IN ACCORDANCE WITH RULE 144A UNDER THE U.S. SECURITIES ACT.]

10.375% CASH / 11.625% PIK SENIOR SECURED NOTE DUE 2023

Codere Finance 2 (Luxembourg) S.A., a Luxembourg société anonyme, Codere Finance 2 (UK) Limited and each of its successors and assigns, for value received promises to pay to Bank of America GSS Nominees Limited, as nominee for the Common Depository for Euroclear and Clearstream or registered assigns the principal sum \$[] as listed on the Schedule of Principal Amount attached hereto on November 1, 2023.

From October [•], 2020, or from the most recent interest payment date to which interest has been paid or provided for, cash interest on this Note shall accrue at 10.375% cash/11.625% PIK, as described in paragraph 1 of this Note, payable semi-annually in arrears on October 31 and April 30 of each year, beginning on October 31, 2020, to the Person in whose name this Note (or any predecessor Note) is registered at the close of business on the preceding October 15 or April 15, as the case may be.

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICT OF LAW RULES THEREOF. FOR THE AVOIDANCE OF DOUBT, ARTICLES 470-1 TO 470-19 OF THE LUXEMBOURG AMENDED COMPANIES LAW DATED AUGUST 10, 1915 DO NOT APPLY.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature of an authorized signatory, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof and to the provisions of the Indenture, which provisions shall for all purposes have the same effect as if set forth at this place.

	Limited has caused this N	Codere Finance 2 (Luxembourg) S.A. and Codere fote to be signed manually or by facsimile by its
Dated: []	
		CODERE FINANCE 2 (LUXEMBOURG) S.A.
		By: Name: Title:
		CODERE FINANCE 2 (UK) LIMITED
		By: Name: Title:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

GLAS TRUST CORPORATION LIMITED,
as Trustee, certifies that this is one of the Notes referred to in the Indenture.
By:
Authorized Officer

[FORM OF REVERSE SIDE OF DOLLAR NOTE]

10.375% Cash / 11.625% PIK Senior Secured Note Due 2023

1. Interest

Codere Finance 2 (Luxembourg) S.A., a Luxembourg *société anonyme* (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "<u>Issuer</u>") and Codere Finance 2 (UK) Limited (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "<u>Co-Issuer</u>" and, together with the Issuer, the "<u>Issuers</u>"), for value received promises to pay interest on the principal amount of this Note.

On each Interest Payment Date, interest on the principal amount of this Note shall be paid at a rate equal to 4.50% *per annum* in cash interest *plus*, either, at the sole discretion of the Issuers (a) 5.875% *per annum* in cash interest or (b) 7.125% in kind interest (any such portion, "PIK Dollar Interest") by increasing the outstanding principal amount of such Note or, with respect to Notes represented by certificated notes, issuing additional Notes under the Indenture on the same terms and conditions as the Notes offered hereby in a principal amount equal to such interest (the "PIK Dollar Notes"). Interest shall be computed on the basis of a 360-day year of twelve 30-day months. The Issuers shall pay interest on overdue principal at the interest rate borne by the Notes compounded semi-annually, and it shall pay interest on overdue installments of interest at the same rate compounded semi-annually to the extent lawful. Any interest paid on this Note shall be increased to the extent necessary to pay Additional Amounts as set forth in this Note.

2. Additional Amounts

- All payments in respect of the Notes, made by or on behalf of the Issuer, the Co-Issuer, a Guarantor or any successor person to the Issuer, the Co-Issuer or any Guarantor (each a "Successor Person") (each a "Payer"), shall be made free and clear without withholding or deduction for, or on account of, any present or future taxes, duties, levies, imposts, assessments or other governmental charges (including, without limitation, penalties, interest and other similar liabilities related thereto) of whatever nature, (collectively, "Taxes") imposed or levied by or on behalf of any jurisdiction or any political subdivision or governmental authority thereof or therein having the power to tax where such Payer is incorporated, organized or otherwise resident for tax purposes or from or through which the Payer makes a payment on the Notes or its Guarantee or by the Kingdom of Spain (and any subdivision or governmental authority thereof or therein) (each, a "Relevant Taxing Jurisdiction"), unless the withholding or deduction of such Taxes is then required by law. If the Payer is required to withhold or deduct any amount for, or on account of, Taxes imposed or levied on behalf of a Relevant Taxing Jurisdiction from any payment made under or with respect to the Notes, the Payer shall pay such additional amounts ("Additional Amounts") as may be necessary to ensure that the net amount received by each holder of the Notes (including Additional Amounts) after such withholding or deduction has been made shall be not less than the amount the holder would have received if such Taxes had not been required to be withheld or deducted.
- (b) The Payer shall not be required to make any payment of Additional Amounts for or on account of

- any Taxes that are imposed or levied by a Relevant Taxing (i) Jurisdiction by reason of (A) the holder's or a beneficial owner's present or former connection with such Relevant Taxing Jurisdiction (other than the mere acquisition or holding of Notes or by reason of the receipt of payments in respect thereunder or the exercise or enforcement of any rights under the Notes, the Indenture, or any Guarantee (including a connection between a fiduciary, settlor, beneficiary, member, partner or shareholder of, or possessor of power over, the relevant holder or beneficial owner, if the relevant holder or beneficial owner is an estate, nominee, trust, partnership or corporation, and the Relevant Taxing Jurisdiction), or (B) the presentation of a Note (where presentation is required) for payment on a date more than 30 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later, except to the extent that the beneficial owner or holder thereof would have been entitled to Additional Amounts had the Notes been presented for payment on any day during such 30 day period;
- (ii) any estate, inheritance, gift, sales, excise, transfer, personal property or similar Tax;
- (iii) any Tax which is payable otherwise than by withholding or deduction from payments made under or with respect to the Notes;
- (iv) any Taxes that are imposed or withheld by reason of the failure by the holder or the beneficial owner of the Notes, following the Issuers' written request addressed to the holder or otherwise provided to the holder or beneficial owner (and made at a time that would enable the holder or beneficial owner acting reasonably to comply with that request) to provide certification, information, documents or other evidence concerning the nationality, residence or identity of the holder or such beneficial owner or to make any valid or timely declaration or similar claim or satisfy any other reporting requirements relating to such matters, whether required or imposed by statute, treaty, regulation or administrative practice of the Relevant Taxing Jurisdiction, as a precondition to exemption from, or reduction in the rate of withholding or deduction of, Taxes imposed by the Relevant Taxing Jurisdiction, including, for the avoidance of doubt, any Taxes that are imposed or withheld under Spanish law by reason of the Payer not receiving (either directly or through its agent) such information from a holder or beneficial owner as may be necessary to allow payments on the Notes to be made free and clear of Spanish withholding tax or deduction on account of Spanish taxes, pursuant to Law 10/2014 of June 26, Royal Decree 1065/2007 of July 27, as amended by Royal Decree 1145/2011 of July 29, and any implementing legislation or regulation;
- (v) any Tax that is imposed on or with respect to a Note presented for payment (where presentation is required) on behalf of a holder or beneficial owner who would have been able to avoid such withholding or deduction by presenting the Note to another Paying Agent in a Member State of the European Union;

- (vi) any Tax that would not have been imposed but for a failure by the holder or beneficial owner (or any financial institution through which the holder or beneficial owner holds any Note through which payment on the Note is made) to comply with any certification, information, identification, documentation or other reporting requirements (including entering into and complying with an agreement with the U.S. Internal Revenue Service) imposed pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (or any intergovernmental agreement, or legislation enacted pursuant thereto, to implement such provisions) as in effect on the date of issuance of the Notes or any successor or amended version of these provisions, to the extent such successor or amended version is not materially more onerous than these provisions as enacted on such date; or
- (vii) any combination of Taxes referred to in clauses (i) to (vi) above.
- (c) Additional Amounts shall not be paid with respect to any payment made under or with respect to the Notes or any Guarantee in the case of a holder who is a fiduciary, a partnership or other than the sole beneficial owner of such payment, to the extent that such payment is required by the laws of the Relevant Taxing Jurisdiction to be included in the income, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, a member of that partnership or a beneficial owner and such person would not have been entitled to the Additional Amounts had it been the holder of the Note or Guarantee.
- (d) The Payer shall (i) make such withholding or deduction required by applicable law and (ii) remit the full amount withheld or deducted to the relevant taxing authority in accordance with applicable law.
- (e) At least 30 calendar days prior to each date on which any payment under or with respect to the Notes is due and payable, if the Payer shall be obligated to pay Additional Amounts with respect to such payment (unless such obligation to pay Additional Amounts arises after the 30th day prior to the date on which payment under or with respect to the Notes is due and payable, in which case it shall be promptly thereafter), the Issuers shall deliver to the Trustee an Officer's Certificate stating that such Additional Amounts shall be payable and the amounts so payable and shall set forth such other information necessary to enable the Paying Agent to pay such Additional Amounts to holders on the relevant payment date. The Trustee shall, without further enquiry, be entitled to rely absolutely on each such Officer's Certificate as conclusive proof that such payments are necessary. The Issuers shall promptly publish a notice in accordance with Section 14.02 of the Indenture stating that such Additional Amounts shall be payable and describing the obligation to pay such amounts.
- (f) Upon request, within a reasonable time the Payer shall provide the Trustee, to provide to the holders, certified copies of tax receipts evidencing the payment by the Payer of any Taxes imposed or levied by a Relevant Taxing Jurisdiction in such form as provided in the normal course by the taxing authority imposing such Taxes and as is reasonably available to the Payer. If, notwithstanding the reasonable efforts of the Payer to obtain such receipts, the same are not obtainable, the Payer shall provide the Trustee a copy of the return reporting such payment or with other evidence reasonably satisfactory to the Trustee of such payments by the Payer.

- In addition, the Parent Guarantor undertakes to indemnify, pay and maintain (g) all holders of the Notes or the Guarantees harmless for all Taxes that are imposed under Spanish law on the payments received or income derived from the Notes or the Guarantees that (i) are not compensated by the payment of Additional Amounts under the first paragraph of this "Additional Amounts" section; and that (ii) are not excluded under clauses (i) through (ii) and (iv) through (vii) of Section 4.16(b) of the Indenture, or any combination thereof. Furthermore, the Issuers shall pay any present or future stamp, issue, registration, court documentation, excise, or property taxes, or other similar Taxes imposed by or in any Relevant Taxing Jurisdiction, including any political jurisdiction thereof, in respect of the execution, issue, delivery or registration of the Notes, the Indenture, or the Guarantees, or any other document or instrument referred to thereunder and any such Taxes imposed by any jurisdiction as a result of, or in connection with, the enforcement of the Notes, the Guarantees, or any other such document or instrument following, and relating to, the occurrence of any Event of Default with respect to the Notes or the receipt of any payments with respect thereto (other than with respect to a transfer of the Notes following the initial sale of the Notes by the Initial Purchasers and limited, solely in the case of Taxes attributable to the receipt of any payments with respect thereto, to any such Taxes imposed in a Relevant Tax Jurisdiction that are not excluded under clauses (i) through (ii) and (iv) through (vii) of Section 4.16(b) of the Indenture, or any combination thereof).
- (h) Whenever the Indenture refers to, in any context, the payment of principal, premium, if any, interest or any other amount payable under or with respect to any Note (including payments thereof made pursuant to any Guarantee or in connection with a redemption of the Notes), such reference includes the payment of Additional Amounts, if applicable.

Provisions (a)-(h) above shall survive any termination, defeasance or discharge of the Indenture.

3. <u>Method of Payment</u>

The Issuers shall pay interest on this Note (except defaulted interest) to the persons who are registered Holders of this Note at the close of business on the Record Date for the next Interest Payment Date even if this Note is cancelled after the Record Date and on or before the Interest Payment Date. The Issuers shall pay principal and interest in U.S. Dollars in immediately available funds that at the time of payment is legal tender for payment of public and private debts; *provided*, that payment of interest may be made at the option of the Issuers by check mailed to the Holder.

The amount of payments in respect of interest on each Interest Payment Date shall correspond to the aggregate principal amount of Notes represented by the Regulation S Global Note and the Restricted Global Note, as established by the Registrar at the close of business on the relevant Record Date. Payments of principal shall be made upon surrender of the Regulation S Global Note and the Restricted Global Note to the Paying Agent.

PIK Dollar Interest shall be payable (a) with respect to Notes represented by one or more Global Notes registered in the name of, or held by, the Common Depositary on the relevant Record Date, by increasing the principal amount of the outstanding Global Note by an amount equal to the amount of the PIK Dollar Interest for the applicable interest period (rounded up to the nearest whole U.S. dollar) (it being understood that subsequent interest payments on the Notes shall be calculated on such increased principal amount) and (b) with

respect to Notes represented by certificated Notes, by issuing PIK Dollar Notes in certificated form to the Holders of the underlying Notes in an aggregate principal amount equal to the amount of interest for the applicable interest period (rounded up to the nearest whole U.S. dollar). The Trustee shall authenticate and deliver such PIK Dollar Notes in certificated form for original issuance to the Holders thereof on the relevant Record Date, as shown by the records of the register of such Holders. Following an increase in the principal amount of the outstanding Global Notes as a result of any PIK Dollar Interest, the Global Notes shall bear interest on such increased principal amount from and after the interest payment date in respect of which such PIK Dollar Interest was made. Any PIK Dollar Notes issued in certificated form shall be dated as of the applicable interest payment date, bear interest from and after such date and be issued with the description "PIK" on the face of such PIK Note.

Cash interest and PIK Dollar Interest shall be paid to Holders *pro rata* in accordance with their interests in this Note. Following an increase in the principal amount of this Note as a result of a payment as PIK Dollar Interest, this Note will bear interest on such increased principal amount from and after the date of such payment. Any PIK Dollar Notes issued in certificated form will be dated as of the applicable interest payment date and will bear interest from and after such date. All PIK Dollar Notes will mature on November 1, 2023.

Not less than ten Business Days prior to each interest payment date, the Issuers shall notify the Trustee in writing of the amount of cash interest and PIK Dollar Interest, respectively, to be made for such interest payment date, in each case in accordance with the terms of the Indenture. In the event the Issuers fail to timely deliver such notice (or in the case of acceleration or other prepayment of the Notes, if interest is due and owing on a date other than an interest payment date), the Issuers shall be deemed to have elected to pay PIK Dollar Interest for such interest payment date.

4. Paying Agent

The Issuers will make all payments, including principal of, premium, if any, and interest on the Notes, through an agent that it will maintain for these purposes. Initially that agent will be Global Loan Agency Services Limited.

5. Indenture

The Issuers issued the Notes under an indenture dated as of November 8, 2016, as supplemented or amended from time to time (the "<u>Indenture</u>") among the Issuer, the Co-Issuer, the Parent Guarantor, the Subsidiary Guarantors, GLAS Trust Corporation Limited, as trustee and security agent (the "<u>Trustee</u>"), the Paying Agent and the other parties thereto. Terms defined in the Indenture and not defined herein have the meanings ascribed thereto in the Indenture. The Notes are subject to such terms of, and Holders are referred to, the Indenture for a statement of those terms.

The Notes are general obligations of the Issuers and are issued under the Indenture in an initial aggregate principal amount at maturity of \$300,000,000. The Indenture imposes certain limitations on the Issuers, the Parent Guarantor and the Subsidiary Guarantors and affiliates, including, without limitation, limitations on the incurrence of indebtedness and issuance of stock, the payment of dividends and other payment restrictions affecting the Parent Guarantor and Restricted Group Members, the sale of assets, transactions with and among affiliates of the Parent Guarantor and the Restricted Group Members, change of control and Liens.

6. Optional Redemption

- (a) [Reserved].
- (b) At any time prior to October 31, 2018, upon not less than 10 nor more than 60 days' prior notice (except as otherwise provided under Section 3.03 of the Indenture), the Issuers may redeem all or a part of the Dollar Notes, at a redemption price equal to 100% of the Dollar Notes to be redeemed plus the Applicable Premium (as defined below) as of, and accrued and unpaid interest and Additional Amounts, if any, to, the date of redemption (subject to the right of holders of record on the relevant record date to receive interest due on any interest payment date occurring on or prior to the redemption date).

"Applicable Premium" means, with respect to a Dollar Note on any Redemption Date, as calculated by the Issuers, the greater of:

- (a) 1.0% of the principal amount of the Dollar Note; and
- (b) the excess of:
 - (i) the present value at such Redemption Date of (i) the redemption price of the note at October 31, 2018 (such redemption price being set forth in the Notes) plus (ii) all required interest payments due on the Dollar Note through October 31, 2018 (excluding accrued but unpaid interest to the Redemption Date), computed using a discount rate equal to the U.S. Treasury Rate as of such Redemption Date plus 50 basis points; over
 - (ii) the outstanding principal amount of such Dollar Note.

Any redemption and notice may, in the Issuers' discretion, be subject to the satisfaction of one or more conditions precedent.

- "U.S. Treasury Rate" means the yield to maturity at the time of computation of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) which has become publicly available at least two Business Days (but not more than five Business Days) prior to the redemption date (or, if such statistical release is not so published or available, any publicly available source of similar market data selected by the Issuers in good faith)) most nearly equal to the period from the redemption date to October 31, 2021; provided, however, that if the period from the redemption date to October 31, 2021 is not equal to the constant maturity of a United States Treasury security for which a weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given, except that if the period from the redemption date to such applicable date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.
- (c) At any time on or after October 31, 2018, upon not less than 10 nor more than 60 days' prior notice (except as otherwise provided under Section 3.03 of the Indenture), the Issuers may redeem all or a part of the Dollar Notes at the redemption prices (expressed as percentages of their principal amount at maturity) set forth below plus accrued and unpaid interest and Additional Amounts, if any, on the Dollar Notes redeemed, to the applicable

redemption date, if redeemed during the twelve-month period beginning on October 31 of the years indicated below:

<u>Year</u>	Redemption Price for
	the Dollar Notes
2018	103.813%
2019	101.907%
2020 and thereafter	100.000%

Any redemption and notice may, in the Issuers' discretion, be subject to the satisfaction of one or more conditions precedent.

7. Redemption Upon Changes in Withholding Tax

- (a) The Issuers may, at their option, redeem the Dollar Notes, in whole, but not in part, at any time upon giving not less than 10 nor more than 60 days' prior notice (except as otherwise provided under Section 3.03 of the Indenture) to the holders at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest thereon, if any, to the redemption date, premium, if any, and Additional Amounts, if any, then due and which will become due on the date of redemption as a result of the redemption or otherwise, if the Issuers determine in good faith that the Payer is, or on the next date on which any amount would be payable in respect of the Notes, would be, obligated to pay Additional Amounts (as defined above) in respect of the Notes or a Guarantee pursuant to the terms and conditions thereof (but in the case of a Payer that is a Guarantor, only if the payment giving rise to such requirement cannot be made by the Issuer, the Co-Issuer or another Guarantor without the obligation to pay Additional Amounts), which the Payer cannot avoid by the use of reasonable measures available to it (including making payment through a paying agent located in another jurisdiction) as a result of:
 - (A) any change in, or amendment to, the laws or any regulations or rulings promulgated thereunder of any Relevant Taxing Jurisdiction (as defined above) affecting taxation which becomes effective and is first publicly announced on or after the date of the Indenture or, if a Relevant Taxing Jurisdiction was not a Relevant Taxing Jurisdiction on the date of the Indenture, the date on which the then current Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction under the Indenture (or, in the case of a Successor Person, after the date the Successor Person becomes a Successor Person under the Indenture); or
 - (B) any change in the official application, administration, or interpretation of the laws, regulations or rulings of any Relevant Taxing Jurisdiction, (including a holding, judgment, or order by a court of competent jurisdiction), on or after the date of the Indenture or, if a Relevant Taxing Jurisdiction was not a Relevant Taxing Jurisdiction on the date of the Indenture, the date on which the Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction under the Indenture (each of the foregoing clauses (A) and (B), a "Change in Tax Law").

- (b) Notwithstanding the foregoing, the Issuers may not redeem the Notes under this provision if (i) a Relevant Taxing Jurisdiction was not a Relevant Taxing Jurisdiction on the date of the Indenture, and (ii) the Payer is obligated to pay Additional Amounts as a result of a Change in Tax Law of such new Relevant Taxing Jurisdiction which change, at the time the latter became a Relevant Taxing Jurisdiction under the Indenture, was officially announced.
- (c) Notwithstanding the foregoing, no such notice of redemption shall be given (a) earlier than 90 days prior to the earliest date on which the Payer would be obliged to make a payment of Additional Amounts or withholding if a payment in respect of the Notes or Guarantee, as the case may be, were then due and (b) unless at the time such notice is given, the obligation to pay Additional Amounts or withhold remains in effect.
- (d) Prior to the publication or where relevant, mailing of any notice of redemption pursuant to the foregoing, the Issuers shall deliver to the Trustee:
 - (i) an Officer's Certificate stating that the Issuers are entitled to effect such redemption and setting forth a statement of facts showing the conditions precedent to the right of the Issuers so to redeem have occurred (including that such obligation to pay such Additional Amounts cannot be avoided by the Payer taking reasonable measures available to it); and
 - (ii) an opinion of independent tax advisors of recognized standing qualified under the laws of the Relevant Taxing Jurisdiction and reasonably satisfactory to the Trustee to the effect that the Payer is or would be obligated to pay such Additional Amounts as the case may be, as a result of a Change in Tax Law.

The Trustee shall, without further investigation, be entitled to rely on such Officer's Certificate and opinion of tax advisors as conclusive proof that the conditions precedent to the right of the Issuers so to redeem have occurred.

Any redemption and notice may, in the Issuers' discretion, be subject to the satisfaction of one or more conditions precedent.

8. Notice of Redemption

The Issuers shall publish a notice of any optional redemption of the Notes described above in accordance with the provisions described under Section 3.04 of the Indenture. If the Notes are listed at such time on the Irish Stock Exchange, the Issuers shall inform the Irish Stock Exchange of the principal amount of the Notes that have not been redeemed in connection with any optional redemption. If less than all of the Notes are to be redeemed at any time, the Trustee shall select the Notes to be redeemed as follows: (i) if the Notes are listed on any securities exchange, in compliance with the requirements of the principal securities exchange on which the Notes are listed or (ii) if the Notes are not listed on any securities exchange, on a pro rata basis, by lot or by such method as the Trustee deems fair and appropriate and in accordance with Euroclear or Clearstream procedures, *provided*, *however*, that no such partial redemption shall reduce the portion of the principal amount of a Note not redeemed to less than \$2,000.

9. Repurchase at the Option of Holders

If a Change of Control occurs, each holder of Notes shall have the right to require the Issuers (or the Parent Guarantor, if the Parent Guarantor makes the purchase offer referred to below) to repurchase all or any part (equal to \$200,000 or any integral multiple of \$1 in excess thereof) of that holder's Notes pursuant to an offer (a "Change of Control Offer") on the terms set forth in the Indenture. In the Change of Control Offer, the Issuers or the Parent Guarantor shall offer a payment in cash equal to 101% of the aggregate principal amount of Notes repurchased plus accrued and unpaid interest and Additional Amounts, if any, on the Notes repurchased, to the date of purchase (a "Change of Control Payment"). Within ten days following any Change of Control, the Issuers or the Parent Guarantor will (i) cause the Change of Control Offer to be published through (A) the newswire service of Bloomberg, or if Bloomberg does not then operate, any similar agency; and (B) if at the time of such notice the Notes are listed on the Irish Stock Exchange and the rules of the Irish Stock Exchange so require, in the Irish Times (or another leading newspaper of general circulation in Ireland); and (ii) mail the Change of Control Offer to each registered holder. The Change of Control Offer will describe the transaction or transactions that constitute the Change of Control and will offer to repurchase the applicable series of Notes on the date (the "Change of Control Payment Date") specified therein, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed, pursuant to the procedures required by the Indenture and described in such notice. The Issuers and the Parent Guarantor will comply with the requirements of any securities laws and the regulations thereunder (including Rule 14e-1 under the Exchange Act) to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the Indenture, the Issuers and the Parent Guarantor will comply with the applicable securities laws and regulations and will not be deemed to have breached their obligations under the Change of Control provisions of the Indenture by virtue of such conflict.

10. Denominations

The Dollar Notes are in denominations of \$200,000 or any integral multiple of \$1 in excess thereof of principal amount at maturity. The transfer of Notes may be registered, and Notes may be exchanged, as provided in the Indenture. The Registrar may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture.

11. <u>Unclaimed Money</u>

All moneys paid by the Issuer, the Co-Issuer or any Guarantor to the Trustee or a Paying Agent for the payment of the principal of, or premium, if any, or interest on, any Notes that remain unclaimed at the end of two years after such principal, premium or interest has become due and payable may be repaid to the Issuer, the Co-Issuer or any Guarantor, subject to applicable law, and the Holder of such Note thereafter may look only to the Issuer, the Co-Issuer or any Guarantor for payment thereof.

12. <u>Discharge and Defeasance</u>

Subject to certain conditions, the Issuers at any time may terminate some or all of its obligations and the obligations of the Guarantors under the Notes, the Guarantees and the Indenture if the Issuers irrevocably deposits with the Trustee U.S. Dollars or U.S.

Government Obligations for the payment of principal and interest on the Notes to redemption or maturity, as the case may be.

13. Amendment, Supplement and Waiver

- (a) Without the consent of any holder of Notes, the Guarantors, the Issuer, the Co-Issuer, the Trustee and the other parties thereto (if applicable) may amend or supplement the Indenture or the Notes:
 - (i) to cure any ambiguity, defect or inconsistency;
 - (ii) to provide for uncertificated Notes in addition to or in place of certificated Notes;
 - (iii) to provide for the assumption of the Parent Guarantor's, the Issuer's or the Co-Issuer's obligations to holders of Notes in the case of a merger, consolidation or sale of all or substantially all of the Parent Guarantor's assets;
 - (iv) to release any Guarantor in accordance with and if permitted by the terms and limitations set forth in the Indenture and to add a Guarantor under the Indenture:
 - (v) to make such changes as are necessary to provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture:
 - (vi) to make any change that would provide any additional rights or benefits to the holders of Notes or additional covenants or other obligations of the Issuer, the Co-Issuer or any Guarantor or that does not adversely affect the legal rights under the Indenture of any such holder in any material respect;

(vii) [Reserved];

- (viii) to evidence and provide for the acceptance and appointment under the Indenture of a successor Trustee thereunder pursuant to the requirements thereof; or
- (ix) to provide for the issuance of Additional Notes in accordance with the terms of the Indenture;
- (x) waive any existing Default or compliance with, or amend the terms of, Section 4.30 of this Indenture to the extent that holders of the Super Senior Secured Notes have waived any existing Default or compliance with, or amended the terms of, Section 4.30 of the indenture governing the Super Senior Secured Notes.

The Subsidiary Guarantors (other than the relevant new Subsidiary Guarantor in the case of clause (iv) above) need not be a party to any amendment to the Indenture referred to in this paragraph.

For the avoidance of doubt, Articles 470-1 to 470-19 of the Luxembourg amended companies law dated August 10, 1915 do not apply and no noteholders' meetings need to be convened to collect any necessary consent.

- (b) Except as provided in Section 9.02(b) of the Indenture, the Indenture, the Notes or the Guarantees may be modified, amended or supplemented with the consent of the Holders of at least a majority in principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes) and any existing Default or compliance with any provision of the Indenture or the Notes may be waived with the consent of the Holders of a majority in principal amount of the then outstanding Notes (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes). Without the consent of the Holders of 90% of each series of then outstanding Notes, an amendment, modification or waiver may not (with respect to any such series of Notes held by a non-consenting holder):
 - (i) reduce the principal amount of Notes whose holders must consent to an amendment, supplement or waiver of provisions of the Indenture;
 - (ii) reduce the principal (or Additional Amounts or premium, if any) of or change the Stated Maturity of the principal of, or any installment of Additional Amounts or premium, if any, or interest on, any Note or alter the provisions with respect to the redemption of the Notes (other than provisions relating to Article Three of the Indenture);
 - (iii) reduce the rate of or change the time for payment of interest on any Note;
 - (iv) waive a Default or Event of Default in the payment of principal of, or interest or premium, or Additional Amounts, if any, on the Notes (except a rescission of acceleration of the Notes by the holders of at least a majority in aggregate principal amount of the Notes and a waiver of the payment default that resulted from such acceleration);
 - (v) modify the right to institute suit for the enforcement of any payment of any Note in accordance with the provisions of such Note and the Indenture;
 - (vi) make any Note payable in money other than that stated in the Notes;
 - (vii) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of holders of Notes to receive payments of principal of, or interest or premium or Additional Amounts, if any, on the Notes:
 - (viii) waive a redemption payment with respect to any Note (other than a payment required by Section 4.15 of the Indenture);

- (ix) release the Issuer, the Co-Issuer or any Guarantor from any of its obligations under the Notes, the Guarantees or the Indenture, except in accordance with the terms of the Indenture; or
- (xi) make any change in the preceding amendment and waiver provisions.

The consent of the Holders is not necessary to approve the particular form of any proposed amendment, modification, supplement or waiver. It is sufficient if such consent approves the substance of the proposed amendment, modification, supplement or waiver.

For the avoidance of doubt, Articles 470-1 to 470-19 of the Luxembourg amended companies law dated August 10, 1915 do not apply and no noteholders' meetings need to be convened to collect any necessary consent.

14. Defaults and Remedies

In the case of an Event of Default under Section 6.01(a)(viii) and (ix) of the Indenture, all outstanding Notes shall become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the holders of at least 25% in principal amount of the then outstanding Notes may, and the Trustee, upon the request of such holders, shall declare all the Notes to be due and payable immediately.

Holders of the Notes may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to certain limitations, holders of a majority in principal amount of the then outstanding Notes may direct the Trustee in its exercise of any trust or power.

15. <u>Intercreditor Agreement</u>

Each Holder by accepting this Note agrees that the Indenture, including the Guarantees, is subject to the limitations on enforcement and other terms of the Intercreditor Agreement and that such Holder may not take any Enforcement Action in respect of the Subsidiary Guarantees other than through the Trustee in accordance with the Indenture.

16. Trustee Dealings with the Issuers

Subject to certain limitations, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with and collect obligations owed to it by the Issuers, any Guarantor or any of their Affiliates with the same rights it would have if it were not Trustee. Any Paying Agent, Registrar, co-Registrar or co-Paying Agent may do the same with like rights.

17. No Recourse Against Others

No director, officer, employee, incorporator or stockholder of the Issuers or any Guarantor, as such, shall have any personal liability for any obligations of the Issuers or such Guarantor under the Notes, the Indenture, the Intercreditor Agreement, the Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

18. Authentication

This Note shall not be valid until an authorized officer of the Trustee (or an authenticating agent) manually signs the certificate of authentication on the other side of this Note.

19. Governing Law

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICT OF LAW RULES THEREOF. FOR THE AVOIDANCE OF DOUBT, ARTICLES 470-1 TO 470-19 OF THE LUXEMBOURG AMENDED COMPANIES LAW DATED AUGUST 10, 1915 DO NOT APPLY.

The Issuers or any Guarantor shall furnish to any Holder upon written request and without charge to the Holder a copy of the Indenture. Requests may be made to:

Codere, S.A. Avenida de Bruselas, 26 28108 Alcobendas Madrid, Spain

Attention: Chief Financial Officer Facsimile: +34 91 354 2893

ASSIGNMENT FORM

To assign a	and tran	sfer this Note, fill in the form below:
(I) or (the l	Issuers)	assign and transfer this Note to
(Insert assi	gnee's s	social security or tax I.D. no.)
(Print or ty	pe assig	gnee's name, address and postal code)
and irrevoo	cably ap e books	point agent to transfer this of the Issuers. The agent may substitute another to act for him.
Your Signa	ature: _	
		(Sign exactly as your name appears on the other side of this Note)
Signature (Guarante	ee:
` •		cognized signature guarantee medallion program)
Date		
Certifying	Signatu	re:
CHECK O	NE BO	X BELOW
(1)		to the Issuers, or
(2)		pursuant to and in compliance with Rule 144A under the U.S. Securities Act of 1933; or
(3)		pursuant to and in compliance with Regulation S under the U.S. Securities Act of 1933; or
(4)		pursuant to another available exemption from the registration
(5)		requirements of the U.S. Securities Act of 1933; or pursuant to an effective registration statement under the U.S. Securities Act of 1933.

Unless one of the boxes is checked, the Trustee shall refuse to register any of the Notes evidenced by this certificate in the name of any person other than the registered Holder thereof; *provided*, *however*, that if box (2) is checked, by executing this form, the Transferor is deemed to have certified that such Notes are being transferred to a person it reasonably believes is a "qualified institutional buyer" as defined in Rule 144A under the U.S. Securities Act of 1933 who has received notice that such transfer is being made in reliance on Rule 144A; if box (3) is checked, by executing this form, the Transferor is deemed to have certified that such transfer is made pursuant to an offer and sale that occurred outside the United States in compliance with Regulation S under the U.S. Securities Act; and if box (4) is checked, the Trustee may require, prior to registering any such transfer of the Notes, such legal opinions, certifications and other information as the Issuers reasonably request to confirm that such transfer is being made pursuant to an exemption from or in a transaction not subject to, the registration requirements of the U.S. Securities Act of 1933.

Signature:	
Signature Guarantee:	
(Participant in a recognized signature guarantee medall	ion program)
Certifying Signature: Date:	
Signature Guarantee:(Participant in a recognized signature guarantee medall	ion program)

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Note or a portion thereof repurchased pursuant to Section 4.11 or 4.15 of the Indenture, check the box:

If the purchase is in part, indicate the portion (in denominations of \$200,000 or an integral multiple of \$1 in excess thereof) to be purchased:

Your signature: (Sign exactly as y	your name appears on the other side of this Note)
Date:	
Certifying Signat	nire:

SCHEDULE A

SCHEDULE OF PRINCIPAL AMOUNT

The initial principal amount of this Security is \$[]. The following decreases/increases in the principal amount of this Security have been made:

Date of Decrease/ <u>Increase</u>	Decrease in Principal Amount	Increase in Principal Amount	Principal Amount Following such Decrease/ Increase	Notation Made by or on Behalf of Registrar

[FORM OF FACE OF EURO NOTE] CODERE FINANCE 2 (LUXEMBOURG) S.A. CODERE FINANCE 2 (UK) LIMITED

	€[]	
ISIN Number [] / COMMON CODE []
No		

THIS NOTE IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE AND IS REGISTERED IN THE NAME OF THE DEPOSITARY OR A NOMINEE OF THE DEPOSITARY OR A SUCCESSOR DEPOSITARY. THIS NOTE IS NOT EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITARY OR ITS NOMINEE EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS NOTE (OTHER THAN A TRANSFER OF THIS NOTE AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY) MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

THIS GLOBAL NOTE AND ANY RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THIS GLOBAL NOTE TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALE OR TRANSFER OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS GLOBAL NOTE SHALL BE DEEMED, BY THE ACCEPTANCE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT.

[Include if Restricted Global Note – THIS SECURITY (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND THIS SECURITY REPRESENTED BY THIS GLOBAL CERTIFICATE MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM AND UNLESS IN ACCORDANCE WITH THE INDENTURE REFERRED TO HEREINAFTER, COPIES OF WHICH ARE AVAILABLE AT THE CORPORATE TRUST OFFICE OF THE TRUSTEE. EACH PURCHASER OF THE SECURITIES REPRESENTED HEREBY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A (TOGETHER WITH ANY SUCCESSOR PROVISION, AND AS SUCH RULE MAY THEREAFTER BE AMENDED FROM TIME TO TIME, "RULE 144A"). THE HOLDER OF THIS SECURITY AGREES FOR THE BENEFIT OF THE ISSUERS THAT (A) THIS

SECURITY MAY BEOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED, PRIOR TO THE DATE THAT IS ONE YEAR (OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY RULE 144A OR ANY SUCCESSOR PROVISION THEREUNDER) AFTER THE COMMENCEMENT OF THE OFFERING, ONLY (I) IN THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (II) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (III) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE) OR (IV) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH OF CASES (I) THROUGH (IV) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ALL OTHER APPLICABLE JURISDICTIONS, AND (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS SECURITY FROM IT OF THE RESALE RESTRICTIONS REFERRED TO IN (A) ABOVE. THIS LEGEND WILL BE REMOVED ONLY AT THE OPTION OF THE ISSUERS.]

[Include if Regulation S Global Note – THIS SECURITY (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION ORIGINALLY EXEMPT FROM REGISTRATION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE TRANSFERRED IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON EXCEPT PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ALL APPLICABLE STATE SECURITIES LAWS. TERMS USED ABOVE HAVE THE MEANINGS GIVEN TO THEM IN REGULATION S UNDER THE SECURITIES ACT.]

[UNTIL 40 DAYS AFTER THE COMMENCEMENT OF THE OFFERING, AN OFFER OR SALE OF SECURITIES WITHIN THE UNITED STATES BY A DEALER (AS DEFINED IN THE U.S. SECURITIES ACT) MAY VIOLATE THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT IF SUCH OFFER OR SALE IS MADE OTHERWISE THAN IN ACCORDANCE WITH RULE 144A UNDER THE U.S. SECURITIES ACT.]

9.500% CASH / 10.750% PIK SENIOR SECURED NOTE DUE 2023

Codere Finance 2 (Luxembourg) S.A., a Luxembourg société anonyme and Codere Finance 2 (UK) Limited and each of their successors and assigns, for value received promises to pay to Bank of America GSS Nominees Limited, as nominee for the Common Depository for Euroclear and Clearstream or registered assigns the principal sum €[] as listed on the Schedule of Principal Amount attached hereto on November 1, 2023.

From October [•], 2020, or from the most recent interest payment date to which interest has been paid or provided for, cash interest on this Note shall accrue at 9.500% cash/10.750% PIK, as described in paragraph 1 of this Note, payable semi-annually in arrears on October 31 and April 30 of each year, beginning on October 31, 2020, to the Person in whose name this Note (or any predecessor Note) is registered at the close of business on the preceding October 15 or April 15, as the case may be.

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICT OF LAW RULES THEREOF. FOR THE AVOIDANCE OF DOUBT, ARTICLES 470-1 TO 470-19 OF THE LUXEMBOURG AMENDED COMPANIES LAW DATED AUGUST 10, 1915 DO NOT APPLY.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature of an authorized signatory, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof and to the provisions of the Indenture, which provisions shall for all purposes have the same effect as if set forth at this place.

	Limited has caused this N	Codere Finance 2 (Luxembourg) S.A. and Codere fote to be signed manually or by facsimile by its
Dated: []	
		CODERE FINANCE 2 (LUXEMBOURG) S.A.
		By: Name: Title:
		CODERE FINANCE 2 (UK) LIMITED
		By: Name: Title:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

GLAS TRUST CORPORATION LIMITED,
as Trustee, certifies that this is one of the Notes referred to in the Indenture.
By:
Authorized Officer

[FORM OF REVERSE SIDE OF EURO NOTE]

9.500% Cash / 10.750% PIK Senior Secured Note Due 2023

1. Interest

Codere Finance 2 (Luxembourg) S.A., a Luxembourg *société anonyme* (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "<u>Issuer</u>") and Codere Finance 2 (UK) Limited (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "<u>Co-Issuer</u>" and, together with the Issuer, the "<u>Issuers</u>"), for value received promises to pay interest on the principal amount of this Note.

On each Interest Payment Date, interest on the principal amount of this Note shall be paid at a rate equal to 4.500% *per annum* in cash interest *plus*, either, at the sole discretion of the Issuers (a) 5.000% *per annum* in cash interest or (b) 6.250% in kind interest (any such portion, "PIK Euro Interest") by increasing the outstanding principal amount of such Note or, with respect to Notes represented by certificated notes, issuing additional Notes under the Indenture on the same terms and conditions as the Notes offered hereby in a principal amount equal to such interest (the "PIK Euro Notes"). Interest shall be computed on the basis of a 360-day year of twelve 30-day months. The Issuers shall pay interest on overdue principal at the interest rate borne by the Notes compounded semi-annually, and it shall pay interest on overdue installments of interest at the same rate compounded semi-annually to the extent lawful. Any interest paid on this Note shall be increased to the extent necessary to pay Additional Amounts as set forth in this Note.

2. <u>Additional Amounts</u>

- All payments in respect of the Notes, made by or on behalf of the Issuer, the Co-Issuer, a Guarantor or any successor person to the Issuer, the Co-Issuer or any Guarantor (each a "Successor Person") (each a "Payer"), shall be made free and clear without withholding or deduction for, or on account of, any present or future taxes, duties, levies, imposts, assessments or other governmental charges (including, without limitation, penalties, interest and other similar liabilities related thereto) of whatever nature, (collectively, "Taxes") imposed or levied by or on behalf of any jurisdiction or any political subdivision or governmental authority thereof or therein having the power to tax where such Payer is incorporated, organized or otherwise resident for tax purposes or from or through which the Payer makes a payment on the Notes or its Guarantee or by the Kingdom of Spain (and any subdivision or governmental authority thereof or therein) (each, a "Relevant Taxing Jurisdiction"), unless the withholding or deduction of such Taxes is then required by law. If the Payer is required to withhold or deduct any amount for, or on account of, Taxes imposed or levied on behalf of a Relevant Taxing Jurisdiction from any payment made under or with respect to the Notes, the Payer shall pay such additional amounts ("Additional Amounts") as may be necessary to ensure that the net amount received by each holder of the Notes (including Additional Amounts) after such withholding or deduction has been made shall be not less than the amount the holder would have received if such Taxes had not been required to be withheld or deducted.
- (b) The Payer shall not be required to make any payment of Additional Amounts for or on account of

- any Taxes that are imposed or levied by a Relevant Taxing (i) Jurisdiction by reason of (A) the holder's or a beneficial owner's present or former connection with such Relevant Taxing Jurisdiction (other than the mere acquisition or holding of Notes or by reason of the receipt of payments in respect thereunder or the exercise or enforcement of any rights under the Notes, the Indenture, or any Guarantee (including a connection between a fiduciary, settlor, beneficiary, member, partner or shareholder of, or possessor of power over, the relevant holder or beneficial owner, if the relevant holder or beneficial owner is an estate, nominee, trust, partnership or corporation, and the Relevant Taxing Jurisdiction), or (B) the presentation of a Note (where presentation is required) for payment on a date more than 30 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later, except to the extent that the beneficial owner or holder thereof would have been entitled to Additional Amounts had the Notes been presented for payment on any day during such 30 day period;
- (ii) any estate, inheritance, gift, sales, excise, transfer, personal property or similar Tax;
- (iii) any Tax which is payable otherwise than by withholding or deduction from payments made under or with respect to the Notes;
- (iv) any Taxes that are imposed or withheld by reason of the failure by the holder or the beneficial owner of the Notes, following the Issuers' written request addressed to the holder or otherwise provided to the holder or beneficial owner (and made at a time that would enable the holder or beneficial owner acting reasonably to comply with that request) to provide certification, information, documents or other evidence concerning the nationality, residence or identity of the holder or such beneficial owner or to make any valid or timely declaration or similar claim or satisfy any other reporting requirements relating to such matters, whether required or imposed by statute, treaty, regulation or administrative practice of the Relevant Taxing Jurisdiction, as a precondition to exemption from, or reduction in the rate of withholding or deduction of, Taxes imposed by the Relevant Taxing Jurisdiction, including, for the avoidance of doubt, any Taxes that are imposed or withheld under Spanish law by reason of the Payer not receiving (either directly or through its agent) such information from a holder or beneficial owner as may be necessary to allow payments on the Notes to be made free and clear of Spanish withholding tax or deduction on account of Spanish taxes, pursuant to Law 10/2014 of June 26, Royal Decree 1065/2007 of July 27, as amended by Royal Decree 1145/2011 of July 29, and any implementing legislation or regulation;
- (v) any Tax that is imposed on or with respect to a Note presented for payment (where presentation is required) on behalf of a holder or beneficial owner who would have been able to avoid such withholding or deduction by presenting the Note to another Paying Agent in a Member State of the European Union;

- (vi) any Tax that would not have been imposed but for a failure by the holder or beneficial owner (or any financial institution through which the holder or beneficial owner holds any Note through which payment on the Note is made) to comply with any certification, information, identification, documentation or other reporting requirements (including entering into and complying with an agreement with the U.S. Internal Revenue Service) imposed pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (or any intergovernmental agreement, or legislation enacted pursuant thereto, to implement such provisions) as in effect on the date of issuance of the Notes or any successor or amended version of these provisions, to the extent such successor or amended version is not materially more onerous than these provisions as enacted on such date; or
- (vii) any combination of Taxes referred to in clauses (i) to (vi) above.
- (c) Additional Amounts shall not be paid with respect to any payment made under or with respect to the Notes or any Guarantee in the case of a holder who is a fiduciary, a partnership or other than the sole beneficial owner of such payment, to the extent that such payment is required by the laws of the Relevant Taxing Jurisdiction to be included in the income, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, a member of that partnership or a beneficial owner and such person would not have been entitled to the Additional Amounts had it been the holder of the Note or Guarantee.
- (d) The Payer shall (i) make such withholding or deduction required by applicable law and (ii) remit the full amount withheld or deducted to the relevant taxing authority in accordance with applicable law.
- (e) At least 30 calendar days prior to each date on which any payment under or with respect to the Notes is due and payable, if the Payer shall be obligated to pay Additional Amounts with respect to such payment (unless such obligation to pay Additional Amounts arises after the 30th day prior to the date on which payment under or with respect to the Notes is due and payable, in which case it shall be promptly thereafter), the Issuers shall deliver to the Trustee an Officer's Certificate stating that such Additional Amounts shall be payable and the amounts so payable and shall set forth such other information necessary to enable the Paying Agent to pay such Additional Amounts to holders on the relevant payment date. The Trustee shall, without further enquiry, be entitled to rely absolutely on each such Officer's Certificate as conclusive proof that such payments are necessary. The Issuers shall promptly publish a notice in accordance with Section 14.02 of the Indenture stating that such Additional Amounts shall be payable and describing the obligation to pay such amounts.
- (f) Upon request, within a reasonable time the Payer shall provide the Trustee, to provide to the holders, certified copies of tax receipts evidencing the payment by the Payer of any Taxes imposed or levied by a Relevant Taxing Jurisdiction in such form as provided in the normal course by the taxing authority imposing such Taxes and as is reasonably available to the Payer. If, notwithstanding the reasonable efforts of the Payer to obtain such receipts, the same are not obtainable, the Payer shall provide the Trustee a copy of the return reporting such payment or with other evidence reasonably satisfactory to the Trustee of such payments by the Payer.

- In addition, the Parent Guarantor undertakes to indemnify, pay and maintain (g) all holders of the Notes or the Guarantees harmless for all Taxes that are imposed under Spanish law on the payments received or income derived from the Notes or the Guarantees that (i) are not compensated by the payment of Additional Amounts under the first paragraph of this "Additional Amounts" section; and that (ii) are not excluded under clauses (i) through (ii) and (iv) through (vii) of Section 4.16(b) of the Indenture, or any combination thereof. Furthermore, the Issuers shall pay any present or future stamp, issue, registration, court documentation, excise, or property taxes, or other similar Taxes imposed by or in any Relevant Taxing Jurisdiction, including any political jurisdiction thereof, in respect of the execution, issue, delivery or registration of the Notes, the Indenture, or the Guarantees, or any other document or instrument referred to thereunder and any such Taxes imposed by any jurisdiction as a result of, or in connection with, the enforcement of the Notes, the Guarantees, or any other such document or instrument following, and relating to, the occurrence of any Event of Default with respect to the Notes or the receipt of any payments with respect thereto (other than with respect to a transfer of the Notes following the initial sale of the Notes by the Initial Purchasers and limited, solely in the case of Taxes attributable to the receipt of any payments with respect thereto, to any such Taxes imposed in a Relevant Tax Jurisdiction that are not excluded under clauses (i) through (ii) and (iv) through (vii) of Section 4.16(b) of the Indenture, or any combination thereof), and other than (i) any stamp duty, registration or other similar Taxes payable on or by reference to or in consequence of the transfer or assignment of the whole or any part of the rights of a holder of the Notes and (ii) any Luxembourg registration duties (droits d'enregistrement) payable due to registration, submission or filing of any finance document when such registration, submission or filing is or was not required to maintain or preserve the rights of any party under that finance document).
- (h) Whenever the Indenture refers to, in any context, the payment of principal, premium, if any, interest or any other amount payable under or with respect to any Note (including payments thereof made pursuant to any Guarantee or in connection with a redemption of the Notes), such reference includes the payment of Additional Amounts, if applicable.

Provisions (a)-(h) above shall survive any termination, defeasance or discharge of the Indenture.

3. Method of Payment

The Issuers shall pay interest on this Note (except defaulted interest) to the persons who are registered Holders of this Note at the close of business on the Record Date for the next Interest Payment Date even if this Note is cancelled after the Record Date and on or before the Interest Payment Date. The Issuers shall pay principal and interest in Euros in immediately available funds that at the time of payment is legal tender for payment of public and private debts; *provided*, that payment of interest may be made at the option of the Issuers by check mailed to the Holder.

The amount of payments in respect of interest on each Interest Payment Date shall correspond to the aggregate principal amount of Notes represented by the Regulation S Global Note and the Restricted Global Note, as established by the Registrar at the close of business on the relevant Record Date. Payments of principal shall be made upon surrender of the Regulation S Global Note and the Restricted Global Note to the Paying Agent.

PIK Euro Interest shall be payable (a) with respect to Notes represented by one or more Global Notes registered in the name of, or held by, the Common Depositary on the relevant Record Date, by increasing the principal amount of the outstanding Global Note by an amount equal to the amount of the PIK Euro Interest for the applicable interest period (rounded up to the nearest whole euro) (it being understood that subsequent interest payments on the Notes shall be calculated on such increased principal amount) and (b) with respect to Notes represented by certificated Notes, by issuing PIK Euro Notes in certificated form to the Holders of the underlying Notes in an aggregate principal amount equal to the amount of interest for the applicable interest period (rounded up to the nearest whole euro). The Trustee shall authenticate and deliver such PIK Euro Notes in certificated form for original issuance to the Holders thereof on the relevant Record Date, as shown by the records of the register of such Holders. Following an increase in the principal amount of the outstanding Global Notes as a result of any PIK Euro Interest, the Global Notes shall bear interest on such increased principal amount from and after the interest payment date in respect of which such PIK Euro Interest was made. Any PIK Euro Notes issued in certificated form shall be dated as of the applicable interest payment date, bear interest from and after such date and be issued with the description "PIK" on the face of such PIK Euro Note.

Cash interest and PIK Euro Interest shall be paid to Holders pro rata in accordance with their interests in this Note. Following an increase in the principal amount of this Note as a result of a payment as PIK Euro Interest, this Note will bear interest on such increased principal amount from and after the date of such payment. Any PIK Euro Notes issued in certificated form will be dated as of the applicable interest payment date and will bear interest from and after such date. All PIK Euro Notes will mature on November 1, 2023.

Not less than ten Business Days prior to each interest payment date, the Issuers shall notify the Trustee in writing of the amount of cash interest and PIK Euro Interest, respectively, to be made for such interest payment date, in each case in accordance with the terms of the Indenture. In the event the Issuers fail to timely deliver such notice (or in the case of acceleration or other prepayment of the Notes, if interest is due and owing on a date other than an interest payment date), the Issuers shall be deemed to have elected to pay PIK Euro Interest for such interest payment date.

4. Paying Agent

The Issuers will make all payments, including principal of, premium, if any, and interest on the Notes, through an agent that it will maintain for these purposes. Initially that agent will be Global Loan Agency Services Limited.

5. Indenture

The Issuers issued the Notes under an indenture dated as of November 8, 2016, as supplemented or amended from time to time (the "<u>Indenture</u>") among the Issuer, the Co-Issuer, the Parent Guarantor, the Subsidiary Guarantors, GLAS Trust Corporation Limited, as trustee and security agent (the "<u>Trustee</u>"), the Paying Agent and the other parties thereto. Terms defined in the Indenture and not defined herein have the meanings ascribed thereto in the Indenture. The Notes are subject to such terms of, and Holders are referred to, the Indenture for a statement of those terms.

The Notes are general obligations of the Issuers and are issued under the Indenture in an initial aggregate principal amount at maturity of €500,000,000. The Indenture imposes

certain limitations on the Issuer, the Co-Issuer, the Parent Guarantor and the Subsidiary Guarantors and affiliates, including, without limitation, limitations on the incurrence of indebtedness and issuance of stock, the payment of dividends and other payment restrictions affecting the Parent Guarantor and Restricted Group Members, the sale of assets, transactions with and among affiliates of the Parent Guarantor and the Restricted Group Members, change of control and Liens.

6. Optional Redemption

- (a) [Reserved].
- (b) At any time prior to October 31, 2018, upon not less than 10 nor more than 60 days' prior notice (except as otherwise provided under Section 3.03 of the Indenture), the Issuers may redeem all or a part of the Euro Notes, at a redemption price equal to 100% of the Euro Notes to be redeemed plus the Applicable Premium (as defined below) as of, and accrued and unpaid interest and Additional Amounts, if any, to, the date of redemption (subject to the right of holders of record on the relevant record date to receive interest due on any interest payment date occurring on or prior to the redemption date).

"Applicable Premium" means, with respect to a Euro Note on any Redemption Date, as calculated by the Issuers, the greater of:

- (a) 1.0% of the principal amount of the Euro Note; and
- (b) the excess of:
 - (i) the present value at such Redemption Date of (i) the redemption price of the note at October 30, 2018 (such redemption price being set forth in the Notes) plus (ii) all required interest payments due on the Euro Note through October 30, 2018 (excluding accrued but unpaid interest to the Redemption Date), computed using a discount rate equal to the Bund Rate as of such Redemption Date plus 50 basis points; over
 - (ii) the outstanding principal amount of such Euro Note.

Any redemption and notice may, in the Issuers' discretion, be subject to the satisfaction of one or more conditions precedent.

"Bund Rate" means, with respect to any redemption date, the rate per annum equal to the equivalent yield to maturity as of such redemption date of the Comparable German Bund issue, assuming a price for the Comparable German Bund issue (expressed as a percentage of its principal amount) equal to the Comparable German Bund Price for such redemption date, where:

(I) "Comparable German Bund Issues" means the German Bundesanleihe security selected by any Reference German Bund Dealer as having a fixed maturity most nearly equal to the period from such redemption date to January 4, 2022, and that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of euro denominated corporate debt securities in a principal amount approximately equal to the then outstanding principal amount of the Euro Notes and of a maturity most nearly equal to January 4, 2022; provided that

if the period from such redemption date to January 4, 2022 is less than one year, a fixed maturity of one year shall be used;

- (II) "<u>Comparable German Bund Price</u>" means, with respect to any redemption date, the average of the Reference German Bund Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference German Bund Dealer Quotations, or if the Issuers obtain fewer than four such Reference German Bund Dealer Quotations, the average of all such quotations;
- (III) "<u>Reference German Bund Dealer</u>" means any dealer of German Bundesanleihe securities appointed by the Issuers (and notified to the Trustee); and
- (IV) "Reference German Bund Dealer Quotations" means, with respect to each Reference German Bund Dealer and any redemption date, the average as determined by the Issuers of the bid and offered prices for the Comparable German Bund Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Issuers by such Reference German Bund Dealer at 3:30 p.m. Frankfurt, Germany time on the third business day preceding such redemption date.
- (c) At any time on or after October 31, 2018, upon not less than 10 nor more than 60 days' prior notice (except as otherwise provided under Section 3.03 of the Indenture), the Issuers may redeem all or a part of the Euro Notes at the redemption prices (expressed as percentages of their principal amount at maturity) set forth below plus accrued and unpaid interest and Additional Amounts, if any, on the Euro Notes redeemed, to the applicable redemption date, if redeemed during the twelve-month period beginning on October 31 of the years indicated below:

Redemption Price for
the Euro Notes
103.375%
101.688%
100.000%

Any redemption and notice may, in the Issuers' discretion, be subject to the satisfaction of one or more conditions precedent.

7. Redemption Upon Changes in Withholding Tax

(a) The Issuers may, at its option, redeem the Euro Notes, in whole, but not in part, at any time upon giving not less than 10 nor more than 60 days' prior notice (except as otherwise provided under Section 3.03 of the Indenture) to the holders at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest thereon, if any, to the redemption date, premium, if any, and Additional Amounts, if any, then due and which will become due on the date of redemption as a result of the redemption or otherwise, if the Issuers determines in good faith that the Payer is, or on the next date on which any amount would be payable in respect of the Notes, would be, obligated to pay Additional Amounts (as defined above) in respect of the Notes or a Guarantee pursuant to the terms and conditions thereof (but in the case of a Payer that is a Guarantor, only if the payment giving rise to such requirement cannot be made by the Issuers or another Guarantor without the obligation to pay Additional Amounts), which the Payer cannot avoid by the use

of reasonable measures available to it (including making payment through a paying agent located in another jurisdiction) as a result of:

- (A) any change in, or amendment to, the laws or any regulations or rulings promulgated thereunder of any Relevant Taxing Jurisdiction (as defined above) affecting taxation which becomes effective and is first publicly announced on or after the date of the Indenture or, if a Relevant Taxing Jurisdiction was not a Relevant Taxing Jurisdiction on the date of the Indenture, the date on which the then current Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction under the Indenture (or, in the case of a Successor Person, after the date the Successor Person becomes a Successor Person under the Indenture); or
- (B) any change in the official application, administration, or interpretation of the laws, regulations or rulings of any Relevant Taxing Jurisdiction, (including a holding, judgment, or order by a court of competent jurisdiction), on or after the date of the Indenture or, if a Relevant Taxing Jurisdiction was not a Relevant Taxing Jurisdiction on the date of the Indenture, the date on which the Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction under the Indenture (each of the foregoing clauses (A) and (B), a "Change in Tax Law").
- (b) Notwithstanding the foregoing, the Issuers may not redeem the Notes under this provision if (i) a Relevant Taxing Jurisdiction was not a Relevant Taxing Jurisdiction on the date of the Indenture, and (ii) the Payer is obligated to pay Additional Amounts as a result of a Change in Tax Law of such new Relevant Taxing Jurisdiction which change, at the time the latter became a Relevant Taxing Jurisdiction under the Indenture, was officially announced.
- (c) Notwithstanding the foregoing, no such notice of redemption shall be given (a) earlier than 90 days prior to the earliest date on which the Payer would be obliged to make a payment of Additional Amounts or withholding if a payment in respect of the Notes or Guarantee, as the case may be, were then due and (b) unless at the time such notice is given, the obligation to pay Additional Amounts or withhold remains in effect.
- (d) Prior to the publication or where relevant, mailing of any notice of redemption pursuant to the foregoing, the Issuers shall deliver to the Trustee:
 - (i) an Officer's Certificate stating that the Issuers are entitled to effect such redemption and setting forth a statement of facts showing the conditions precedent to the right of the Issuers so to redeem have occurred (including that such obligation to pay such Additional Amounts cannot be avoided by the Payer taking reasonable measures available to it); and
 - (ii) an opinion of independent tax advisors of recognized standing qualified under the laws of the Relevant Taxing Jurisdiction and reasonably satisfactory to the Trustee to the effect that the Payer is or would be obligated

to pay such Additional Amounts as the case may be, as a result of a Change in Tax Law.

The Trustee shall, without further investigation, be entitled to rely on such Officer's Certificate and opinion of tax advisors as conclusive proof that the conditions precedent to the right of the Issuers so to redeem have occurred.

Any redemption and notice may, in the Issuers' discretion, be subject to the satisfaction of one or more conditions precedent.

8. <u>Notice of Redemption</u>

The Issuers shall publish a notice of any optional redemption of the Notes described above in accordance with the provisions described under Section 3.04 of the Indenture. If the Notes are listed at such time on the Irish Stock Exchange, the Issuers shall inform the Irish Stock Exchange of the principal amount of the Notes that have not been redeemed in connection with any optional redemption. If less than all of the Notes are to be redeemed at any time, the Trustee shall select the Notes to be redeemed as follows: (i) if the Notes are listed on any securities exchange, in compliance with the requirements of the principal securities exchange on which the Notes are listed or (ii) if the Notes are not listed on any securities exchange, on a pro rata basis, by lot or by such method as the Trustee deems fair and appropriate and in accordance with Euroclear or Clearstream procedures, provided, however, that no such partial redemption shall reduce the portion of the principal amount of a Note not redeemed to less than €2,000.

9. Repurchase at the Option of Holders

If a Change of Control occurs, each holder of Notes shall have the right to require the Issuers (or the Parent Guarantor, if the Parent Guarantor makes the purchase offer referred to below) to repurchase all or any part (equal to €100,000 or any integral multiple of €1 in excess thereof) of that holder's Notes pursuant to an offer (a "Change of Control Offer") on the terms set forth in the Indenture. In the Change of Control Offer, the Issuer or the Parent Guarantor shall offer a payment in cash equal to 101% of the aggregate principal amount of Notes repurchased plus accrued and unpaid interest and Additional Amounts, if any, on the Notes repurchased, to the date of purchase (a "Change of Control Payment"). Within ten days following any Change of Control, the Issuers or the Parent Guarantor will (i) cause the Change of Control Offer to be published through (A) the newswire service of Bloomberg, or if Bloomberg does not then operate, any similar agency; and (B) if at the time of such notice the Notes are listed on the Irish Stock Exchange and the rules of the Irish Stock Exchange so require, in the Irish Times (or another leading newspaper of general circulation in Ireland); and (ii) mail the Change of Control Offer to each registered holder. The Change of Control Offer will describe the transaction or transactions that constitute the Change of Control and will offer to repurchase the applicable series of Notes on the date (the "Change of Control Payment Date") specified therein, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed, pursuant to the procedures required by the Indenture and described in such notice. The Issuers and the Parent Guarantor will comply with the requirements of any securities laws and the regulations thereunder (including Rule 14e-1 under the Exchange Act) to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the Indenture, the Issuers and the Parent Guarantor will comply with the

applicable securities laws and regulations and will not be deemed to have breached their obligations under the Change of Control provisions of the Indenture by virtue of such conflict.

10. Denominations

The Euro Notes are in denominations of €100,000 or any integral multiple of €1 in excess thereof of principal amount at maturity. The transfer of Notes may be registered, and Notes may be exchanged, as provided in the Indenture. The Registrar may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture.

11. <u>Unclaimed Money</u>

All moneys paid by the Issuers or any Guarantor to the Trustee or a Paying Agent for the payment of the principal of, or premium, if any, or interest on, any Notes that remain unclaimed at the end of two years after such principal, premium or interest has become due and payable may be repaid to the Issuers or any Guarantor, subject to applicable law, and the Holder of such Note thereafter may look only to the Issuers or any Guarantor for payment thereof.

12. Discharge and Defeasance

Subject to certain conditions, the Issuers at any time may terminate some or all of its obligations and the obligations of the Guarantors under the Notes, the Guarantees and the Indenture if the Issuers irrevocably deposits with the Trustee in Euros or European Government Obligations for the payment of principal and interest on the Notes to redemption or maturity, as the case may be.

13. Amendment, Supplement and Waiver

- (a) Without the consent of any holder of Notes, the Guarantors, the Issuer, the Co-Issuer, the Trustee and the other parties thereto (if applicable) may amend or supplement the Indenture or the Notes:
 - (i) to cure any ambiguity, defect or inconsistency;
 - (ii) to provide for uncertificated Notes in addition to or in place of certificated Notes:
 - (iii) to provide for the assumption of the Parent Guarantor's or the Issuers' obligations to holders of Notes in the case of a merger, consolidation or sale of all or substantially all of the Parent Guarantor's assets;
 - (iv) to release any Guarantor in accordance with and if permitted by the terms and limitations set forth in the Indenture and to add a Guarantor under the Indenture;
 - (v) to make such changes as are necessary to provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture:

(vi) to make any change that would provide any additional rights or benefits to the holders of Notes or additional covenants or other obligations of the Issuer, the Co-Issuer or any Guarantor or that does not adversely affect the legal rights under the Indenture of any such holder in any material respect;

(vii) [Reserved];

- (viii) to evidence and provide for the acceptance and appointment under the Indenture of a successor Trustee thereunder pursuant to the requirements thereof;
- (ix) to provide for the issuance of Additional Notes in accordance with the terms of the Indenture; or
- (x) waive any existing Default or compliance with, or amend the terms of, Section 4.30 of this Indenture to the extent that holders of the Super Senior Secured Notes have waived any existing Default or compliance with, or amended the terms of, Section 4.30 of the indenture governing the Super Senior Secured Notes.

The Subsidiary Guarantors (other than the relevant new Subsidiary Guarantor in the case of clause (iv) above) need not be a party to any amendment to the Indenture referred to in this paragraph.

For the avoidance of doubt, Articles 470-1 to 470-19 of the Luxembourg amended companies law dated August 10, 1915 do not apply and no noteholders' meetings need to be convened to collect any necessary consent.

- (b) Except as provided in Section 9.02(b) of the Indenture, the Indenture, the Notes or the Guarantees may be modified, amended or supplemented with the consent of the Holders of at least a majority in principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes) and any existing Default or compliance with any provision of the Indenture or the Notes may be waived with the consent of the Holders of a majority in principal amount of the then outstanding Notes (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes). Without the consent of the Holders of 90% of each series of then outstanding Notes, an amendment, modification or waiver may not (with respect to any such series of Notes held by a non-consenting holder):
 - (i) reduce the principal amount of Notes whose holders must consent to an amendment, supplement or waiver of provisions of the Indenture:
 - (ii) reduce the principal (or Additional Amounts or premium, if any) of or change the Stated Maturity of the principal of, or any installment of Additional Amounts or premium, if any, or interest on, any Note or alter the provisions with respect to the redemption of the Notes (other than provisions relating to Article Three of the Indenture);
 - (iii) reduce the rate of or change the time for payment of interest on any Note;

- (iv) waive a Default or Event of Default in the payment of principal of, or interest or premium, or Additional Amounts, if any, on the Notes (except a rescission of acceleration of the Notes by the holders of at least a majority in aggregate principal amount of the Notes and a waiver of the payment default that resulted from such acceleration);
- (v) modify the right to institute suit for the enforcement of any payment of any Note in accordance with the provisions of such Note and the Indenture;
- (vi) make any Note payable in money other than that stated in the Notes;
- (vii) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of holders of Notes to receive payments of principal of, or interest or premium or Additional Amounts, if any, on the Notes:
- (viii) waive a redemption payment with respect to any Note (other than a payment required by Section 4.15 of the Indenture);
- (ix) release the Issuer, the Co-Issuer or any Guarantor from any of its obligations under the Notes, the Guarantees or the Indenture, except in accordance with the terms of the Indenture; or
- (xi) make any change in the preceding amendment and waiver provisions.

The consent of the Holders is not necessary to approve the particular form of any proposed amendment, modification, supplement or waiver. It is sufficient if such consent approves the substance of the proposed amendment, modification, supplement or waiver.

For the avoidance of doubt, Articles 470-1 to 470-19 of the Luxembourg amended companies law dated August 10, 1915 do not apply and no noteholders' meetings need to be convened to collect any necessary consent.

14. <u>Defaults and Remedies</u>

In the case of an Event of Default under Section 6.01(a)(viii) and (ix) of the Indenture, all outstanding Notes shall become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the holders of at least 25% in principal amount of the then outstanding Notes may, and the Trustee, upon the request of such holders, shall declare all the Notes to be due and payable immediately.

Holders of the Notes may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to certain limitations, holders of a majority in principal amount of the then outstanding Notes may direct the Trustee in its exercise of any trust or power.

15. Intercreditor Agreement

Each Holder by accepting this Note agrees that the Indenture, including the Guarantees, is subject to the limitations on enforcement and other terms of the Intercreditor

Agreement and that such Holder may not take any Enforcement Action in respect of the Subsidiary Guarantees other than through the Trustee in accordance with the Indenture.

16. <u>Trustee Dealings with the Issuers</u>

Subject to certain limitations, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with and collect obligations owed to it by the Issuers, any Guarantor or any of their Affiliates with the same rights it would have if it were not Trustee. Any Paying Agent, Registrar, co-Registrar or co-Paying Agent may do the same with like rights.

17. No Recourse Against Others

No director, officer, employee, incorporator or stockholder of the Issuers or any Guarantor, as such, shall have any personal liability for any obligations of the Issuers or such Guarantor under the Notes, the Indenture, the Intercreditor Agreement, the Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

18. <u>Authentication</u>

This Note shall not be valid until an authorized officer of the Trustee (or an authenticating agent) manually signs the certificate of authentication on the other side of this Note.

19. Governing Law

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICT OF LAW RULES THEREOF. FOR THE AVOIDANCE OF DOUBT, ARTICLES 470-1 TO 470-19 OF THE LUXEMBOURG AMENDED COMPANIES LAW DATED AUGUST 10, 1915 DO NOT APPLY.

The Issuers or any Guarantor shall furnish to any Holder upon written request and without charge to the Holder a copy of the Indenture. Requests may be made to:

Codere, S.A.
Avenida de Bruselas, 26
28108 Alcobendas
Madrid, Spain

Attention: Chief Financial Officer Facsimile: +34 91 354 2893

ASSIGNMENT FORM

To assign	and tran	asfer this Note, fill in the form below:
(I) or (the	Issuer)	assign and transfer this Note to
(Insert ass	signee's	social security or tax I.D. no.)
(Print or t	type assi	gnee's name, address and postal code)
and irrevo	ocably aphe books	opoint agent to transfer this s of the Issuers. The agent may substitute another to act for him.
Your Sign	nature: _	
		(Sign exactly as your name appears on the other side of this Note)
Signature	Guarant	tee:
` 1		ecognized signature guarantee medallion program)
Date:		
Certifying	g Signatı	are:
CHECK (ONE BO	OX BELOW
(1) (2)		to the Issuers, or pursuant to and in compliance with Rule 144A under the U.S. Securities Act of 1933; or
(3)		pursuant to and in compliance with Regulation S under the U.S.
(4)		Securities Act of 1933; or pursuant to another available exemption from the registration
(5)		requirements of the U.S. Securities Act of 1933; or pursuant to an effective registration statement under the U.S. Securities Act of 1933.

Unless one of the boxes is checked, the Trustee shall refuse to register any of the Notes evidenced by this certificate in the name of any person other than the registered Holder thereof; *provided*, *however*, that if box (2) is checked, by executing this form, the Transferor is deemed to have certified that such Notes are being transferred to a person it reasonably believes is a "qualified institutional buyer" as defined in Rule 144A under the U.S. Securities Act of 1933 who has received notice that such transfer is being made in reliance on Rule 144A; if box (3) is checked, by executing this form, the Transferor is deemed to have certified that such transfer is made pursuant to an offer and sale that occurred outside the United States in compliance with Regulation S under the U.S. Securities Act; and if box (4) is checked, the Trustee may require, prior to registering any such transfer of the Notes, such legal opinions, certifications and other information as the Issuers reasonably request to confirm that such transfer is being made pursuant to an exemption from or in a transaction not subject to, the registration requirements of the U.S. Securities Act of 1933.

Signature:	
Signature Guarantee:	
(Participant in a recognized signatu	ure guarantee medallion program)
Certifying Signature:	Date:
Signature Guarantee: (Participant in a recognized signature)	ure guarantee medallion program)

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Note or a portion thereof repurchased pursuant to Section 4.11 or 4.15 of the Indenture, check the box:

If the purchase is in part, indicate the portion (in denominations of $\in 100,000$ or an integral multiple of $\in 1$ in excess thereof) to be purchased:

Your signature: (Sign exactly as y	your name appears on the other side of this Note)
Date:	
Certifying Signat	nire.

SCHEDULE A

SCHEDULE OF PRINCIPAL AMOUNT

The initial principal amount of this Security is \in []. The following decreases/increases in the principal amount of this Security have been made:

Date of Decrease/ Increase	Decrease in Principal Amount	Increase in Principal Amount	Principal Amount Following such Decrease/ Increase	Notation Made by or on Behalf of Registrar

FORM OF TRANSFER CERTIFICATE FOR TRANSFER FROM RESTRICTED GLOBAL NOTE TO REGULATION S GLOBAL NOTE. *

(Transfers pu	rsuant to § 2.06(b)(ii) of the Indenture)
	RICAS LLC, as Transfer Agent
45 Ludgate F London EC4	
United Kingo	
Attn: [1

Re: [10.375% Cash / 11.625% PIK] [9.500% Cash / 10.750 PIK] Senior Notes Due 2023 (the "Notes")

Reference is hereby made to the Indenture dated as of November 8, 2016 (as amended, the "<u>Indenture</u>") among, *inter alios*, Codere Finance 2 (Luxembourg) S.A., a Luxembourg société anonyme, as Issuer, Codere Finance 2 (UK) Limited, as Co-Issuer (and together with the Issuer, the "<u>Issuers</u>"), Codere, S.A., as Parent Guarantor, the Subsidiary Guarantors and GLAS Trust Corporation Limited, as Trustee. Capitalized terms used but not defined herein shall have the meanings given them in the Indenture.

[This letter relates to [\$][€] aggregate principal amount of Notes that are held as a beneficial interest in the form of the Restricted Global Note (Common Code No. [•]; ISIN No: [•]) with the Common Depositary in the name of [name of transferor] (the "Transferor"). The Transferor has requested an exchange or transfer of such beneficial interest for an equivalent beneficial interest in the Regulation S Global Note (Common Code No. [•]; ISIN No. [•])/This letter relates to [\$][€] aggregate principal amount of Notes that are held as a beneficial interest in the form of the Restricted Global Note (Common Code No. [•]; ISIN No: [•]) with the Depositary in the name of [name of transferor] (the "Transferor"). The Transferor has requested an exchange or transfer of such beneficial interest for an equivalent beneficial interest in the Regulation S Global Note (Common Code No. [•]; ISIN No. [•]).] [Transferor to select appropriate sentence]

In connection with such request, the Transferor does hereby certify that such transfer has been effected in accordance with the transfer restrictions set forth in the Notes and:

- (a) with respect to transfers made in reliance on Regulation S ("<u>Regulation S</u>") under the United States Securities Act of 1933, as amended (the "<u>U.S. Securities Act</u>"), does certify that:
 - (i) the offer of the Notes was not made to a person in the United States;
 - (ii) either (i) at the time the buy order is originated the transferee is outside the United States or the Transferor and any person acting on its behalf reasonably believe that the transferee is outside the United States or; (ii) the transaction was executed in, on or through the facilities of a designated offshore securities market described in paragraph (b) of Rule 902 of Regulation S and neither the Transferor nor

any person acting on its behalf knows that the transaction was pre-arranged with a buyer in the United States;

- (iii) no directed selling efforts have been made in the United States by the Transferor, an affiliate thereof or any person their behalf in contravention of the requirements of Rule 903 or 904 of Regulation S, as applicable;
- (iv) the transaction is not part of a plan or scheme to evade the registration requirements of the U.S. Securities Act; and
- (v) the Transferor is not the Issuer, the Co-Issuer, a distributor of the Notes, an affiliate of the Issuers or any such distributor (except any officer or director who is an affiliate solely by virtue of holding such position) or a person acting on behalf of any of the foregoing.
- (b) With respect to transfers made in reliance on Rule 144 the Transferor certifies that the Notes are being transferred in a transaction permitted by Rule 144 under the U.S. Securities Act.

You, the Issuer, the Co-Issuer, the Guarantors and the Trustee are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby. Terms used in this certificate have the meanings set forth in Regulation S.

[Name of Transferor]	
By: Name: Title:	
Date:	
cc:	
Attn:	

^{*} If the Note is a Definitive Note, appropriate changes need to be made to the form of this transfer certificate.

FORM OF TRANSFER CERTIFICATE FOR TRANSFER FROM REGULATION S GLOBAL NOTE TO RESTRICTED GLOBAL NOTE

(Transfers pursuant to § 2.06(b)(iii) of the Indenture)

GLAS AMERICAS LLC, as Transfer Agent 45 Ludgate Hill London EC4M 7JU United Kingdom
Attn: []
Re: $[10.375\% \text{ Cash} / 11.625\% \text{ PIK}]$ $[9.500\% \text{ Cash} / 10.750 \text{ PIK}]$ Senior Notes Due 2023 (the "Notes")
Reference is hereby made to the Indenture dated as of November 8, 2016 (as amended, the " <u>Indenture</u> ") among, <i>inter alios</i> , Codere Finance 2 (Luxembourg) S.A., a Luxembourg société anonyme, as Issuer, Codere Finance 2 (UK) Limited, as Co-Issuer (and together with the Issuer, the " <u>Issuers</u> "), Codere, S.A., as Parent Guarantor, the Subsidiary Guarantors and GLAS Trust Corporation Limited, as Trustee. Capitalized terms used but not defined herein shall have the meanings given them in the Indenture.
This letter relates to [\$][€] aggregate principal amount at maturity of Notes that are held in the form of the Regulation S Global Note with the Common Depositary (Common Code No. [•]; ISIN No. [•]) in the name of [name of transferor] (the "Transferor") to effect the transfer of the Notes in exchange for an equivalent beneficial interest in the Restricted Global Note (Common Code No. [•], ISIN No. [•])/This letter relates to [\$][€] aggregate principal amount at maturity of Notes that are held in the form of the Regulation S Global Note with the Common Depositary (Common Code No. [•]; ISIN No. [•]) in the name of [name of transferor] (the "Transferor") to effect the transfer of the Notes in exchange for an equivalent beneficial interest in the Restricted Global Note (Common Code No. [•], ISIN No. [•]).] [Transferor to select appropriate sentence]
In connection with such request, and in respect of such Notes the Transferor does hereby certify that such Notes are being transferred in accordance with the transfer restrictions set forth in the Notes and that:
CHECK ONE BOX BELOW:
the Transferor is relying on Rule 144A under the Securities Act for exemption from such Act's registration requirements; it is transferring such Notes to a

securities laws of any state of the United States; or

person it reasonably believes is a QIB as defined in Rule 144A that purchases for its own account, or for the account of a qualified institutional buyer, and to whom the Transferor has given notice that the transfer is made in reliance on Rule 144A and the transfer is being made in accordance with any applicable

the Transferor is relying on an exemption other than Rule 144A from the
registration requirements of the Securities Act, subject to the Issuers' and the
Trustee's right prior to any such offer, sale or transfer to require the delivery
of an Opinion of Counsel, certification and/or other information satisfactory to
each of them.

You, the Issuer, the Co-Issuer, the Guarantors, and the Trustee are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby.

[Name o	f Trans	feror]	
Ву:			
Name:			
Title:			
Date:			
cc:			
Attn:			

SUPPLEMENTARY ANNEX RELATING TO SPANISH LEGISLATION

Set out below is annex section in English which has been translated from the original Spanish. Such translation constitutes direct, accurate and complete translation of the Spanish language text. In the event of any discrepancy between the Spanish language version of the annex and the corresponding English translation, the Spanish tax authorities will give effect to the Spanish language version of the relevant annex only.

ANEXO SUPLEMENTARIO SUPPLEMENTARY ANNEX

Anexo al Reglamento al General de las actuaciones y los procedimientos de gestión e inspección tributaria y de desarrollo de las normas comunes de los procedimientos de aplicación de los tributos, aprobado por Real Decreto 1065/2007

Annex to the General Regulations of the actions and procedures of tax administration and inspection and development of common rules of procedures for application of taxes, approved by Royal Decree 1065/2007

Modelo de declaración a que se refieren los apartados 3, 4 y 5 del artículo 44 del Reglamento General de las actuaciones y los procedimientos de gestión e inspección tributaria y de desarrollo de las normas comunes de los procedimientos de aplicación de los tributos

Declaration form referred to in paragraphs 3, 4, and 5 of Article 44 of the General Regulations of the actions and procedures of tax administration and inspection and development of common rules of procedures for application of taxes

Don (nombre),

Mr (name),

con número de identificación fiscal (1)

with tax identification number (1)

en nombre y representación de (entidad declarante),

in the name and on behalf of (the reporting entity),

con número de identificación fiscal (1)

with tax identification number (1)

y domicilio en

and domicile

en calidad de (marcar la letra que proceda):

acting as (check the appropriate letter):

- (a)Entidad Gestora del Mercado de Deuda Pública en Anotaciones.
- (a) Public Debt Market Participant.
- (b) Entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero.
- (b) Clearing System outside of Spain.
- (c)Otras entidades que mantienen valores por cuenta de terceros en entidades de compensación y liquidación de valores domiciliadas en territorio español.
- (c) Other entities that hold securities on behalf of third parties in the clearing system domiciled in Spain.
- (d) Agente de pagos designado por el emisor.

(d) Paying agent appointed by the issuer.

Formula la siguiente declaración, de acuerdo con lo que consta en sus propios registros:

The following statement is made according to what is on your own records:

- 1. En relación con los apartados 3 y 4 del artículo 44:
- 1. In relation to paragraphs 3 and 4 of Article 44:
 - 1.1 Identificación de los valores
 - 1.1 Identification of the securities
 - 1.2 Fecha de pago de los rendimientos (o de reembolso si son valores emitidos al descuento o segregados)
 - 1.2 Date of payment of the income

(or refund if securities issued at a discount or segregated):

- 1.3 Importe total de los rendimientos (o importe total a reembolsar, en todo caso, si son valores emitidos al descuento o segregados)
- 1.3 Amount of total income (or total amount to be reimbursed, if any, are securities issued at a discount or segregated):
- 1.4 Importe de los rendimientos correspondiente a contribuyentes del Impuesto sobre la Renta de las Personas Físicas, excepto cupones segregados y principales segregados en cuyo reembolso intervenga una Entidad Gestora
- 1.4 Amount of income corresponding to taxpayers of Natural Person Income Tax, except segregated coupons and segregated principal in which repayment involves a Clearing System Direct Participant.
- 1.5 Importe de los rendimientos que conforme al apartado 2 del artículo 44 debe abonarse por su importe íntegro (o importe total a reembolsar si son valores emitidos al descuento o segregados).
- 1.5 Amount of income which, in accordance with paragraph 2 of Article 44, must be paid in full amount (or total amount to be reimbursed if they are securities issued at a discount or segregated).
- 2. En relación con el apartado 5 del artículo 44.
- 2. In connection with paragraph 5 of Article 44.
- 2.1 Identificación de los valores
- 2.1 Identification of securities
- 2.2 Fecha de pago de los rendimientos (o de reembolso si son valores emitidos al descuento o segregados)
- 2.2 Date of payment of income (or refund if the securities are issued at a discount or segregated) August 16, 2011
- 2.3 Importe total de los rendimientos (o importe total a reembolsar si son valores emitidos al descuento o segregados)
- 2.3 Total income (or total amount to repay if securities issued at a discount or segregated)
- 2.4 Importe correspondiente a la entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero A.
- 2.4 Total amount of income corresponding to the clearing system located outside of Spain A.
- 2.5 Importe correspondiente a la entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero B.
- 2.5 Total amount of income corresponding to the clearing system located outside of Spain B.
- 2.6 Importe correspondiente a la entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero C.
- 2.6 Total amount of income corresponding to the clearing system located outside of Spain C.

Lo que	declaro en	a	de	de	
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I stated this inono	of	of
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⁽¹⁾ En caso de personas, físicas o jurídicas, no residentes sin establecimiento permanente se hará constar el número o código de identificación que corresponda de conformidad con su país de residencia.
(1) In case of individuals, or entities, non-residents without permanent establishment shall include the identification number or code as appropriate in accordance with their country of residence.

FORM OF ACCESSION OFFER FOR ADDITIONAL GUARANTORS

To: Glas Trust Corporation Limited as Trustee and Security Agent

From: [●] (each a "Subsidiary" and together the "Subsidiaries")

Dated: [●][●]

Ref.: Offer [●]

Dear Sirs,

Codere Finance 2 (Luxembourg) S.A. Codere Finance 2 (UK) Limited

U.S.\$300,000,000 10.375% Cash / 11.625% PIK Senior Secured Notes due 2023 €500,000,000 9.500% Cash / 10.750% PIK Senior Secured Notes due 2023

We make reference to the indenture dated as of November 8, 2016 (as amended, the "Indenture") that has been entered into among, *inter alios*, Codere Finance 2 (Luxembourg) S.A. (the "Issuer"), Codere Finance 2 (UK) Limited (the "Co-Issuer" and together with the Issuer, the "Issuers"), Codere S.A. (the "Parent Guarantor"), Glas Trust Corporation Limited as the "Trustee" and "Security Agent", Glas Americas LLC as "Registrar and Transfer Agent" and Global Loan Agency Services Limited as "Paying Agent". We irrevocably offer you to enter into an Accession Deed (the "Offer [●]"), which shall take effect as an Accession Deed (the "Accession Deed"), for the purposes of the Indenture; upon your acceptance in the manner described below. This Offer [●] will be deemed to be accepted with the delivery by the addressee of an acceptance letter within five (5) business days from the issuance of this Offer [●]. Otherwise, it shall be of no effect whatsoever and no obligation will arise for us under this Offer [●] until and unless it is accepted by you within such term and in the manner described above.

Terms defined in the Indenture have the same meaning in this Accession Deed unless given a different meaning in this Accession Deed.

Upon acceptance of the Offer [•], the following terms and conditions will apply:

1. Each Subsidiary agrees to become an Additional Guarantor and to be bound by the terms of the Indenture as an Additional Guarantor pursuant the Indenture.

 $[\bullet]$

Address: [●] Fax No.: [●]

Attention: [●]

with a copy to:

Cleary Gottlieb Steen & Hamilton LLP

- Attention: Duane McLaughlin (telephone no: (212) 225-2106; fax no: (212) 225-3999).
- 2. Each Subsidiary (for the purposes of this paragraph 3, an "Acceding Guarantor") intends to give a guarantee, indemnity or other assurance against loss in respect of liabilities under the Indenture.
- 3. Each Acceding Guarantor confirms that it intends to be party to the Indenture as an Additional Guarantor, undertakes to perform all the obligations expressed to be assumed by a Guarantor under the Indenture and agrees that it shall be bound by all the provisions of the Indenture as if it had been an original party to the Indenture.
- 4. **Guarantee Limitation.** Notwithstanding any provision in the contrary in the Indenture, the aggregate total amounts payable by each Acceding Guarantor under the Indenture for issuance and sale of the Notes in no case shall exceed principal aggregate amount of the Notes then outstanding, plus any accrued and unpaid interest thereon and any expenses or fees in relation to enforcement of the Guarantee,
- 5. Waiver. Without limiting the generality of any other provision of this Offer [●], the Indenture the Subsidiaries irrevocably and unconditionally waive, to the fullest extent permitted by applicable law, all rights and benefits set forth in articles 1583, 1590 and 1594 of the Argentine Civil and Commercial Code and articles 1577 and 1587 (other than with respect to defenses or motions based on documented payment (pago), reduction (quita), extension (espera) or release or remission (remisión), 1583, 1585, 1587, 1584 and 1589 (beneficios de excusión y división), 1592, 1596, and 1598 of the Argentine Civil and Commercial Code; and
- 6. Payment in euros or U.S. dollar, as the case may be. The Subsidiaries agree that, notwithstanding any restriction or prohibition on access to the foreign exchange market (Mercado Único y Libre de Cambios) in Argentina, any and all payments to be made under this Offer [•], the Indenture will be made in euros or U.S. dollar, as the case may be. Nothing in this Offer [•], the Indenture shall impair any of the rights of the Trustee or the Noteholders or justify any Subsidiary in refusing to make payments under this Offer [•], the Indenture in euros or U.S. dollar, as the case may be, for any reason whatsoever, including, without limitation, any of the following: (i) the purchase of euros or U.S. dollar, as the case may be, in Argentina by any means becoming more onerous or burdensome for the Subsidiaries than as of the date hereof and (ii) the exchange rate in force in Argentina increasing significantly from that in effect as of the date hereof. The Subsidiaries waive the right to invoke any defense of payment impossibility (including any defense under Section 1091 of the Argentine Civil and Commercial Code), impossibility of paying in euros or U.S. dollar, as the case may be, (assuming liability for any force majeure or act of God), or similar defenses or principles (including, without limitation, equity or sharing of efforts principles).

Nothing in this Offer [●] nor in the Indenture shall be construed to entitle any Subsidiary to refuse to make payments in euros or U.S. dollar, as the case may be, as and when due for any reason whatsoever. In the event of payments under this Offer [●], the Indenture by any Subsidiary, if any restrictions or prohibition of access to the Argentine foreign exchange market exists, the Subsidiaries will seek to pay all amounts payable under this this Offer [●], the Indenture either (i) by purchasing at

market price securities of any series of U.S. dollar or euro denominated Argentine sovereign bonds or any other securities or private or public bonds issued in Argentina, and transferring and selling such instruments outside Argentina, to the extent permitted by applicable law, or (ii) by means of any other reasonable means permitted by law in Argentina, in each case, on such payment date. All costs and taxes payable in connection with the procedures referred to in (i) and (ii) above shall be borne by the Subsidiary or any other Obligor.

In addition, the Subsidiaries acknowledge that Section 765 of the Argentine Civil and Commercial Code is not applicable with respect to any payments to be performed in connection with the this Offer [•], the Indenture and forever and irrevocably waive any right that might assist it to allege that any payments in connection with this Offer [•], the Indenture could be payable in any currency other than in euros or U.S. dollar, as the case may be, and therefore waive and renounce to applicability thereof to any payments in connection with this Offer [•] or the Indenture.

- 7. **Successors**. All covenants and agreements herein made by the parties hereto shall bind their respective successors.
- 8. This Offer [●] and any non-contractual obligations arising out of or in connection with it are governed by New York law.

The Subsidiaries

[•]

EXHIBIT F

FORM OF ACCEPTANCE LETTER TO THE ACCESSION OFFER

Date: [●][●]	
[•]	
	Ref: Offer [●]
Dear Sirs or Madams,	
The undersigned hereby accept your Offer $[\bullet]$, dated as of $[\bullet][\bullet]$.	
Glas Trust Corporation Limited	
By:	

FORM OF SUPPLEMENTAL INDENTURE FOR ADDITIONAL GUARANTORS

SUPPLEMENTAL INDENTURE (this "Supplemental Indenture"), dated as of [●], among Codere Finance 2 (Luxembourg) S.A., a public limited liability company (société anonyme) incorporated under the laws of Luxembourg and having its registered office at 6c, rue Gabriel Lippmann, L-5365 Munsbach, Luxembourg, and registered with the Luxembourg Trade and Companies Register under number B199 415 (the "Issuer"), Codere Finance 2 (UK) Limited (the "Co-Issuer" and, together with the Issuer, the "Issuers"), [●] (the "Subsequent Guarantor"), and GLAS Trust Corporation Limited, as trustee (the "Trustee"). Any capitalized terms not defined herein shall have the meaning specified in the Indenture (as defined below).

WITNESSETH:

WHEREAS, the Issuers, the Parent Guarantor, the subsidiary guarantors party thereto from time to time, the Trustee, the Transfer Agent and the Paying Agent executed and delivered an indenture dated as of November 8, 2016 (as amended), providing, among other things, for the issuance of the Issuers' Dollar denominated 10.375% Cash / 11.625% PIK Senior Secured Notes due 2023 and Euro denominated 9.500% Cash / 10.750% PIK Senior Secured Notes due 2023 (together, the "Notes");

WHEREAS, the Indenture provides that under certain circumstances the Subsequent Guarantor shall execute and deliver to the Trustee a supplemental indenture pursuant to which the Subsequent Guarantor shall unconditionally guarantee all of the Issuers' Obligations under the Notes and the Indenture on the terms and conditions set forth herein (the "Guarantees"); and

WHEREAS, pursuant to Section 9.01 of the Indenture, the Trustee is authorized to execute and deliver this Supplemental Indenture.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Subsequent Guarantor and the Trustee hereby agree as follows:

Section 1.1 Agreement to Guarantee. The Subsequent Guarantor hereby agrees to provide an unconditional Guarantee on the terms and subject to the conditions and limitations set forth in the Indenture including but not limited to the provisions of Article 10 thereof, as applicable. In addition, pursuant to Section 10.04 of the Indenture the obligations of the Subsequent Guarantor and the granting of its Guarantee shall be limited as follows: [•].

¹ [In case of Panamanian Guarantors:] Alta Cordillera, S.A. expressly acknowledges that its guarantee hereunder is governed by New York law and expressly agrees that any rights and privileges that it might otherwise have under the laws of Panama shall not be applicable to its guarantee, including, but not limited to, any benefit of its domicile, and any right it may have (i) to appoint assets (señalar bienes), (ii) to be dully required (ser requerido), (iii) of division (división), (iv) excusión, (v) notice of dishonor and (vi) any other under Article 812 of the Code of Commerce of the Republic of Panama; which are hereby expressly and irrevocably waived by Alta Cordillera, S.A.

[[]In case of Colombian Guarantors:] The Colombian Guarantor acknowledges, represents and warrants that a portion of the proceeds of the issuance of the Notes may be advanced for its benefit, and that the

- Section 1.2 *Execution and Delivery.* (a) To evidence its Guarantee, the Subsequent Guarantor hereby agrees that this Supplemental Indenture shall be executed on behalf of the Subsequent Guarantor by one of its Directors or Officers.
- (b) The Subsequent Guarantor hereby agrees that its Guarantee shall remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Guarantee.
- (c) The delivery of this executed Supplemental Indenture to the Trustee shall constitute due delivery of the Guarantee set forth in this Supplemental Indenture on behalf of the Subsequent Guarantor.
- Section 1.3 *Effect of this Supplemental Indenture*. This Supplemental Indenture supplements the Indenture and shall be a part, and subject to all the terms, thereof. Except as hereby expressly amended, the Indenture is in all respects ratified and confirmed and all terms, provisions and conditions thereof shall be and remain in full force and effect.
- Section 1.4 *References to Indenture*. All references to the "Indenture" in the Indenture or in any other document executed or delivered in connection therewith shall, from and after the execution and delivery of this Supplemental Indenture, be deemed a reference to the Indenture as amended hereby, unless the context expressly requires otherwise.
- Section 1.5 Governing Law. THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICT OF LAW RULES THEREOF. FOR THE AVOIDANCE OF DOUBT, ARTICLES 84 TO 94-8 OF THE LUXEMBOURG AMENDED COMPANIES LAW DATED AUGUST 10, 1915 DO NOT APPLY.
- Section 1.6 *Effect of Headings*. The headings of the Sections of this Supplemental Indenture have been inserted for convenience of reference only, are not intended to be considered a part hereof and shall not modify or restrict any of the terms or provisions hereof.
- Section 1.7 *Counterparts*. This Supplemental Indenture may be signed in any number of counterparts (which may include counterparts delivered by any standard form of telecommunication, including, without limitation, electronic transmission), each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Supplemental Indenture.

[Signature pages follow.]

obligations guaranteed by it hereunder are being incurred for and will inure to its benefit and therefore the guarantee is being granted for the benefit of the Colombian Guarantor and in connection with its corporate purposes. In addition, the Colombian Guarantor will not execute the guarantee unless it has been properly authorized by its general shareholders assembly to do so, as required by Colombian conflicts of interest legislation.

IN WITNESS WHEREOF, the parties have caused this Supplemental Indenture to be duly executed as of the date first written above.

CODERE FINANCE 2 (LUXEMBOURG) S.A.,
as Issuer
By:
Name:
Title:
CODERE FINANCE 2 (UK) LIMITED,
as Issuer
By:
Name:
Title:

SCHEDULE A

Agreed Security Principles

1. Agreed Security Principles

- 1.1 The guarantees and security interests to be provided will be given in accordance with the Agreed Security Principles. This Schedule addresses the manner in which the Agreed Security Principles will impact on the guarantees and security interests that are proposed to be taken in relation to this transaction.
- 1.2 The Agreed Security Principles embody a recognition by all parties that there may be certain legal and practical difficulties in obtaining effective guarantees and security interests from members of the Group in jurisdictions in which it has been agreed that guarantees and security interests will be granted. In particular:
 - (a) general statutory limitations, financial assistance, corporate benefit, fraudulent preference, "thin capitalisation" rules, tax restrictions, retention of title claims and similar principles may limit the ability of a member of the Group to provide a guarantee or security interest or may require that the guarantee or security interest be limited by an amount or otherwise. If any such limit applies, the guarantees and security interests provided will be limited to the maximum amount which the relevant member of the Group may provide having regard to applicable law (including any jurisprudence) and subject to fiduciary duties of management (a security interest will not be required if taking such a security interest would be reasonably likely to expose the directors of the relevant company to a risk of personal liability);
 - (b) a key factor in determining whether or not a guarantee or security interest shall be granted is the applicable cost (including adverse effects on interest deductibility and stamp duty, notarisation and registration fees) which shall not be disproportionate to the benefit to the Secured Parties of obtaining such guarantee or security;
 - (c) the maximum guaranteed or secured amount may be limited to minimise stamp duty, notarisation, registration or other applicable fees, taxes and duties where the benefit of increasing the granted or secured amount is disproportionate to the level of such fee, taxes and duties;
 - (d) members of the Group will not be required to give guarantees or enter into Security Documents if it is not within the legal capacity of the relevant members of the Group or if the same would conflict with the fiduciary duties of those directors or contravene any legal prohibition (including, without limitation, capital maintenance rules) or would be reasonably likely to result in personal or criminal liability on the part of any officer provided that the relevant member of the Group shall use reasonable endeavours to overcome any such obstacle;
 - (e) any assets subject to third party arrangements which may prevent those assets from being charged will be excluded from any relevant Security Document provided that reasonable endeavours to obtain consent to charging any such assets shall be used by the Group if the Security Agent determines the relevant asset to be material;
 - (f) for the avoidance of doubt, the parties acknowledge that any guarantees or security interests will (if customary in the relevant jurisdiction) be granted as an up-stream, cross-stream guarantee or downstream guarantee and secure all liabilities of the members of

- the Group under the Indenture and in accordance with the Agreed Security Principles in each relevant jurisdiction;
- (g) the giving of a guarantee, the granting of a security interest or the perfection of the security interest granted will not be required if it would have a material adverse effect on the ability of the relevant Guarantor to conduct its operations and business in its ordinary course of trading as otherwise permitted by the Indenture, provided that the relevant member of the Group shall use reasonable endeavours to overcome any such obstacle. For the avoidance of doubt, it shall not be deemed that the giving of a guarantee, the granting of a security interest or the perfection of the security interest has a material adverse effect on the ability of the relevant Guarantor to conduct its operations and business if the ability of the relevant Guarantor to conduct its operations and business would or could be affected as a consequence of the enforcement of such guarantee or security interest; and
- (h) to the extent possible, all security interests shall be granted in favour of the Security Agent and not the Secured Parties individually; "parallel debt" provisions will be used where necessary and such provisions will be contained in the Intercreditor Agreement and not the individual Security Documents unless required under local laws, it being understood that in no event will "parallel debt" provisions apply to Security Documents governed by Italian or Spanish law or guarantees provided by an Italian Guarantor or a Spanish Guarantor.

2. Terms of Security Documents

The following principles will be reflected in the terms of any security interest taken as part of this transaction:

- (a) security interests will not be enforceable until an Event of Default has occurred which is continuing and any notice of acceleration or early redemption in connection therewith required to be given in accordance with the terms of the relevant Security Document has been given by the Trustee or Security Agent (as applicable);
- (b) except as otherwise agreed between counsel to the Parent Guarantor and counsel to the Holders, the Security Documents should only operate to create security interests rather than to impose new commercial obligations. Accordingly, they should not contain any additional representations or undertakings unless these are covenants required for the creation, perfection, protection or preservation of the security interest and are no more onerous than any equivalent representation or undertaking in the Indenture;
- (c) the Collateral will be first ranking, to the extent possible;
- (d) security interests will, where possible and practical, automatically create security over future assets of the same type as those already secured; where local law requires registration, registration of such security in the corporate documents shall be carried out; where local law requires supplemental or amendments to pledges, fiduciary transfers or fiduciary assignments to be delivered in respect of future acquired assets in order for effective security to be created over that class of asset, such supplemental or amendments to pledges fiduciary transfers or fiduciary assignments shall be provided at intervals no more frequent than three months (unless required more frequently under local law, advisable under standard market practice in order to ensure the enforceability or validity of the security interest or unless required otherwise by the relevant agreement in the case of newly issued shares);

- (e) the relevant member of the Group shall use reasonable endeavours to assist in demonstrating that adequate corporate benefit (if any) accrues to each relevant member of the Group;
- (f) the granting or perfection of security, when required, and other legal formalities will be completed as soon as practicable and, in any event, within the time periods specified in the Indenture, the respective Security Document or (if earlier or to the extent no such time periods are specified in the Indenture) within the time periods specified by applicable law in order to ensure due perfection;
- (g) in respect of the share pledges:
 - (i) where a member of the Group pledges or transfers shares, a participation interest or quotas, the relevant Security Document will be governed by the laws of the company whose shares, participation interest or quotas are being pledged or transferred and not by the law of the country of the pledgor or transferor. Subject to the Agreed Security Principles, the shares, participation interest or quotas in each Guarantor (other than those identified in (i) below) shall be secured. The shares, participation interest or quotas held by a Guarantor in a Subsidiary that is not a Guarantor shall not be required to be the subject of security interests, unless that Subsidiary is a Material Subsidiary (or unless the shares, participation interest or quotas in such Subsidiary can be secured in a global security agreement such as an English law debenture, New York law global security agreement or similar);
 - (ii) until an Event of Default has occurred which is continuing, and until any notice of acceleration required to be given in accordance with the terms of the relevant Security Document has been given by the Trustee or the Security Agent (as applicable) in accordance with the terms of the relevant Security Documents, the pledgors shall be permitted to retain and to exercise voting rights attached to any shares pledged by them in a manner which does not adversely affect the validity or enforceability of the security interest or cause an Event of Default to occur and the pledgors should be permitted to pay dividends upstream on pledged shares to the extent permitted under the Indenture. Once an Event of Default has occurred which is continuing, and any prior notice of acceleration required to be given in accordance with the terms of the relevant Security Document has been given by the Trustee or the Security Agent (as applicable), the Holders of the Notes may be entitled to exercise (through the Security Agent) political, legal and economic rights to any shares, interests or quotas pledged. The Issuer and the Guarantors and members of the Group undertake to carry out any amendments in the relevant pledged companies' bylaws if necessary to ensure effectiveness of this provision under the relevant local law and issue any power of attorney where required and in accordance with the relevant local law;
 - (iii) where customary and/or applicable as a matter of law, on, or promptly following execution of the share, participation interest or quota charge (and, in any event, within five Business Days thereof), the original share certificate and stock transfer form executed in blank (or other document evidencing title) or a copy of the shareholder register certified by an appropriate manager, director, officer or secretary of the board will be delivered to the Security Agent (at such locations as it shall elect) and where customary and/or required by law the share certificate or shareholders' register (or other local law equivalent) will be endorsed or written up and the endorsed share certificate or a copy of the written up register provided to

- the Security Agent (within one Business Day for any company incorporated in Luxembourg, within five Business Days for any company incorporated in Italy and simultaneously with the execution of the pledge agreement for any company incorporated in Uruguay);
- (iv) unless the restriction is required by law or regulation, (i) the constitutional documents of the member of the Group whose shares have been pledged will be amended to remove any restriction on the transfer or the registration of the transfer of the shares on the taking or enforcement of the security granted over them and/or, if applicable, (ii) all of the shareholders/participants of the company whose shares, participation interests or quotas have been charged, shall waive any preference or transfer right that they may have over the shares on the taking or enforcement of the security granted over them, and/or (iii) the constitutional documents of any member of the Group who granted any type of guaranty in favour of third parties should be amended as necessary and registered with the relevant authority to have a financial purpose and/or to include in their corporate purpose the issuance of guaranties in favour of third parties;
- (v) where applicable under the relevant local law, a duly executed certificate or share register of an authorized manager, director, officer or secretary of the management body of the relevant pledged company showing the ownership of the relevant shares, participation interest or quotas and acknowledging or accepting the terms and creation of pledges over such shares, participation interests or quotas will be provided. Likewise, where applicable under the relevant local law, the granting of the relevant pledge will be recorded on the relevant ownership title (titulo de propiedad), including, without limitation, the relevant incorporation deed, corporate books, share purchase agreement, share capital increase deed and, in the case of any Security Document governed by Brazilian law, reflected in the constitutional documents of the member of the Group whose quotas have been pledged, etc.; and in the case of any Security Document governed by Colombian and Mexican law, registered in the company's stock ledger;
- (vi) the pledge over the shares in Codere Luxembourg 1 S.à r.l. and Codere Luxembourg 2 S.à r.l. should include (i) enhanced obligations to maintain the COMI and hold the meetings of the shareholders and board of directors of such companies in Luxembourg, (including provision of all convening notices and agendas of the shareholders' meetings and board meetings, copies of all board minutes and shareholder's resolutions if requested and in certain circumstances); and (ii) specific representations and undertakings for this kind of security;
- (vii) if any Security Document governed by Brazilian law is executed outside Brazil and in English language, the signatures of the relevant parties will have to be notarized and the document subject to apostille. Then, the relevant Security Document will have to be translated into Portuguese by an official translator (tradução juramentada) in Brazil for further registration;
- (viii) the pledge over the shares of Codere Uruguay S.A. shall foresee the right to foreclose the pledge either extrajudicially or judicially;
 - (ix) the pledges over the shares of Codere Colombia S.A. and Codere Latam Colombia S.A. shall foresee the right to foreclose the pledge by direct payment, judicial enforcement or special enforcement. The pledge agreements will not be enforceable before Colombian authorities unless translated into Spanish by an

- official translator registered before the Ministry of External Relations (*Ministerio de Relaciones Exteriores*); and
- (x) if required under local law, security over shares, participation interests or quotas will be registered subject to the Agreed Security Principles. Furthermore, for the fulfilment of the registration of any Security Document under Brazilian law, the translated version of the relevant document must be submitted for the registration.
- (h) in respect of the security over intercompany receivables:
 - (i) if a member of the Group grants such security it shall, subject to the terms of the Master Intra-Group Loan Agreement and Master Intra-Group Security Agreement be free to deal with those intercompany receivables in the course of its business until an Event of Default has occurred which is continuing and any notice of acceleration or early redemption in connection therewith has been given by the Trustee in accordance with the terms of the relevant Security Document;
 - (ii) if required under local law to perfect the security interests, or pursuant to any intercompany arrangements, notice of the security interests will be served on the relevant debtor within three Business Days of the security interest being granted (following the applicable local law requirements) and the relevant member of the Group shall obtain an acknowledgment of that notice within twenty Business Days of service; and
 - (iii) if required under local law, security over intercompany receivables will be registered subject to the Agreed Security Principles.
- (i) the Secured Parties should only be able to exercise a power of attorney granted to them under a Security Document if an Event of Default has occurred which is continuing and any notice of acceleration or early redemption required to be given in connection therewith in accordance with the terms of the relevant Security Document has been given by the Trustee or after a failure with a further assurance, extension or perfection obligation (and any grace period applicable thereto has expired), but only to the extent necessary to comply with such further assurance, extension or perfection obligation;
- (j) no security interest will be created over the shares in Alta Cordillera S.A. or Codematica S.R.L; and
- (k) notwithstanding the foregoing in no event will any Restricted Group Members be required to (i) create any security interests over any assets other than shares in Material Subsidiaries (save where guarantees from Restricted Group Members are required in order for the Parent Guarantor to comply with Section 4.21 (*Additional Guarantors*) of the Indenture, in which case security over the shares of the relevant Guarantor(s) shall also be required) or (ii) enter into any control agreements or other control arrangements.

3. Obligations to be secured

Subject to the Agreed Security Principles, the obligations to be secured are the Secured Obligations (as defined in the relevant Security Document). The security interests are to be granted in favour of the Security Agent on behalf of the Secured Parties.

4. Intercreditor Agreement

Each Security Document shall state that in the event of a conflict between the terms of that Security Document and the Intercreditor Agreement, the terms of the Intercreditor Agreement

shall prevail. Where appropriate, defined terms in the Security Documents should mirror those in the Intercreditor Agreement.

5. **Definitions and interpretation**

In this Schedule, unless otherwise defined, capitalised terms shall have the meanings set forth in the Indenture, and:

"COMI" means, in the case of any entity incorporated in a member state of the European Union, its centre of main interest (as that term is used in Article 3(1) of the Council of the European Union Regulation No. 1346/2000 on Insolvency Proceedings.

"Master Intra-Group Loan Agreement" means the master intra-group debt agreement dated 29 July 2020 between, among others, Codere S.A. and certain other original intra-group borrowers set forth at Schedule 1 thereof, and Codere S.A. and Codere Luxembourg 1 S.à r.l. as original intra-group lenders.

"Master Intra-Group Security Agreement" means the security agreement dated 29 July 2020 between, Codere S.A. and Codere Luxembourg 1 S.à r.l. as chargors and GLAS Trust Corporation Limited as security agent.

"Secured Parties" has the meaning given to that term in the Intercreditor Agreement.

SCHEDULE B

The Mexican Subsidiaries

- Administradora Mexicana de Hipódromo S.A. de C.V.
- Impulsora de Centros de Entretenimiento de Las Américas, S.A.P.I. de C.V.
- Libros Foraneos S.A. de C.V.
- Mio Games S.A. de C.V.
- Operadores de Espectaculos Deportivas S.A. de C.V.
- Operadora Cantabria S.A. de .C.V.
- Promojuegos de Mexico S.A.

SCHEDULE C

The Uruguayan Subsidiaries

- Hípica Rioplatense de Uruguay S.A.
- Carrasco Nobile S.A.

SECTION III: INSTRUCTIONS TO SCHEME CREDITORS

Please take the action requested of you in these instructions URGENTLY. There is only a limited time period within which the Account Holder Letter can be returned, duly executed and completed by all relevant persons as directed in these instructions, in order to vote at the Scheme Meeting. If you have any questions, contact the Information Agent immediately via email at LM@glas.agency.

1. Class of Scheme Creditors

- 1.1 The Scheme is proposed between the Scheme Company and its Scheme Creditors.
- 1.2 The Scheme will have a single class of creditors, comprised of the Existing Noteholders. All Scheme Creditors will be treated in the same or materially the same way by the Scheme.
- 1.3 The Scheme Company shall hold the Scheme Meeting for its Scheme Creditors.

2. A Scheme Creditor's Scheme Claim for Scheme voting purposes

- 2.1 Subject always to the discretion of the Chairperson of the Scheme Meeting (including as noted below), for voting purposes at the Scheme Meeting, the Scheme Claim attributable to a Scheme Creditor is the aggregate amount in EUR of principal and accrued but unpaid interest owing to a Scheme Creditor in respect of its Existing Notes held at the Record Time. For the purpose of calculating the Scheme Claim attributable to a Scheme Creditor holding Existing Dollar Notes, the principal amount owing to a Scheme Creditor in USD in respect of the Existing Dollar Notes at the Record Time shall be converted into EUR using the Spot Rate of Exchange.
- 2.2 The Scheme Claim of each Scheme Creditor will be calculated as at the Record Time based on information confidentially provided to the Scheme Company (acting through the Information Agent). This information from the respective Scheme Creditor's Account Holder Letter will be used by the Chairperson of the Scheme Meeting to determine whether the resolution is passed at the Scheme Meeting. Scheme Creditors do not need to take any action in respect of confirming the amount of their Scheme Claim other than providing the details requested in the applicable Account Holder Letter. Scheme Creditors are entitled to be informed of the determined amount of their Scheme Claim prior to the commencement of the Scheme Meeting upon written request to the Information Agent via email at LM@glas.agency.

3. Admission of claims

The Chairperson of the Scheme Meeting may, for voting purposes only, make a final determination if there is any dispute as to the actual amount of a Scheme Claim to be admitted at the Scheme Meeting. The Chairperson's determination will be final and binding on all concerned.

4. Scheme Meeting

- 4.1 The Chairperson will commence the Scheme Meeting at 2.00 pm (London time) on 29 September 2020, at which time all Scheme Creditors are requested to attend via Remote Participation Methods (as defined below), the details of which shall be available from the Information Agent, on request. Scheme Creditors will be able to see and/or hear the Chairperson of the Scheme Meeting, to ask questions and receive answers. It will not be possible to attend the Scheme Meeting physically in person due to the Covid-19 outbreak.
- 4.2 If you cease to be a Scheme Creditor before the Record Time, you will not be entitled to attend and vote at the Scheme Meeting.
- 4.3 If you are a Scheme Creditor of the Scheme Company as at the Record Time, you will be entitled to attend and vote at the Scheme Meeting, either in person or by proxy and in each case via the Remote Participation Methods, and your vote will be taken into account for the purpose of establishing whether or not the requisite approvals for the Scheme have been obtained.

5. Attending the Scheme Meeting

- 5.1 The Scheme Meeting has been ordered by the Court to take place commencing at 2.00 pm (London time) on 29 September 2020. The Scheme Meeting will take place via webinar hosted by the Information Agent, as set out in Section IV (*Notice of Scheme Meeting*) of this Scheme Document.
- 5.2 The Scheme Meeting will not be held physically, and it will not be possible to attend the Scheme Meeting in person physically because of the Covid-19 outbreak. Instead, Scheme Creditors may attend the Scheme Meeting remotely by webinar, either by:
 - (a) **Telephone**: Scheme Creditors who wish to attend the Scheme Meeting by telephone may do so by calling the number provided to them by the Information Agent. The live audio from the Scheme Meeting will be available from 2.00 pm (London time) on 29 September 2020. Scheme Creditors will be able to hear the Chairperson, to ask questions, and receive answers through the telephone. It will not be possible to attend the Scheme Meeting by telephone using a rotary dial telephone. If a Scheme Creditor has no alternative to a rotary dial telephone they should contact LM@glas.agency to make alternative arrangements for participation by telephone; or
 - Video conference: Scheme Creditors who wish to attend the Scheme Meeting online video conference may do so by accessing the link provided to them by the Information Agent. The video conference from the Scheme Meeting will be available from 2.00 pm (London time) on 29 September 2020. Scheme Creditors will be able to see and hear the Chairperson, to ask questions, and receive answers through the video conference,

(together, the "Remote Participation Methods").

- 5.3 In order to use either Remote Participation Method for voting on the Scheme, each Scheme Creditor must send the Account Holder Letter (and any other information required in Section IV (Notice of Scheme Meeting) of the Explanatory Statement) by email in pdf to LM@glas.agency as soon as possible and in any event so as to be received by no later than 4.00 pm (London time) on 25 September 2020.
- 5.4 If the requirements in paragraph 5.3 above are not met, admittance to the Scheme Meeting will be permitted prior to the commencement of the Scheme Meeting on the submission of proof of personal identity (for example, passport or other picture identification) and a valid Account Holder Letter to the Information Agent in pdf by email at LM@glas.agency. Scheme Creditors are advised that admittance to the Scheme Meeting in this way and delivery of the Account Holder Letter to the Information Agent on the date of the Scheme Meeting will be subject to time-consuming verification with respect to the requirements for participating in the Scheme Meeting. Accordingly, it is recommended that Scheme Creditors submit their Account Holder Letter to the Information Agent so as to be received by 4.00 pm (London time) on 25 September 2020.

6. Voting at the Scheme Meeting

General

- 6.1 Each Scheme Creditor should immediately contact its Account Holder (through any intermediaries, if appropriate) to ensure that a valid Account Holder Letter in respect of its Scheme Claim is delivered to and received by the Information Agent.
- 6.2 It will be the responsibility of Account Holders to obtain from the Scheme Creditors (through any intermediaries, if applicable) on whose behalf they are acting in accordance with the procedures established between them, whatever information or instructions they may require to identify the relevant Existing Noteholder from details contained within an Account Holder Letter and to provide the information, instructions, confirmations and representations required to be given by the Account Holder Letter for and on behalf of the relevant Existing Noteholder. To assist this process, each Existing Noteholder is strongly encouraged to contact its Account Holder (through any intermediaries, if appropriate) to enable that Account Holder to complete an Account Holder Letter and deliver such Account Holder Letter to the Information Agent before the Voting Deadline.

- 6.3 If a person is in any doubt as to whether or not it is an Existing Noteholder, such person should contact the Information Agent using the contact details in the Account Holder Letter set out in Section V (Account Holder Letter) of this Scheme Document.
- 6.4 A person that becomes a Scheme Creditor after the Record Time will not be entitled to vote at the Scheme Meeting.

Voting procedure

- 6.5 In order to vote at the Scheme Meeting, each Existing Noteholder (through any intermediaries, if applicable) should instruct its Account Holder to complete and sign an Account Holder Letter as described below and deliver the completed and signed Account Holder Letter to the Information Agent on behalf of the Scheme Company before the Voting Deadline.
- 6.6 Scheme Creditors who hold Existing Notes held through Euroclear or Clearstream and who are not Account Holders in such Clearing Systems and who wish to vote in respect of the Scheme must contact their broker, dealer, bank, custodian, trust company, other trustee, or nominee to make arrangements for:
 - (a) the relevant Clearing System to block the Existing Notes in the relevant Account Holder's account within the time limit specified by the relevant Clearing System by no later than the Custody Instruction Deadline, being 4.00 pm (London time) on 24 September 2020;
 - (b) their Account Holder in the relevant Clearing System through which they hold the Existing Notes to complete and deliver the Account Holder Letter to the Information Agent by the Voting Deadline, being **4.00 pm (London time) on 25 September 2020**; and
 - (c) such Custody Instructions to contain the name, email address and telephone number of the Scheme Creditor.
- 6.7 The Existing Notes must be blocked by no later than the Custody Instruction Deadline in accordance with the normal operating procedures imposed by Euroclear or Clearstream for the purpose of voting on the Scheme. Any Existing Notes blocked in Euroclear or Clearstream for this purpose shall be released to the Account Holder or the relevant Clearing System on the Business Day following the New Notes Subscription Deadline. As the procedure for blocking such Existing Notes may take a considerable period of time, Scheme Creditors should ensure that Custody Instructions are given as early as possible so that the relevant Existing Notes may be blocked prior to the Custody Instruction Deadline. Please also see paragraph 7 below for more information on blocking.

Voting in person

- To the extent a Scheme Creditor wishes to vote on the Scheme in person, the Information Agent will provide (upon request) each Scheme Creditor with a poll card which each Scheme Creditor will be required to complete and submit by email in pdf to LM@glas.agency during the Scheme Meeting. The Information Agent will only provide a poll card for voting to Scheme Creditors who have submitted valid Account Holder Letters.
- 6.9 The Scheme Meeting will be adjourned for up to 30 minutes to allow Scheme Creditors to vote by poll card. Voting by poll card shall apply whether the Scheme Creditor is attending the Scheme Meeting by telephone or by video conference.

7. Procedure for blocking the Existing Notes

Account Holders in Euroclear/Clearstream

7.1 Scheme Creditors must irrevocably instruct their Account Holders in Euroclear or Clearstream (as applicable) to, and those Account Holders must, block the Existing Notes which are the subject of that Existing Noteholder's Account Holder Letter. Each Existing Noteholder should instruct its Account Holder to confirm that (and the Account Holder should ensure that) the Account Holder Letter cross references the relevant Custody Instruction Reference Number. This will enable the Information Agent to verify the blocking of the Existing Notes.

7.2 It is the responsibility of Account Holders to ensure that they comply with any particular deadlines and instructions imposed by the relevant Clearing System for blocking the Existing Notes.

Invalid Account Holder Letters

- 7.3 The Information Agent will use all reasonable endeavors to assist Scheme Creditors to complete their Account Holder Letters validly, should it receive any Account Holder Letters which are not valid. However, failure to deliver a valid Account Holder Letter on behalf of an Existing Noteholder to the Information Agent in the manner and within the deadlines referred to above will mean that the voting instructions contained in such Account Holder Letter will be disregarded for the purposes of voting at the Scheme Meeting and the relevant Existing Noteholder will not be entitled to vote at the Scheme Meeting.
- 7.4 Failure to include a valid Custody Instruction Reference Number in an Account Holder Letter delivered on behalf of a Scheme Creditor to the Information Agent will invalidate that Account Holder Letter and its voting instructions.
- 7.5 None of the Scheme Company, any member of the Group, the Information Agent or any other person will be responsible for any loss or liability incurred by an Existing Noteholder as a result of any determination by the Information Agent that an Account Holder Letter contains an error or is incomplete, even if this is subsequently shown not to have been the case.
- 7.6 The Information Agent is an agent of the Scheme Company and owes no duty, express or implied, to any Scheme Creditor, Account Holder or Clearing System.
- 7.7 Scheme Creditors are advised to check with the bank, securities broker, relevant Account Holder, or other Intermediary through which they hold their Existing Notes whether such Intermediary applies different deadlines for any of the events specified.

8. **Account Holder Letters**

- 8.1 Each Existing Noteholder must ensure that its Account Holder completes and submits to the Information Agent a valid Account Holder Letter in order to vote at the Scheme Meeting. Each Existing Noteholder wishing to purchase New Notes must elect to do so by submitting its validly completed Account Holder Letter to the Information Agent as further explained in paragraph 11 below.
- 8.2 For the purpose of voting, Account Holder Letters must be submitted such that they are received by the Information Agent before the Voting Deadline, being **4.00 pm (London time) on 25 September 2020**.
- 8.3 Pursuant to Part 1 of the Account Holder Letter set out in Section V (*Account Holder Letter*) of this Scheme Document, Account Holders are required:
 - (a) with respect to any Scheme Creditors wishing to vote on the Scheme (including where the relevant Scheme Creditor is voting on the Scheme and it or its Nominated Participant is purchasing New Notes) to request the relevant Clearing System to block the Existing Notes in their account within the time limit specified by Euroclear or Clearstream by no later than the Custody Instruction Deadline, being 4.00 pm (London time) on 24 September 2020; or
 - (b) with respect to any Scheme Creditors wishing to purchase New Notes (i.e. where the relevant Scheme Creditor and/or Nominated Participant does not wish to vote on the Scheme) to request the relevant Clearing System to block the Existing Notes in their account within the time limit specified by Euroclear or Clearstream by no later than the New Notes Subscription Deadline, being 4.00 pm (London time) on 2 October 2020;
- 8.4 As set out above, the procedure for blocking such Existing Notes may take a considerable period of time, and Scheme Creditors should ensure that Custody Instructions are given as early as possible so that the relevant Second Lien Notes may be blocked prior to the applicable deadline.

- 8.5 For the purposes of voting in respect of Existing Notes held in Euroclear or Clearstream, the Account Holder Letter must be completed and signed by the Account Holder.
- Failure to deliver a valid Account Holder Letter on behalf of an Existing Noteholder by the Voting Deadline will mean that the voting instructions contained in the Account Holder Letter will be disregarded for the purposes of voting at the Scheme Meeting, and the relevant Existing Noteholder will not be entitled to vote at the Scheme Meeting.
- 8.7 Notwithstanding any other provision of this Scheme Document, the Chairperson will be entitled, at his or her sole discretion, to permit an Existing Noteholder in respect of which a completed Account Holder Letter has not been delivered prior to the Voting Deadline to vote at the Scheme Meeting if the Chairperson considers that the relevant Existing Noteholder has produced sufficient proof that it is entitled to vote.

9. Completing your Account Holder Letter

- 9.1 Each Existing Noteholder will need to give its Account Holder information and instructions as to voting and certain other matters.
- 9.2 In summary each Existing Noteholder may elect:
 - (a) to instruct the Chairperson as its proxy to cast its vote in accordance with the wishes of that Existing Noteholder;
 - (b) to attend and vote at the Scheme Meeting in person or by a duly authorised representative if a corporation, in each case via webinar; or
 - (c) to instruct someone else as its proxy to cast its vote in accordance with the wishes of that Account Holder,

in each case, by instructing its Account Holder to deliver on its behalf and ensuring that the voting intention section of the Account Holder Letter is completed.

- 9.3 Each Existing Noteholder should also ensure that the following is included in the designated sections of the Account Holder Letter delivered on its behalf:
 - (a) its identity and country of residence/headquarters;
 - (b) details of the Existing Notes which are the subject of the Account Holder Letter, including the ISIN number(s), the principal amount of the Existing Notes held at the relevant Clearing System(s), the identity of the relevant Clearing System(s), the account number of the Account Holder in the relevant Clearing System(s) and the Custody Instruction Reference Number(s); and
 - (c) its voting instructions.

10. Lodging your Account Holder Letter

- Account Holder Letters for the purposes of voting at the Scheme Meeting (including where the relevant Scheme Creditor is voting on the Scheme and it or its Nominated Participant is purchasing New Notes) should be delivered by Scheme Creditors as soon as possible to the Information Agent online via the Scheme Website or via email at LM@glas.agency, and, in any event, before the Voting Deadline, being 4.00 pm (London time) on 25 September 2020.
- 10.2 Each Existing Noteholder should note that, unless a valid Account Holder Letter is delivered on its behalf to the Information Agent before the Voting Deadline, the voting instructions contained in that Account Holder Letter will be disregarded for the purposes of voting at the Scheme Meeting and the Existing Noteholder will not be entitled to vote at the Scheme Meeting.
- 10.3 Any Account Holder Letter delivered for voting purposes will be irrevocable until the earlier of:
 - (a) if the Scheme is not approved by the requisite majorities at the Scheme Meeting, the conclusion of the Scheme Meeting; or

- (b) the withdrawal of the Scheme by the Scheme Company.
- 10.4 Account Holder Letters for the purposes of purchasing New Notes (i.e. where the relevant Scheme Creditor and/or Nominated Participant does not wish to vote on the Scheme) should be delivered by Scheme Creditors as soon as possible to the Information Agent online via the Scheme Website or via email at LM@glas.agency, and, in any event, before the New Notes Subscription Deadline, being 4.00 pm (London time) on 2 October 2020.
- Each Existing Noteholder should note that, unless a valid Account Holder Letter is delivered on its behalf to the Information Agent before the New Notes Subscription Deadline, the elections contained in that Account Holder Letter will be disregarded for the purposes of purchasing New Notes.
- 10.6 Any Account Holder Letter delivered for purchasing New Notes only will be irrevocable until the Completion Date.

11. Electing to purchase New Notes

- 11.1 Each Scheme Creditor is entitled to purchase New Notes or to nominate one or more Nominated Participant(s) to do so in its place. Scheme Creditors who wish to purchase New Notes (or wish to nominate one or more Nominated Participant(s) to do so) should ensure that the Account Holder Letter set out in Section V (*Account Holder Letter*) of this Scheme Document is validly completed and submitted to the Scheme Company via the Information Agent as soon as possible in accordance with the instructions contained therein.
- 11.2 Validly completed Account Holder Letters containing a Scheme Creditor's (or its Nominated Participant's) election to purchase New Notes should be submitted to the Information Agent either online via the Scheme Website or via email at LM@glas.agency as soon as possible and, in any event, so as to be received by the Scheme Company by 4.00 pm on the date which is three Business Days after the date on which the Scheme Meeting concludes (being the New Notes Subscription Deadline). Acceptance of an Account Holder Letter by the Information Agent for the purposes of electing to purchase New Notes is subject to the Information Agent receiving the required Scheme Creditor's Custody Instructions. Please see paragraph 7 of this Section III (Instructions for Scheme Creditors) above for information on the procedure for blocking the Existing Notes.
- 11.3 In the event that an Account Holder Letter is received by the Information Agent after the New Notes Subscription Deadline, the Scheme Creditor (or its Nominated Participant) on whose behalf such Account Holder Letter has been submitted shall not be entitled to purchase New Notes.
- 11.4 In order to purchase New Notes, any Scheme Creditor and Nominated Participant must clear "know your customer" checks required by the Escrow Agent prior to the KYC Clearance Deadline.
- 11.5 Each Scheme Creditor and each Nominated Participant must submit all relevant KYC Documentation required of it by the KYC Information Deadline, unless the relevant Scheme Creditor or Nominated Participant and the Scheme Company is notified by the Escrow Agent in writing that it has previously cleared all "know your customer" checks of the Escrow Agent in relation to that Scheme Creditor or Nominated Participant.
- 11.6 If a Scheme Creditor or Nominated Participant fails to submit its KYC Documentation by the KYC Information Deadline, the Escrow Agent shall have discretion to accept KYC Documentation thereafter.
- 11.7 The Escrow Agent, each Scheme Creditor and each Nominated Participant shall take all reasonable steps and use their reasonable endeavours to ensure that each relevant party clears all "know your customer" checks required by the Escrow Agent prior to the KYC Clearance Deadline.
- 11.8 The Escrow Agent shall notify in writing (i) the relevant Scheme Creditor or Nominated Participant, (ii) the Information Agent and (iii) the Scheme Company promptly upon a Scheme Creditor or Nominated Participant clearing all "know your customer" checks.
- 11.9 If, for any reason, a Scheme Creditor or Nominated Participant fails to clear all "know your customer" checks required by the Escrow Agent prior to the KYC Clearance Deadline (with such

clearance being determined by the Escrow Agent in its sole discretion), such Scheme Creditor or Nominated Participant shall not be entitled to purchase New Notes and shall not constitute a New Notes Purchaser and the Escrow Agent and Information Agent shall disregard in its entirety Part 3 of the relevant Scheme Creditor's Account Holder Letter (including any New Notes Purchaser Letter and Nominated Participant Deed submitted by the Scheme Creditor and/or its Nominated Participant(s)) previously submitted in respect of such Scheme Creditor or Nominated Participant. For the avoidance of doubt, failure to clear all "know your customer" checks with the Escrow Agent will not affect the right of a Scheme Creditor to vote on the Scheme.

- 11.10 Scheme Creditors and their Nominated Participants (if applicable) are strongly encouraged to contact LM@glas.agency as soon as possible for the purpose of completing any KYC process that may be required by the Escrow Agent in order to comply with the Money Laundering Regulations 2017 (and any other similar applicable laws or regulations). Scheme Creditors or Nominated Participants (as applicable) who have not been confirmed by the Escrow Agent to have completed the requisite KYC process before the KYC Clearance Deadline (being 4.00 pm (London time) on 8 October), will not be entitled to purchase New Notes under the terms of the Scheme.
- 11.11 For the avoidance of doubt, no New Notes will be issued to a Disqualified Person.

12. Assignment and Transfers after the Record Time

- 12.1 The Scheme Company shall not be under any obligation to recognise any assignment or transfer of a Scheme Claim after the Record Time for the purposes of the Scheme or the Scheme Document; or have any obligations to any person other than a Scheme Creditor, **provided that**, where the Scheme Company has received from the relevant parties notice in writing of an assignment or transfer prior to the Scheme Effective Time, the Scheme Company, may, in its sole discretion and subject to the production of such other evidence in relation to such transfer or assignment as they may require and to any other terms and conditions which the Scheme Company may consider necessary or desirable, agree to recognise such assignment or transfer for the purposes of the Scheme.
- 12.2 Any assignee or transferee of a Scheme Claim so recognised by the Scheme Company shall be bound by the terms of the Scheme as a Scheme Creditor and shall produce such evidence as the Scheme Company may reasonably require to confirm that it has agreed to be bound by the terms of the Scheme.

13. Further copies

If you require further copies of this Scheme Document or Account Holder Letters, these can be obtained via the Scheme Website and at https://glas.agency/2020/07/13/codere-s-a/.

SECTION IV: NOTICE OF SCHEME MEETING

IN THE HIGH COURT OF JUSTICE

CR-2020-003544

BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES

INSOLVENCY AND COMPANIES LIST (ChD)

IN THE MATTER OF

CODERE FINANCE 2 (UK) LIMITED ("SCHEME COMPANY")

AND

IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS HEREBY GIVEN that by an Order dated 11 September 2020 made in the above matter the High Court of Justice of England and Wales (the "Court") has directed that a meeting (the "Scheme Meeting") be convened of the Scheme Creditors (as such term is defined in the Scheme hereinafter referred to) for the purposes of considering and, if thought fit, approving (with or without modification) the scheme of arrangement under Part 26 of the Companies Act 2006 proposed to be made between the Scheme Company and its Scheme Creditors (the "Scheme").

- 1. The Scheme is proposed between the Scheme Company and the Scheme Creditors in respect of:
 - the EUR 500 million 6.750 per cent. senior secured notes due 2021 (*Rule 144A ISIN: XS1513772621; Common Code: 151377262; Regulation S: ISIN: XS1513765922, Common Code: 151376592*) (the "Existing Euro Notes") pursuant to an indenture dated 8 November 2016 between, amongst others, the Scheme Company, Codere Finance 2 (Luxembourg) S.A. and GLAS Trust Corporation as the Trustee (as amended, modified or supplemented from time to time, the "Existing Notes Indenture") represented by one or more notes in registered, global form, held by Bank of America, N.A., London Branch (the "Common Depository") and registered in the name of the Common Depository or its nominee, as the case may be, for the account of Euroclear Bank SA/NV ("Euroclear") or Clearstream Banking S.A. ("Clearstream"); and/or
 - the USD 300 million 7.625 per cent. senior secured notes due 2021 (Rule 144A: ISIN: XS1513776614, Common Code: 151377661; Regulation S: ISIN: XS1513776374, Common Code: 151377637) (together with the Existing Euro Notes, the "Existing Notes") also pursuant to the Existing Notes Indenture (represented by one or more notes in registered, global form, held by the Common Depositary or its nominee, as the case may be, for the account of Euroclear and Clearstream (together, the "Clearing Systems")).
- 2. The Court has ordered that the Scheme Company should convene a Scheme Meeting of the Scheme Creditors to vote on the Scheme in respect of their claims under the Existing Notes.
- 3. The Scheme Meeting to consider the Scheme will be held via webinar on Zoom (with both video and audio participation enabled) hosted by GLAS Specialist Services Limited (the "Information Agent") on 29 September 2020, commencing at 2.00 pm (London time) (or such other time or date as the Scheme Company may notify to the Scheme Creditors). A Scheme Creditor wishing to attend the Scheme Meeting (via webinar) may obtain details by contacting the Information Agent via email at LM@glas.agency. In each case details will be given to Scheme Creditors upon the Information Agent being satisfied that any Scheme Creditor (or its representative) requesting the same has provided evidence of their authority to represent that body corporate at the Scheme Meeting (for example, a valid power of attorney and/or board minutes). Scheme Creditors will be able to see and hear the Chairperson of the Scheme Meeting, to ask questions and receive answers through the webinar. It will not be possible to attend the Scheme Meeting physically in person due to the Covid-19 outbreak.

- 4. A copy of the terms of the Scheme and a copy of the statement required to be furnished pursuant to section 897 of the Companies Act 2006 (the "Explanatory Statement") are incorporated in the document of which this notice forms part.
- 5. The purpose of the Scheme Meeting will be to consider the following resolution:

"We hereby resolve to approve the scheme of arrangement proposed in respect of the Scheme Company pursuant to Part 26 of the Companies Act 2006, as set out in the document dated 14 September 2020 and sent to Scheme Creditors in accordance with the Court Order dated 11 September 2020 with or subject to any modification, addition, or condition approved or imposed by the Court as it shall think fit which could not reasonably be expected to (a) have an adverse effect on the rights or interests of a Scheme Creditor under the Scheme (taking into account for this purpose only its rights and interests as a Scheme Creditor), or (b) impose any additional or new obligation on any Scheme Creditor".

- 6. Scheme Creditors wishing to vote at the relevant Scheme Meeting MUST ensure that an Account Holder Letter together with evidence of identity and of authority (as specified in the Account Holder Letter) is submitted to the Information Agent, online via the Scheme Website or in pdf by email to LM@glas.agency by no later than 4.00 pm on 25 September 2020 (the "Voting Deadline"). The Account Holder Letter can be found at Section V (Account Holder Letter) of the Scheme Document. If you do not complete and return this documentation on or before the Voting Deadline you may not be permitted to vote at the Scheme Meeting.
- 7. Acceptance of an Account Holder Letter by the Information Agent for the purposes of voting on the Scheme (including where the relevant Scheme Creditor is voting on the Scheme and it or its Nominated Participant is purchasing New Notes) is subject to receipt by it of the relevant Scheme Creditor's Custody Instructions prior to the Custody Instruction Deadline, being 4.00 pm on 24 September 2020. As such, Account Holders should request the relevant Clearing System to block the Existing Notes in their account within the time limit specified by Euroclear or Clearstream and by no later than the Custody Instruction Deadline.
- 8. Scheme Creditors who do not submit Custody Instructions before the Custody Instruction Deadline and/or do not submit an Account Holder Letter before the Record Time, may submit an Account Holder Letter to the Chairperson prior to the commencement of the Scheme Meeting. The Chairperson will review and verify any Account Holder Letter(s) and has an absolute discretion (but not an obligation) to permit such Scheme Creditors to vote.
- 9. Until the date of the Scheme Meeting, Scheme Creditors shall be able to request hard copies of the Scheme Document from the Information Agent (by emailing LM@glas.agency copying ProjectClimb2020@cliffordchance.com) and when so requested shall be provided with them free of charge.
- 10. Any Scheme Creditor that is unclear about or has any questions concerning the action it is required to take should contact the Scheme Company's solicitors at the contact details provided below:

Attention: Iain White, Tim Lees, Seema Shukla, Michael Panayi

By E-mail: ProjectClimb2020@cliffordchance.com

- 11. By the said Order, the Court has appointed Manuel Martinez-Fidalgo or, if he is unable to so act, another person authorised by the Scheme Company, to act as chairperson of the Scheme Meeting referred to above and has directed the chairperson to report the result of the Scheme Meeting to the Court.
- 12. The Scheme will be subject to the subsequent approval of the Court.

Solicitors for the Scheme Company

Dated: 14 September 2020

Codere Finance 2 (UK) Limited

SECTION V: ACCOUNT HOLDER LETTER

SECTION V: ACCOUNT HOLDER LETTER

255212-3-730-v2.0 - 112 - 66-40747934

Account Holder Letter

For use by Account Holders in respect of the

Euro 500 million 6.750 per cent. senior secured notes due 2021 Rule 144A: ISIN: XS1513772621, Common Code: 151377262 Regulation S: ISIN: XS1513765922, Common Code: 151376592 (the "Existing Euro Notes")

and

USD 300 million 7.625 per cent. senior secured notes due 2021 Rule 144A: ISIN: XS1513776614, Common Code: 151377661 Regulation S: ISIN: XS1513776374, Common Code: 151377637 (the "Existing Dollar Notes")

(together, the "Existing Notes") each issued by

Codere Finance 2 (UK) Limited (the "Scheme Company") and Codere Finance 2 (Luxembourg) S.A. ("Codere Finance") as co-issuers,

in relation to the Scheme Company's scheme of arrangement under Part 26 of the Companies Act 2006 (the "**Scheme**")

Capitalised terms used but not defined in this Account Holder Letter shall have the same meaning as given to them in the explanatory statement relating to the Scheme dated on or around 14 September 2020 (the "Explanatory Statement"), subject to any amendments or modifications made by the Court.

The Scheme will, if implemented, materially affect the rights of the Scheme Creditors and become binding on all Scheme Creditors, regardless of whether a Scheme Creditor votes in favour of or against the Scheme or abstains from voting.

If you are a Scheme Creditor, you are strongly advised to read the Scheme Document (including the Explanatory Statement), in particular, Section I, Part H (*Actions to be taken by Scheme Creditors*) and Section III (*Instructions to Scheme Creditors*) of the Scheme Document, before this Account Holder Letter is completed on your behalf. All relevant documentation can be found on the Scheme Website at https://glasagency.appiancloud.com/suite/sites/codere.

A SEPARATE ACCOUNT HOLDER LETTER MUST BE COMPLETED IN RESPECT OF EACH SEPARATE BENEFICIAL HOLDING OF INTEREST IN THE EXISTING NOTES.

This Account Holder Letter and any obligations arising out of or in connection with this Account Holder Letter shall be governed by, and interpreted in accordance with, English law.

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IMPORTANT DEADLINES

4:00 pm (London time) 24 September 2020

Custody Instructions Deadline. An Account Holder Letter will not be validly completed for the purposes of voting on the Scheme (including where the relevant Scheme Creditor is both voting on the Scheme and purchasing (and/or nominating one or more Nominated Participant(s) to purchase) New Notes) unless GLAS Specialist Services Limited (the "Information Agent") has received a Scheme Creditor's Custody Instructions on or prior to this time.

4:00 pm (London time) 25 September 2020

Record Time. The time at which the amount of Existing Notes held by a Scheme Creditor will be determined for the purposes of (i) calculating the value of such Scheme Creditor's Scheme Claim for voting on the Scheme and (ii) determining that Scheme Creditor's New Notes Entitlement.

4:00 pm (London time) 25 September 2020

Voting Deadline. For a Scheme Creditor to vote on the Scheme using an Account Holder Letter, Parts 1 and 2 of its Account Holder Letter must be validly completed and submitted to and received by the Information Agent online via the Scheme Website or as a pdf via email to LM@glas.agency prior to this time.

If a Scheme Creditor wishes to vote on the Scheme in person (via webinar), the Information Agent will provide (upon request) each Scheme Creditor with a poll card which each Scheme Creditor will be required to complete and submit by email in pdf to LM@glas.agency during the Scheme Meeting. The Information Agent will only provide a poll card for voting to Scheme Creditors who have submitted valid Account Holder Letters.

2:00 pm (London time) 29 September 2020 Scheme Meeting. The Scheme Meeting will take place via Zoom hosted by the Information Agent. Scheme Creditors wishing to attend the Scheme Meeting (via webinar) may obtain attendance details from the Information Agent by contacting them at LM@glas.agency. Upon the Information Agent being satisfied that any Scheme Creditor (or its representative) requesting the same has provided evidence of their authority to represent the Scheme Creditor at the Scheme Meeting (for example, a valid power of attorney and/or board minutes) and the Information Agent being satisfied in respect of the same, they shall provide the attendance details.

Scheme Creditors are entitled to attend the Scheme Meeting in person (as described in the Voting Deadline paragraph above) or by appointing a proxy. If a Scheme Creditor wishes to appoint a proxy, that proxy must be able to establish the Scheme Creditor's identity and entitlement to vote at the Scheme Meeting and its appointment as the Scheme Creditor's proxy by providing a validly completed Account Holder Letter prior to the Scheme Meeting.

The Scheme Meeting will be adjourned for up to 30 minutes to allow Scheme Creditors to vote by poll card. Voting by poll card shall apply

whether the Scheme Creditor is attending the Scheme Meeting by telephone or by video conference.

4:00 pm (London time) 2 October 2020

New Notes Subscription Deadline. For a Scheme Creditor or its Nominated Participant(s) to purchase New Notes, Part 1 (to the extent not already submitted for voting purposes) and the relevant sections of Part 3 of this Account Holder Letter must be validly completed and submitted to and received by the Information Agent online via the Scheme Website or as a pdf via email to LM@glas.agency prior to this time.

12:00 pm (London time) 6 October 2020

KYC Information Deadline. The Deadline by which a Scheme Creditor or Nominated Participant who wishes to participate in the purchase of New Notes must submit their KYC Documentation to the Escrow Agent.

4:00 pm (London time) 8 October 2020

KYC Clearance Deadline. The Deadline by which a Scheme Creditor or Nominated Participant who wishes to participate in the purchase of New Notes must have cleared the Escrow Agent's "*know your customer*" process to the satisfaction of the Escrow Agent.

FOR ASSISTANCE CONTACT THE INFORMATION AGENT:

GLAS Specialist Services Limited Email: LM@glas.agency

Scheme Website: https://glas-agency.appiancloud.com/suite/sites/codere

KNOW YOUR CUSTOMER CHECKS AND RELEVANT DEADLINES

- 1. All Scheme Creditors and (where relevant) their Nominated Participants who wish to purchase New Notes MUST satisfy the Escrow Agent's "know your customer" checks by the KYC Clearance Deadline in order to purchase New Notes.

 Any Scheme Creditor or Nominated Participant who fails to do so will NOT be entitled to purchase any New Notes.
- 2. <u>Any entitlement to purchase New Notes pursuant to the Scheme is subject to those Scheme Creditors or their Nominated Participants clearing the Escrow Agent's "know your customer" checks by the KYC Clearance Deadline.</u>
- 3. In this respect, each Scheme Creditor and/or each Nominated Participant who wishes to participate in the purchase of New Notes is notified of the following:
 - (a) All KYC Documentation should be submitted by no later than the KYC Information Deadline, unless the relevant Scheme Creditor or Nominated Participant and the Scheme Company is notified by the Escrow Agent in writing that it has previously cleared all "know your customer" checks of the Escrow Agent in relation to that Scheme Creditor or Nominated Participant.
 - (b) If a Scheme Creditor or Nominated Participant fails to submit its KYC Documentation by the KYC Information Deadline, the Escrow Agent shall have discretion to accept KYC Documentation thereafter.
 - (c) The Escrow Agent shall notify in writing the relevant Scheme Creditor or Nominated Participant promptly upon a Scheme Creditor or Nominated Participant clearing all "know your customer" checks.
 - (d) If, for any reason, a Scheme Creditor or Nominated Participant fails to clear all "know your customer" checks required by the Escrow Agent prior to the KYC Clearance Deadline (with such clearance being determined by the Escrow Agent in its sole discretion), such Scheme Creditor or Nominated Participant shall not be entitled to purchase New Notes and shall not constitute a New Notes Purchaser.
 - (e) For the avoidance of doubt, failure to clear all "know your customer" checks with the Escrow Agent will not affect the right of a Scheme Creditor to vote on the Scheme.
 - (f) Given the foregoing, each Scheme Creditor and each Nominated Participant who wishes to purchase New Notes is strongly encouraged to take the following action immediately:
 - (i) contact the Escrow Agent as soon as possible (at LM@glas.agency) and enquire whether the Escrow Agent requires any KYC Documentation from it; and
 - (ii) if the answer is "Yes", provide the necessary KYC Documentation as soon as possible and in any event, by no later than the KYC Information Deadline.

- 4. The KYC Documentation likely to be required by the Escrow Agent for its "*know your customer*" clearance checks is as follows:
 - (a) For individuals, certified ID & proof of address, which conforms to the following requirements:
 - (i) the certifier needs to confirm that the document is both "a true copy of the original seen by me" and "the photograph is a true likeness of the person";
 - (ii) an official stamp of the person certifying and indication of professional status;
 - (iii) certifier's signature and date with their printed name; and
 - (iv) certifier's occupation and address or telephone number.
 - (b) The certification set out at paragraph (a) above can be made by the following entities;
 - (i) a bank or regulated financial institution acceptable to the Escrow Agent;
 - (ii) a solicitor or notary;
 - (iii) an independent professional person acceptable to the Escrow Agent;
 - (iv) a doctor;
 - (v) a chartered accountant;
 - (vi) a civil servant; or
 - (vii) a minister of religion.
 - (c) For corporate entities, partnerships or non-individuals, the Escrow Agent reserves the right to complete a full "Counterparty KYC" process and request the following:
 - (i) its ownership details (including a certified structure chart), leading up to the ultimate beneficial owners; and
 - (ii) certified ID & address documents for all such beneficial owners.

For the avoidance of doubt, a Scheme Creditor is <u>not</u> required to clear KYC to vote on the Scheme. Any Scheme Creditor or its Nominated Participant who wishes to purchase New Notes MUST clear the Escrow Agent's "*know your customer*" process by the KYC Clearance Deadline in order to purchase New Notes.

SUMMARY OF KEY SCENARIOS AND RELEVANT DEADLINES

If a Scheme Creditor is:

Scenario	Relevant Deadline
Voting on the Scheme and electing not to purchase New Notes	Parts 1 and 2 of this Account Holder Letter must be submitted by no later than the <u>Voting Deadline</u> .
	Part 3 does not need to be submitted.
Voting on the Scheme and electing to purchase New Notes (either directly or through a Nominated Participant)	Parts 1 and 2 of this Account Holder Letter must be submitted by no later than the Voting Deadline. Part 3 must be submitted by no later than the New Notes Subscription Deadline. (An Account Holder can submit Part 3 of this Account Holder Letter at the earlier deadline together with Parts 1 and 2 and is encouraged to do so).
Not voting on the Scheme but electing to purchase New Notes (either directly or through a Nominated Participant)	Parts 1 and 3 of this Account Holder Letter must be submitted by no later than the New Notes Subscription Deadline. Part 2 does not need to be submitted.
Not voting on the Scheme and not electing to purchase New Notes	No action required.

FOR ASSISTANCE CONTACT THE INFORMATION AGENT:

GLAS Specialist Services Limited Email: LM@glas.agency

Scheme Website: https://glas-agency.appiancloud.com/suite/sites/codere

INSTRUCTIONS FOR THE COMPLETION AND SUBMISSION OF THIS ACCOUNT HOLDER LETTER

PART 1 SCHEME CREDITOR, ACCOUNT HOLDER, HOLDING DETAILS, AND SCHEME CREDITOR CONFIRMATIONS

Sections 1, 2, and 3 of Part 1 of the Account Holder Letter must be validly completed in all cases by the Account Holder and should be submitted to the Information Agent prior to the Voting Deadline if the Scheme Creditor wishes to vote on the Scheme.

Sections 1, 2, and 3 of Part 1 of this Account Holder Letter require:

- (a) details of the Scheme Creditor, the Account Holder, and the Existing Notes to which this Account Holder Letter relates; and
- (b) a Custody Instruction Reference Number in respect of any Existing Notes that are identified in Part 1 (*Scheme Creditor, Account Holder, Holding Details, and Scheme Creditor Confirmations*) of this Account Holder Letter.

Acceptance of this Account Holder Letter by the Information Agent for the purpose of **voting on the Scheme** (including where the relevant Scheme Creditor is both voting on the Scheme and purchasing (and/or nominating one or more Nominated Participant(s) to purchase) New Notes) is subject to receipt by the Information Agent of a <u>Scheme Creditor's Custody Instructions prior to the Custody Instructions Deadline</u>, being 4:00 pm (London time) on 24 September 2020.

Acceptance of this Account Holder Letter by the Information Agent for the purpose **only of purchasing New Notes** (i.e. where the relevant Scheme Creditor does not wish to vote on the Scheme) is subject to receipt by the Information Agent of a <u>Scheme Creditor's Custody Instructions prior to the New Notes Subscription Deadline</u>, being 4:00 pm (London time) on 2 October 2020.

In addition, in each case, the relevant Custody Instruction Reference Number must be specified in the space provided in Part 1, Section 3 (*Holding Details*) of this Account Holder Letter.

Section 4 of Part 1 of the Account Holder Letter must be validly completed in all cases by the Scheme Creditor and should be submitted to the Information Agent prior to: (i) the Voting Deadline if the Scheme Creditor wishes to vote on the Scheme; or (ii) the New Notes Subscription Deadline if the Scheme Creditor wishes to purchase New Notes but not vote on the Scheme.

Section 4 of Part 1 requires all Scheme Creditors to give certain customary confirmations, warranties and undertakings in relation to the Scheme.

FOR ASSISTANCE CONTACT THE INFORMATION AGENT:

GLAS Specialist Services Limited Email: LM@glas.agency

Scheme Website: https://glas-agency.appiancloud.com/suite/sites/codere

PART 2 VOTING PARTICIPATION

Part 2 of the Account Holder Letter should be completed by the Account Holder on behalf of the Scheme Creditor and submitted to the Information Agent prior to the <u>Voting</u> Deadline if the Scheme Creditor wishes to vote on the Scheme.

Part 2 of the Account Holder Letter enables a Scheme Creditor to make elections with respect to the approval of the Scheme and the appointment of a proxy to attend the Scheme Meeting.

Account Holder Letters received by the Information Agent after the Voting Deadline will <u>not</u> constitute valid instructions for the purposes of voting on the Scheme. However, subject to the Chairperson's sole discretion, Scheme Creditors may still be able to vote on the Scheme by attending the Scheme Meeting or appointing a proxy to attend the Scheme Meeting on their behalf if, prior to the Scheme Meeting, they (i) submit a validly completed Account Holder Letter by email in pdf to <u>LM@glas.agency</u>, and (ii) establish (to the satisfaction of the Chairperson in its sole discretion) the Scheme Creditor's identity and entitlement to vote at the Scheme Meeting or the proxy's authorisation to represent such Scheme Creditor.

If a Scheme Creditor wishes to attend and vote at the Scheme Meeting, the Information Agent will provide (upon request) each Scheme Creditor with a poll card which each Scheme Creditor will be required to complete and submit by email in pdf to LM@glas.agency during the Scheme Meeting. The Information Agent will only provide a poll card for voting to Scheme Creditors who have submitted validly completed Account Holder Letters.

The Scheme Meeting will be adjourned for up to 30 minutes to allow Scheme Creditors in attendance to vote by poll card. Voting by poll card shall apply whether the Scheme Creditor is attending the Scheme Meeting by telephone or by video conference.

If a Scheme Creditor wishes to amend its voting instructions provided in an Account Holder Letter, it may do so by submitting a new Account Holder Letter to the Information Agent before the Voting Deadline. The last validly completed Account Holder Letter received by the Information Agent prior to the commencement of the Scheme Meeting will take precedence over any earlier validly submitted Account Holder Letter(s) in respect of that Scheme Creditor.

Acceptance of an Account Holder Letter by the Information Agent for the purpose of **voting on the Scheme** (including where the relevant Scheme Creditor is both voting on the Scheme and purchasing (or nominating one or more Nominated Participant(s) to purchase) New Notes) is subject to receipt by the Information Agent of a <u>Scheme Creditor's Custody Instructions prior</u> to the Custody Instructions Deadline, being 4:00 pm (London time) on 24 September 2020.

FOR ASSISTANCE CONTACT THE INFORMATION AGENT:

GLAS Specialist Services Limited Email: LM@glas.agency

Scheme Website: https://glas-agency.appiancloud.com/suite/sites/codere

PART 3 ELECTION TO PURCHASE NEW NOTES

If a Scheme Creditor wishes to purchase New Notes, either on its own account and/or by nominating one or more Nominated Participant(s) to purchase New Notes, Part 3 of the Account Holder Letter must be validly completed as follows:

- If a Scheme Creditor wishes to purchase New Notes on its own account ONLY:
 - the Account Holder must complete Section 1 (New Notes Purchase Election)
 on behalf of the Scheme Creditor; and
 - the Scheme Creditor must complete Section 4 (New Notes Purchaser Letter).
- If a Scheme Creditor wishes to nominate one or more Nominated Participant(s) to purchase New Notes ONLY:
 - the Account Holder must complete Section 1 (New Notes Purchase Election) on behalf of the Scheme Creditor;
 - the Scheme Creditor must complete Section 2 (Nominated Participant Details); and
 - o <u>each</u> Nominated Participant must complete Sections 3 (Nominated Participant Deed) and 4 (New Notes Purchaser Letter),
- If a Scheme Creditor wishes to purchase New Notes on its own account and wishes to nominate one or more Nominated Participant(s) to purchase New Notes:
 - the Account Holder must complete Section 1 (New Notes Purchase Election)
 on behalf of the Scheme Creditor; and
 - o the Scheme Creditor must complete Sections 2 (Nominated Participant Details) and 4 (New Notes Purchaser Letter); and
 - o <u>each</u> Nominated Participant must complete Sections 3 (Nominated Participant Deed) and 4 (New Notes Purchaser Letter),

and submit to the Information Agent prior to the New Notes Subscription Deadline.

If a Scheme Creditor elects to nominate Nominated Participants to purchase New Notes, such Nominated Participants must at all times hold an account with the same Account Holder as the Scheme Creditor, and agree to receive its New Notes into its account with the same Account Holder.

Each Scheme Creditor or Nominated Participant who wishes to purchase New Notes <u>must</u>, by entering into the New Notes Purchaser Letter (the form of which is at Section 4 (New Notes Purchaser Letter) of Part 3 (Election to purchase New Notes) of this Account Holder Letter), accede to the New Notes Purchase Agreement in the capacity of New Notes Purchaser and agree to be bound by all of the representations (including under applicable securities laws), warranties, covenants, stipulations, promises, agreements, and other obligations applicable to

a New Notes Purchaser as set forth in the Purchase Agreement. The New Notes Purchase Agreement is attached as Section VII (*Transaction Documents*) of the Scheme Document.

Any Account Holder Letter received by the Information Agent after the New Notes Subscription Deadline will not constitute a valid election to purchase New Notes and the relevant Scheme Creditor or Nominated Participant will not be eligible to purchase any New Notes.

If a Scheme Creditor wishes to amend its election provided in an Account Holder Letter, it may do so by submitting a new Account Holder Letter to the Information Agent by the New Notes Subscription Deadline. The last validly completed Account Holder Letter received by the Information Agent prior to the New Notes Subscription Deadline will take precedence over any earlier validly submitted Account Holder Letter(s) in respect of that Scheme Creditor.

If a Scheme Creditor (i) wishes to nominate more than one Nominated Participant(s) to purchase New Notes or (ii) wishes to purchase New Notes on its own account and wishes to nominate one or more Nominated Participant(s) to purchase New Notes, it will be required to allocate its New Notes Entitlement between itself (if applicable) and each Nominated Participant in Part 3 of Section 2 of this Account Holder Letter.

FOR ASSISTANCE CONTACT THE INFORMATION AGENT:

GLAS Specialist Services Limited Email: LM@glas.agency

Scheme Website: https://glas-agency.appiancloud.com/suite/sites/codere

IMPORTANT INFORMATION

Scheme Voting	Scheme Creditors may only vote on the Scheme if they are holders of the Existing Notes at the Record Time.		
	A Scheme Creditor that is a party to the Revised Lock-Up Agreement is, pursuant to the terms of the Revised Lock- Up Agreement, obliged to vote in favour of the Scheme.		
	For a Scheme Creditor to vote on the Scheme, Parts 1 and 2 of this Account Holder Letter must be validly completed and submitted and received by the Information Agent on or prior to the <u>Voting Deadline</u> .		
	In order to be validly completed, Part 1 of the Account Holder Letter must specify a Custody Instruction Reference Number. The Custody Instruction Reference Number must be requested on or prior to the Custody Instructions Deadline, and must apply to all Existing Notes that are identified in Part 1 of this Account Holder Letter.		
	To the extent a Scheme Creditor wishes to attend and vote at the Scheme Meeting in person (via webinar), the Information Agent will provide (upon request) each Scheme Creditor with a poll card which each Scheme Creditor will be required to complete and submit by email in pdf to LM@glas.agency during the Scheme Meeting. The Information Agent will only provide a poll card for voting to Scheme Creditors who have submitted validly completed Account Holder Letters.		
	The Scheme Meeting will be adjourned for up to 30 minutes to allow Scheme Creditors in attendance to vote by poll card. Voting by poll card shall apply whether the Scheme Creditor is attending the Scheme Meeting by telephone or by video conference.		
	The Record Time and the Voting Deadline will occur at the same time.		
Block on trading	Scheme Creditors will be "blocked" from trading their Existing Notes in Euroclear and Clearstream, following delivery of their Custody Instructions to the relevant Clearing System, until the earliest of (i) the occurrence of an Insolvency Event in respect of the Scheme Company or Codere Finance and (ii) one (1) Business Day after the New Notes Subscription Deadline.		
Election to participate in the purchase of New Notes	A Scheme Creditor who wishes to purchase New Notes (and/or wishes to nominate one or more Nominated Participant(s) to purchase New Notes) must ensure that:		

- Part 1 of this Account Holder Letter is validly completed and submitted and received by the Information Agent on or prior to:
 - if that Scheme Creditor also intends to vote on the Scheme, the <u>Voting Deadline</u>; or
 - if that Scheme Creditor only wishes to purchase New Notes and does not intend to vote on the Scheme, the <u>New Notes Subscription Deadline</u>;
 and
- the relevant sections of Part 3 of this Account Holder Letter are validly completed and received by the Information Agent on or prior to the <u>New Notes Subscription Deadline</u>.

Each Scheme Creditor or Nominated Participant who wishes to purchase New Notes must accede to the New Notes Purchase Agreement in the capacity of New Notes Purchaser by submitting a validly completed New Notes Purchaser Letter to the Information Agent. By executing the New Notes Purchaser Letter, Scheme Creditors and Nominated Participants (as applicable) are agreeing to be legally bound by all of the representations (including under applicable securities laws), warranties, covenants, stipulations, promises, agreements, and other obligations applicable to a New Notes Purchaser as set forth in the Purchase Agreement. The New Notes Purchase Agreement is attached as Section VII (Transaction Documents) of the Scheme Document.

PART 1 SCHEME CREDITOR, ACCOUNT HOLDER, HOLDING DETAILS, AND SCHEME CREDITOR CONFIRMATIONS

Sections 1, 2, and 3 this Part 1 of the Account Holder Letter must be validly completed by the Account Holder.

Section 4 of this Part 1 of the Account Holder Letter must be validly completed and signed by the Scheme Creditor.

Irrespective of any elections made under any other Part of this Account Holder Letter, any Account Holder Letter received by the Information Agent that does not include all information requested in this Part 1 will not constitute a valid Account Holder Letter and the relevant Scheme Creditor will not be entitled to vote on the Scheme or purchase (and/or nominate one or more Nominated Participant(s) to purchase) New Notes until a validly completed Account Holder Letter is received by the Information Agent by the relevant deadlines specified in the Explanatory Statement.

SECTION 1 SCHEME CREDITOR DETAILS

To be completed by Account Holders on behalf of the Scheme Creditor.

If you are an Account Holder who has interests in the Existing Notes for your own account in which case, you are the beneficial owner of and/or the holder of the ultimate economic interest in the relevant Existing Notes held in global form through the Clearing Systems with a claim in respect of any amount outstanding under the Existing Notes as at the Record Time (being 4:00 pm (London time) on 25 September 2020), please provide all information required below.

Please identify the Scheme Creditor on whose behalf you are submitting this Account Holder Letter.

To be completed for all Scheme Creditors: Full Name of Scheme Creditor: If the Scheme Creditor is a corporate or institution, name of authorised employee: If the Scheme Creditor is an individual, country of domicile: If the Scheme Creditor is a company or institution: Jurisdiction of incorporation (a) Place of central administration (if (b) different jurisdiction of to incorporation) Place of principal place (c) of business (if different to jurisdiction of incorporation) E-mail address: Telephone number (with country code):

SECTION 2 ACCOUNT HOLDER DETAILS

To be completed by Account Holders on behalf of the Scheme Creditor

Full name of Account Holder:	
Applicable Clearing System*	☐ Euroclear
	☐ Clearstream
	* Please tick relevant box
Account Number of Account Holder at Clearing System:	
Authorised employee of Account Holder: (print name)	
Telephone no. of authorised employee (with country code):	
E-mail of authorised employee:	
Authorised employee signature: (sign and print name)	
Date:	

Please note that, if relevant, the Euroclear or Clearstream account identified above shall be used for the crediting of any New Notes purchased by the Scheme Creditor.

Please ensure that you have completed all relevant sections of this Account Holder Letter prior to submitting this Account Holder Letter to the Information Agent. By signing above, the Account Holder confirms that it has obtained:

- (a) all necessary consents, authorisations, approvals, and/or permissions required to be obtained by it under the laws and regulations applicable to it in any jurisdiction in order to sign this Account Holder Letter for itself or on behalf of the Scheme Creditor (as applicable); and
- (b) the authorisation of the relevant Scheme Creditor to complete and submit this Account Holder Letter on their behalf.

Acceptance of this Account Holder Letter by the Information Agent for the purpose of **voting on the Scheme** (including where the relevant Scheme Creditor is both voting on the Scheme and purchasing (and/or nominating one or more Nominated Participant(s) to purchase) New Notes) is subject to receipt by the Information Agent of a <u>Scheme Creditor's Custody</u>

<u>Instructions prior to the Custody Instructions Deadline</u>, being 4:00 pm (London time) on 24 September 2020.

Acceptance of this Account Holder Letter by the Information Agent for the purpose **only of purchasing New Notes** (i.e. where the relevant Scheme Creditor does not wish to vote on the Scheme) is subject to receipt by the Information Agent of a <u>Scheme Creditor's Custody Instructions prior to the New Notes Subscription Deadline</u>, being 4:00 pm (London time) on 2 October 2020.

In addition, in each case, the acceptance of this Account Holder Letter by the Information Agent is subject to the Information Agent reconciling the Custody Instruction Reference Number allocated by Euroclear or Clearstream. Information in this Account Holder Letter must be consistent with such Custody Instructions and, in the event of any ambiguity, the Custody Instructions shall take precedence.

SECTION 3 HOLDING DETAILS

To be completed by Account Holders on behalf of the Scheme Creditor

Details of the Existing Notes to which this Account Holder Letter relates

The Account Holder, on behalf of the relevant Scheme Creditor, holds the following Existing Notes to which this Account Holder Letter relates, and which have been "blocked" through delivery of Custody Instructions to the relevant Clearing System by the Custody Instructions Deadline, the reference number in relation to which is identified below.

Total amount of Existing Notes to which this Account Holder Letter relates:

Rule 144A ISIN/ Common Code	Regulation S ISIN/ Common Code	Principal amount of Existing Notes held at Clearing System	Clearing System	Clearing System Account number	Custody Instruction Reference Number
		Exist	ing Euro Notes		
XS1513772621	XS1513765922				
151377262	151376592				
		Existi	ng Dollar Notes		
XS1513776614	XS1513776374				
151377661	151377637				

A Scheme Creditor's Scheme Claim is equal to the principal amount of all Existing Notes beneficially held by such Scheme Creditor, together with accrued but unpaid interest thereon, calculated as at the Record Time and with all amounts denominated in USD being notionally converted into EUR at the Spot Rate of Exchange. The Information Agent will determine the value of each Scheme Creditor's Scheme Claim using the Existing Notes holding details provided in this Account Holder Letter in accordance with the terms of the Scheme.

SECTION 4 SCHEME CREDITOR CONFIRMATION FORM

 $To \ be \ completed \ and \ signed \ by \ each \ Scheme \ Creditor \ who \ wishes \ to \ vote \ on \ the \ Scheme \ and/or \ purchase \ New \ Notes.$

SCHEME CREDITOR CONFIRMATION FORM

THIS AGREEMENT is made on ¹
(1) ²
BY:
a company incorporated under the laws of and registered in:
with company number
and whose registered office is at
<u>OR</u>
$(1)^3$
BY:

[Remainder of page intentionally left blank]

_

¹ Insert date on which this deed is being executed.

² Insert name of Scheme Creditor giving this undertaking and authorisation, if it is an institution, otherwise delete.

³ Insert name of Scheme Creditor giving this undertaking and authorisation if it is an individual, otherwise delete.

FOR THE BENEFIT OF:

- (1) **CODERE FINANCE 2 (UK) LIMITED** (Company no. 12748135), a company incorporated in England and Wales whose registered address is at Suite 1, 3rd Floor, 11-12 St. James's Square, London, SW1Y 4LB (the "Scheme Company"); and
- (2) **CODERE FINANCE 2 (LUXEMBOURG) S.A.** a société anonyme organized under the laws of Luxembourg, having its registered office at 6c, rue Gabriel Lippmann, L-5365 Munsbach, Grand Duchy of Luxembourg, and registered with the Luxembourg Register of Commerce and Companies under number B 199.415 ("Codere Finance").
- 1. This Scheme Creditor Confirmation Form is intended to be executed as an agreement and shall take effect as an agreement on the date above.
- 2. Capitalised terms used but not defined in this Scheme Creditor Confirmation Form and the Annex hereto shall bear the meanings given to them in the explanatory statement published by the Scheme Company on or around 14 September 2020 (the "Explanatory Statement") in respect of the scheme of arrangement proposed by the Scheme Company pursuant to Part 26 of the Companies Act 2006.
- 3. Each Scheme Creditor hereby gives the confirmations, warranties and undertakings set out in the Annex (*Scheme Creditor Confirmations, Warranties, and Undertakings*) hereto.
- 4. By signing below, we hereby represent that we have complied with all formalities applicable to us (whether under our organizational or constitutional documents, applicable law, or otherwise) in relation to the execution of this Scheme Creditor Confirmation Form.
- 5. This Scheme Creditor Confirmation Form shall be governed by and construed in accordance with the internal laws of the State of New York applicable to agreements made and to be performed in such state without regard to conflicts of law principles thereof.
- Any legal suit, action or proceeding arising out of or based upon this Scheme Creditor 6. Confirmation Form or the transactions contemplated hereby ("Related **Proceedings**") may be instituted in the federal courts of the United States of America located in the City and County of New York or the courts of the State of New York in each case located in the City and County of New York (collectively, the "Specified **Courts**"). Each of the parties hereto hereby expressly and irrevocably submits to the jurisdiction of the Specified Courts in any Related Proceedings and agree not to commence any Related Proceedings except in the Specified Courts, and hereby waive their rights to any other jurisdiction that may apply by virtue of their present or any future domicile or for any other reason. Service of process, summons, notice or document by mail to such party's address set forth in Part 1 to the Account Holder shall be effective service of process for any Related Proceeding brought in any Specified Court. The parties irrevocably and unconditionally waive any objection to the laying of venue of any Related Proceeding in the Specified Courts and irrevocably and unconditionally waive and agree not to plead or claim in any Specified Court that the Related Proceeding brought in any Specified Court has been brought in an inconvenient forum.

[signature]

Scheme Creditor

Title:

⁴ Complete if signatory is an institution. Delete if signatory is not an institution.

⁵ Complete if signatory is an individual. Delete if signatory is not an individual.

ANNEX

SCHEME CREDITOR CONFIRMATIONS, WARRANTIES, AND UNDERTAKINGS

- 1. We hereby confirm to the Scheme Company and Codere Finance and each of their successors as contemplated by the Scheme that:
 - (a) we have complied in all material respects with all laws and regulations applicable to us in any jurisdiction with respect to the Scheme and this Account Holder Letter;
 - (b) we are not, and no Nominated Participant nominated by us (if any) is a Disqualified Person;
 - (c) we have received and reviewed the Scheme and Scheme Document, accept and acknowledge the statements made in the "Important Notice to Scheme Creditors" contained in the Scheme Document, and acknowledge, in our capacity as Scheme Creditor, that, in completing and submitting this Account Holder Letter (including this Scheme Creditor Confirmation Form), we have made our own independent decision as to whether to vote and how to vote (or instruct our proxy to vote) at the Scheme Meeting, in consultation with our own agents and professional advisers to the extent we have considered it necessary to do so;
 - (d) other than where we have voted against the Scheme in our capacity as Scheme Creditor, we acknowledge that, to the extent that the relevant parts of this Account Holder Letter have been validly completed, the submission of this Account Holder Letter constitutes our written consent to the Scheme and the matters contained herein;
 - (e) we acknowledge that all authority conferred or agreed to be conferred pursuant to this Account Holder Letter and each obligation and the authorizations, instructions, and agreements given by us shall be binding upon our successors, assigns, heirs, executors, administrators, trustees in bankruptcy, and legal representatives and shall not be affected by, and shall survive, our death, incapacity, dissolution, or liquidation (to the extent applicable) and that all of the information in this Account Holder Letter is true, complete and accurate as at the date of this Account Holder Letter;
 - (f) we acknowledge and agree that the Scheme Company may, between the date on which the Scheme Document is issued and the Completion Time, make such modifications of, or additions to, the Scheme and/or the Transaction Documents as are permitted by the terms of the Scheme;
 - (g) we acknowledge that none of the Scheme or the transactions contemplated by the Scheme or the Scheme Document shall be deemed to be investment advice or a recommendation as to a course of conduct by the Scheme Company, any member of the Group, the Existing Notes Trustee, the Information Agent, the Ad Hoc Committee, the Directors, the Advisers or each other Released Person as defined in the Scheme (unless they have expressly accepted a duty of care to us) (each a "Released Person") and that, in directing the execution and delivery

of this Account Holder Letter, we have made an independent decision in consultation with our agents and professional advisers to the extent that we consider it necessary;

- (h) we acknowledge that no information has been provided to us by a Released Person (unless such persons have expressly accepted a duty of care to such parties in relation thereto) with regard to the tax consequences arising from the purchase of New Notes or participation in the Scheme, and acknowledge that we are solely liable for any taxes and similar or related payments imposed on us under the laws of any applicable jurisdiction as a result of our participation in the Scheme and agree that we will not and do not have any right of recourse (whether by way of reimbursements, indemnity, or otherwise) against a Released Person or any other person, in respect of such taxes and payments, unless such person has expressly and separately acknowledged and accepted liability in respect thereof; and
- (i) we declare and acknowledge that:
 - (i) no Released Person will be held responsible for any liabilities or consequences arising as a result of acts taken by them or pursuant to the Transaction (other than by reason of their gross negligence or willful default (which, for the avoidance of doubt, will not be the case if a Released Person, as the case may be and to the extent applicable, acts in accordance with the steps and instructions contemplated in the Scheme, any Transaction Document and/or the Revised Lock-Up Agreement, as modified to the extent necessary to implement the Transaction); and
 - (ii) we will not take any action or commence or pursue any proceeding or claim against any Released Person (unless they have expressly accepted a duty of care to us) or in respect of any act or omission of any kind by that Released Person in relation to the Transaction (other than by reason of their gross negligence or willful default), and we hereby expressly and unreservedly waive our rights to take such proceedings,

and, in each case, we acknowledge that each Released Person may each rely on and enforce such authority, acknowledgment, and waiver directly against us.

2. We hereby acknowledge that:

- (a) our or our Nominated Participants' New Notes Allocated Principal Amount will be calculated by the Information Agent in accordance with the relevant terms of the Scheme;
- (b) our or our Nominated Participants' New Notes Subscription Amount will be calculated and notified to us by the Information Agent in accordance with the relevant terms of the Scheme;
- (c) we or our Nominated Participant(s) will be required to ensure that the Escrow Agent is put in funds at the time and in the manner specified in the Scheme in respect of the New Notes Subscription Amount; and

(d) our entitlement to the purchase of New Notes is subject to the terms and the conditions of the Scheme, the relevant Transaction Documents (including the New Notes Purchase Agreement) and the Account Holder Letter.

PART 2 VOTING

SECTION 1: ACCOUNT HOLDER CONFIRMATIONS

To be completed by Account Holders on behalf of the Scheme Creditor

The Account Holder named above in Part 1, Section 2 (Account Holder Details) hereby confirms to the Scheme Company and the Information Agent as follows (select "yes" or "no" as appropriate for each item):

"no"	as appropr	riate for each item):
(A)	Letter and (including successors or the suc legal representation) and the affinition of the affinition	athority conferred or agreed to be conferred pursuant to this Account Holder I every obligation of the Account Holder under this Account Holder Letter any elections made in this Account Holder Letter) shall be binding upon the and assigns of the Account Holder (in the case of a corporation or institution) cessors, assigns, heirs, executors, administrators, trustees in bankruptcy and esentatives of the Account Holder (in the case of a natural person) and shall ected by, and shall survive, the insolvency, bankruptcy, dissolution, death or (as the case may be) of the Account Holder and that all of the information in ant Holder Letter is complete and accurate.
	YES	
	NO	
(B)	Clearstrea has instruction and/or Eu Section 3 and that a	me Creditors and Account Holders holding Existing Notes in Euroclear or m that, on or prior to the Custody Instructions Deadline, the Scheme Creditor cted the Account Holder and the Account Holder has instructed Clearstream roclear, as the case may be, to block the Existing Notes identified in Part 1, (Holding Details) with effect on and from the Custody Instructions Deadline Custody Instruction Reference Number for each such blocking instruction this Account Holder Letter.
	YES	
	NO	

(C) That, in relation to the Existing Notes identified in Part 1, Section 3 (*Holding Details*) of this Account Holder Letter, the Account Holder has authority to (i) give the voting

instructions set out in Part 2, Section 2 (Voting Elections) of this Account Holder Letter
and, if applicable, to nominate the person named in Part 2, Section 2 (Voting Elections)
of this Account Holder Letter to attend the Scheme Meeting, and (ii) make the elections
and/or give the confirmations on behalf of the Scheme Creditor.

	YES	
	NO	
(D)	instruct i	Scheme Creditor has made its own independent decision as to how to vote (or ts proxy to vote) at the Scheme Meeting, in consultation with its own agents essional advisers to the extent the Scheme Creditor considers it necessary.
	YES	
	NO	

An Account Holder who is unable to confirm "yes" in respect of paragraphs (A) to (D) above should contact the Information Agent using the contact details set out in this Account Holder Letter for assistance.

SECTION 2: VOTING ELECTIONS

To be completed by Account Holders on behalf of the Scheme Creditor

(A) Attendance at the Scheme Meeting (tick only ONE of the boxes below) The Account Holder (or if different, the Scheme Creditor identified in Part 1, Section 1 (Scheme Creditor Details) of this Account Holder Letter) wishes to: appoint the Chairperson of the Scheme Meeting as its proxy to attend and vote on its behalf at the Scheme Meeting; appoint the following individual (being a person other than the Chairperson of the Scheme Meeting) as its proxy to attend and vote on its behalf at the Scheme Meeting; or Name: Passport Country and number / identification number: attend and vote at the Scheme Meeting in person. Name: Passport Country and number / identification number: (B) Voting instruction (tick only ONE of the boxes below) FOR the Scheme **AGAINST** the Scheme

ABSTAIN from voting in respect of the Scheme

PART 3 ELECTION TO PURCHASE NEW NOTES

Section 1 of this Part 3 to be completed by Account Holders on behalf of the Scheme Creditor.

Sections 2, 3 and 4 of this Part 3 to be completed and, if applicable, signed by Scheme Creditors and/or Nominated Participants, as applicable.

- If a Scheme Creditor wishes to purchase New Notes on its own account ONLY:
 - o the Account Holder must complete Section 1 (New Notes Purchase Election) on behalf of the Scheme Creditor; and
 - o the Scheme Creditor must complete and sign Section 4 (*New Notes Purchaser Letter*).
- If a Scheme Creditor wishes to nominate one or more Nominated Participant(s) to purchase New Notes ONLY:
 - o the Account Holder must complete Section 1 (New Notes Purchase Election) on behalf of the Scheme Creditor;
 - o the Scheme Creditor must complete Section 2 (*Nominated Participant Details*); and
 - o each Nominated Participant must complete and sign Sections 3 (*Nominated Participant Deed*) and 4 (*New Notes Purchaser Letter*),
- If a Scheme Creditor wishes to purchase New Notes on its own account and wishes to nominate one or more Nominated Participant(s) to purchase New Notes:
 - o the Account Holder must complete Section 1 (New Notes Purchase Election) on behalf of the Scheme Creditor; and
 - o the Scheme Creditor must complete Sections 2 (Nominated Participant Details) and 4 (New Notes Purchaser Letter); and
 - o each Nominated Participant must complete and sign Section 3 (*Nominated Participant Deed*) and Section 4 (*New Notes Purchaser Letter*),

and, in each case, submit to the Information Agent <u>prior to the New Notes</u> <u>Subscription Deadline</u>.

All Scheme Creditors and (where relevant) their Nominated Participants who wish to purchase New Notes MUST satisfy the Escrow Agent's "know your customer" checks by the KYC Clearance Deadline in order to purchase New Notes. Any Scheme Creditor or Nominated Participant who fails to do so will NOT be entitled to purchase any New Notes.

Any entitlement to purchase New Notes pursuant to the Scheme is subject to Scheme Creditors or their Nominated Participants clearing the Escrow Agent's "know your customer" checks by the KYC Clearance Deadline.

Please see section 'Know Your Customer' Checks and Relevant Deadlines for more information about the KYC Documentation that is likely to be required by the Escrow Agent for its "know your customer" clearance checks.

SECTION 1: NEW NOTES PURCHASE ELECTION

To be completed by Account Holders on behalf of the Scheme Creditor.

To be completed:

- if a Scheme Creditor wishes to purchase New Notes on its own account;
- if a Scheme Creditor wishes to nominate one or more Nominated Participant(s) to purchase New Notes; or
- if a Scheme Creditor wishes to purchase New Notes on its own account and wishes to nominate one or more Nominated Participant(s) to purchase New Notes.

For the avoidance of doubt, if the Scheme Creditor wishes only to vote on the Scheme and not purchase, or nominate one or more Nominated Participant(s) to purchase, New Notes, the Account Holder does not have to complete any part of this Part 3.

1. Does the Scheme Creditor identified in Part 1 (Scheme Creditor, Account Holder, Holding Details, and Scheme Creditor Confirmations) of this Account Holder Letter (i) only wish to purchase New Notes on its own account, (ii) only wish to nominate one or more Nominated Participant(s) to purchase New Notes or (iii) wish to purchase New Notes on its own account and wish to nominate one or more Nominated Participant(s) to purchase New Notes?

2.	If a Scheme Creditor wishes to purchase New Notes on its own account ONLY please specify the maximum amount of New Notes which the Scheme Creditor would
	like to purchase, provided that in each case, the amount of New Notes to be purchased must be an integral multiple of €1,000 and:
	(a) may be more than, equal to or less than its New Notes Entitlement;
	(b) may not be less than €20,000; and
	(c) may not be more than €165,000,000.
	Maximum amount of New Notes to be purchased (tick only ONE of the boxes below)
	New Notes Entitlement
	or
	Specified Amount:
	The Information Agent will calculate, in accordance with the Scheme, each Scheme Creditor's New Notes Entitlement, which is generally equivalent to a Scheme Creditor's pro rata share of the total principal amount of the New Notes based on the proportion that its Scheme Claim bears to the aggregate Scheme Claims, subject to rounding to the nearest €1,000 and other adjustments as set out in the Scheme. Any Scheme Creditor may request details of its New Notes Entitlement from the Information Agent and any other information relating to the calculations performed by the Information Agent in accordance with the Scheme.
	Any Scheme Creditor who wishes to purchase New Notes on its own account ONLY must provide its bank details below (please include sufficient details to identify the account, including the bank name, account number, sort code/ IBAN, and any other unique identifiers):
	SCHEME CREDITOR BANK ACCOUNT DETAILS

3.	The Securities are to be offered and sold to the Purchasers without being registered with the Securities and Exchange Commission under the Securities Act of 1933 ("Securities Act"). Please specify under which of the following exemptions the Scheme Creditor wishes to purchase the New Notes.				
	Regul	lation S			
		or			
	Rule	4(a)(2)			
1.	If a Scheme Creditor wishes to nominate one or more Nominated Participant(s) to purchase New Notes (either in addition to purchasing New Notes for its own account or in its own place), please complete Section 2 (Nominated Participant Details) of Part 3 of this Account Holder Letter.				
			Section 2 (<i>Nominated Participant Details</i>) otes Entitlement that is to be allocated to:		
	(a) Credit	the Scheme Creditor (if relevant; if tor and state N/A in all columns next to	not, please list the name of the Scheme it); and		
	(b)	each Nominated Participant			
	be less		New Notes Entitlement Share must: (i) not ble of €1,000; and (iii) not be, in aggregate, New Notes Entitlement.		
	releva case, 1	ant) and each Nominated Participant wo the maximum amount of New Notes to	Tew Notes which the Scheme Creditor (if uld like to purchase, provided that in each be purchased by the Scheme Creditor (if must be an integral multiple of €1,000 and:		
	(c)	may be more than, equal to or less that	an its New Notes Entitlement Share;		
	(d)	may not be less than €20,000; and			
	(e)	may not be more than €165,000,000.			

SECTION 2: NOMINATED PARTICIPANT DETAILS

Both tables 1 and 2 below must be completed by a Scheme Creditor for itself and (if relevant) each Nominated Participant it has nominated to purchase New Notes.

A Scheme Creditor only has to complete this Section 2 if it wishes to purchase New Notes and nominate one or more Nominated Participant(s) to also purchase New Notes.

A Nominated Participant of a Scheme Creditor does not have to complete this Section 2.

A Scheme Creditor who wishes to purchase New Notes on its own account ONLY does not have to complete this Section 2.

For the avoidance of doubt, a Scheme Creditor who wishes only to vote on the Scheme (and not purchase New Notes and/or nominate one or more Nominated Participant(s) to purchase New Notes) does not have to complete this Section 2.

Please note, any Nominated Participant nominated by a Scheme Creditor to purchase New Notes <u>must</u> at all times hold an account with the same Account Holder as the Scheme Creditor, and agree to receive its New Notes into its account held with the same Account Holder.

(1) NOMINATED PARTICIPANT DETAILS					
Name of Nominated Participant/ Scheme Creditor (as relevant)	New Notes Entitlement Share (enter amount in €)6.	Maximum amount of New Notes to be purchased (please state either "New Notes Entitlement Share" 7 or specify an amount)	Exemption under which the Nominated Participant/ Scheme Creditor (if relevant) wishes to purchase the New Notes (please specify either Regulation S or Rule 4(a)(2))	Address of Nominated Participant/ Scheme Creditor (as relevant)	Bank Details (please include sufficient details to identify the account, including the bank name, account number, sort code/ IBAN, and any other unique identifiers):

⁶ Each New Notes Entitlement Share must: (i) not be less than €20,000; (ii) be an integral multiple of €1,000; and (iii) not be, in aggregate, greater than the relevant Scheme Creditor's New Notes Entitlement

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⁷ The maximum amount of New Notes a Scheme Creditor and/or Nominated Participant may specify that it is willing to purchase (a) may be more than, equal to or less than its New Notes Entitlement Share; (b) may not be less than €20,000; and (c) may not be more than €165,000,000.

(2) NOMINATED PARTICIPANT DETAILS						
Clearing System in which Account Holder of Nominated Participant holds account (please specify either Euroclear or Clearstream)	Name of Account Holder of Nominated Participant	Contact name at Account Holder of Nominated Participant	Contact email and number (with country code) of Account Holder of Nominated Participant	Bank Details (please include sufficient details to identify the account, including the bank name, account number, sort code/ IBAN, and any other unique identifiers):		

SECTION 3: NOMINATED PARTICIPANT DEED

To be completed and executed by each Nominated Participant that intends to purchase New Notes.

The Scheme Creditor who nominated that Nominated Participant does not have to complete a Nominated Participant Deed.

A Scheme Creditor who wishes to purchase New Notes on its own account does not have to complete a Nominated Participant Deed.

For the avoidance of doubt, a Scheme Creditor who wishes only to vote on the Scheme (and not purchase New Notes and/or nominate one or more Nominated Participant(s) to purchase New Notes) does not have to complete a Nominated Participant Deed.

NOMINATED PARTICIPANT DEED

THIS DEED is made on ⁸ September 2020
(1)9
BY:
a company incorporated under the laws of and registered in:
with company number
and whose registered office is at
<u>OR</u>
$(1)^{10}$
BY:

255212-3-793-v3.0

⁸ Insert date on which this deed is being executed.

Insert name of party giving this undertaking and authorisation, if it is an institution, otherwise delete.

Insert name of party giving this undertaking and authorisation if it is an individual, otherwise delete.

FOR THE BENEFIT OF

- (1) **CODERE FINANCE 2 (UK) LIMITED** (Company no. 12748135), a company incorporated in England and Wales whose registered address is at Suite 1, 3rd Floor, 11-12 St. James's Square, London, SW1Y 4LB (the "**Scheme Company**"); and
- (2) **CODERE FINANCE 2 (LUXEMBOURG) S.A.** a société anonyme organized under the laws of Luxembourg, having its registered office at 6c, rue Gabriel Lippmann, L-5365 Munsbach, Grand Duchy of Luxembourg, and registered with the Luxembourg Register of Commerce and Companies under number B 199.415 ("Codere Finance").

WHEREAS:

- (A) As part of a restructuring of the financial indebtedness of the Group (which includes the compromise of certain debts of the Scheme Company), the Scheme Company proposes to enter into a scheme of arrangement under Part 26 of the Companies Act 2006 with certain of its creditors as set out in the Scheme Document issued by the Scheme Company dated 14 September 2020 (the "Scheme").
- (B) This is a Nominated Participant Deed for the purposes of the Scheme.

Unless otherwise defined in this Deed or the context otherwise requires, words and expressions used in this Deed shall have the meanings given to them in the Scheme.

This Deed witnesses and it is hereby declared as follows:

- 1. We hereby enter into this Deed in our capacity as a Nominated Participant.
- 2. We hereby:
 - (a) consent to the Scheme; and
 - (b) undertake that, with effect on and from the Scheme Effective Time to and including the Completion Time, we shall be bound by and perform each of the obligations expressed to apply to each Nominated Participant under the Scheme and the Transaction Documents as if the terms of the Scheme and such Transaction Documents were set out in full in this Deed.
- 3. With effect on and from the Scheme Effective Time to and including the Completion Time, in consideration of the rights provided to Nominated Participants under the Scheme, we:
 - (a) irrevocably appoint, and shall for all purposes be treated as having irrevocably appointed, the Scheme Company as our attorney and agent and irrevocably authorise, direct, instruct, and empower the Scheme Company (represented by any duly authorised representative) to:
 - (i) enter into, execute, and deliver (whether as deed or otherwise, and including, if applicable, before a notary in any jurisdiction), for and on our behalf, the Deed of Release;

- (ii) complete, date, and release the Deed of Release in accordance with the Scheme, and deliver a copy thereto to any party named or other person contemplated therein;
- (iii) give effect to any amendment to the Transaction Documents as permitted in accordance with Clause 10 (*Modifications*) of the Scheme; and
- (iv) take all such further steps, deliver all such further notices, and do all such further things, as may be reasonably necessary or desirable to give effect to the Scheme and the Transaction, including (without limitation) to ensure that the Scheme and the Deed of Release are legal, valid, binding, and enforceable upon the parties to them.
- 4. We agree to and shall be bound by and shall comply with, and shall for all purposes be treated as having agreed to and be bound by, the Deed of Release and any other Transaction Document (as relevant) after it has been executed on our behalf by the Scheme Company pursuant to Clause 3.
- 5. Once the Deed of Release has been fully executed, dated, released and (if applicable, delivered and/or notarised), the authority granted by us to the Scheme Company under Clause 3 shall expire automatically in respect of the Deed of Release at that time and, thereafter, the Deed of Release may only be amended in accordance with their terms.
- 6. Any appointment, authorisation, or instruction granted by us to the Scheme Company under Clause 3 shall not extend or apply to any step or action taken by the Scheme Company following the Completion Time.
- 7. We agree to execute and/or deliver (whether as deed or otherwise, and including, if applicable, before a notary in any jurisdiction), within any reasonably requested time period, such documents, including any further power of attorney, and perform such acts as which are necessary or reasonably desirable to give full effect to the Scheme.
- 8. This Deed and any non-contractual obligations arising out of or in connection with this Deed shall be governed by, and construed in accordance with, the laws of England and Wales.

IN WITNESS of which the parties have executed and delivered this Deed on the date stated at its beginning. **EXECUTED** as a **DEED** for and on behalf of ¹¹ a company incorporated in by being a person or person who, in accordance with the laws of that jurisdiction, are acting under the authority of that company in its capacity as a Nominated Participant Authorised signatory Authorised signatory in the presence of 12: Signature of Witness Name of Witness (print) Address of Witness Occupation of Witness

¹¹ Complete if signatory is an institution. Delete if signatory is not an institution.

¹² Signature needs to be witnessed if executing by one authorised signatory only.

EXECUTED as a DEED by 13)
	.)
a resident of)))
as a Nominated Participant	
in the presence of:	
Signature of Witness	Name of Witness (print)
Address of Witness	Occupation of Witness

¹³ Complete if signatory is an individual. Delete if signatory is not an individual.

SECTION 4: NEW NOTES PURCHASER LETTER

A separate New Notes Purchase Letter is to be completed and executed by:

- Each Scheme Creditor who wishes to purchase New Notes on its own account; AND
- Each Nominated Participant of a Scheme Creditor.

A Scheme Creditor who does not wish to purchase New Notes on its own account does not have to complete a New Notes Purchaser Letter.

For the avoidance of doubt, a Scheme Creditor who wishes only to vote on the Scheme (and not purchase New Notes and/or nominate one or more Nominated Participant(s) to purchase New Notes) does not have to complete this New Notes Purchaser Letter.

Each Scheme Creditor or Nominated Participant who wishes to purchase New Notes must accede to the New Notes Purchase Agreement in the capacity of New Notes Purchaser by submitting a validly completed New Notes Purchaser Letter to the Information Agent. By executing the New Notes Purchaser Letter, Scheme Creditors and Nominated Participants (as applicable) are agreeing to be legally bound by all of the representations (including under applicable securities laws), warranties, covenants, stipulations, promises, agreements, and other obligations applicable to a New Notes Purchaser as set forth in the Purchase Agreement. The New Notes Purchase Agreement is attached as Section VII (*Transaction Documents*) of the Scheme Document.

NEW NOTES PURCHASER LETTER

THIS ACCESSION AGREEMENT (the "Accession Agreement"), dated September 2020, is made by the undersigned New Notes Purchaser, as defined in and under the Purchase Agreement dated as of August 28, 2020 (the "Purchase Agreement"), among, *inter alios*, Codere Finance 2 (Luxembourg) S.A. and the Purchasers as defined therein, in connection with the purchase by the Purchasers of €165,000,000 aggregate principal amount of the Issuer's Fixed Rate Super Senior Secured Notes due 2023 (the "Notes").

WHEREAS, the Purchase Agreement contemplates that New Notes Purchasers will accede to the Purchase Agreement.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the undersigned Purchaser covenants and agrees that:

- 1. Capitalized Terms. Capitalized terms used in this Accession Agreement and not otherwise defined in this Accession Agreement shall have the meanings ascribed to them in the Purchase Agreement.
- 2. Agreement to Accede. As of the date hereof, the undersigned New Notes Purchaser, hereby irrevocably agrees to accede to the Purchase Agreement on the terms and conditions set forth in this Accession Agreement and the Purchase Agreement on and from its applicable Purchaser Accession Date and shall have the rights and obligations thereunder as if it had executed the Purchase Agreement on and from its applicable Purchaser Accession Date. In connection with such accession, the undersigned New Notes Purchaser agrees to be bound by all of the representations, warranties, covenants, stipulations, promises, agreements and other obligations applicable to the Purchasers as set forth in the Purchase Agreement, a copy of which has been provided to the undersigned New Notes Purchaser in the Scheme Document, as of the dates provided therein. On and after the applicable Purchaser Accession Date, each reference to the "Purchase Agreement" or "this Agreement", or words of like import referring to the Purchase Agreement, shall mean the Purchase Agreement together with this Accession Agreement.
- 3. New Notes Commitments. The undersigned New Notes Purchaser hereby irrevocably confirms its agreement, severally from and not jointly with the other Purchasers, to purchase from the Issuer an amount of [Restricted Global Notes/Regulation S Global Notes]¹⁴ equal to its New Notes Principal Allocation Amount as set out in the Funding Notice delivered to it pursuant to the Scheme.
- 4. Governing Law. This Accession Agreement (including this provision) shall be governed by and construed in accordance with the laws of the state of New York.
- 5. Effect of Headings. The section headings used herein are included convenience only and shall not affect the construction hereof.

_

¹⁴ Delete as applicable

- 6. *Successors*. All covenants and agreements in this Accession Agreement by the parties hereto shall bind their respective successors.
- 7. Counterparts. This Accession Agreement may be signed in any number of counterparts (in the form of an original or a facsimile or a "pdf" file), each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.
- 8. Jurisdiction. The undersigned New Notes Purchaser expressly and irrevocably submits to the jurisdiction of any New York State or United States Federal court sitting in the Borough of Manhattan in the City of New York over any suit, action or proceeding arising out of or relating to this Accession Agreement or the offering of the Notes. The undersigned New Notes Purchaser expressly and irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding brought in such a court and any claim that any such suit, action or proceeding brought in such a court has been brought in an inconvenient forum. To the extent that the undersigned New Notes Purchaser has or hereafter may acquire any immunity (on the grounds of sovereignty or otherwise) from the jurisdiction of any court or from any legal process with respect to itself or its property, the undersigned New Notes Purchaser expressly and irrevocably waives, to the fullest extent permitted by law, such immunity in respect of any such suit, action or proceeding.
- 9. Waiver of Trial by Jury. The undersigned New Notes Purchaser irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Accession Agreement or the transactions contemplated hereby.

(Signature page follows)

For and on behalf of 15)
New Notes Purchaser)
)
[signature])
Title:	
$\mathrm{By^{16}}$)
New Notes Purchaser)
[signature])
Title:	

¹⁵ Complete if signatory is an institution. Delete if signatory is not an institution.

¹⁶ Complete if signatory is an individual. Delete if signatory is not an individual.

SECTION VI: SCHEME COMPARATOR REPORT

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Deloitte.



Project Carmine

Scheme Comparator Analysis

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Deloitte.

Codere Newco S.A.U. Avenida de Bruselas 26 Alcobendas Madrid 28108 Spain

21 August 2020

Dear Sir/Madam

Codere Finance 2 (UK) Limited C/O Tmf Group 8th Floor 20 Farringdon Street London EC4A 4AB United Kingdom Deloitte LLP 1 New Street Square London EC4A 3HQ

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Project Carmine

We enclose our report ("the report") on Codere Newco S.A.U. ("Codere Newco", or the "Company"), and Codere Finance 2 (UK) Limited ("Codere Finance UK"), and Codere S.A and its subsidiaries (together "the Group") which has been prepared for the sole purpose of assisting and advising the Group in accordance with our engagement letter dated 24 July 2020 and addendum letter dated 30 July 2020.

This report considers, where possible, the potential impact of Coronavirus ("COVID-19") on the Group. However, the situation is continuing to evolve, and many uncertainties remain as to the effect the COVID-19 crisis will have on the Group and the broader domestic and global economies. Accordingly, it is not possible for our Work to identify and quantify the impact of all COVID-19 related uncertainties and implications. Changes to market conditions could substantially affect the Group and our Work. We have not updated our Work for any subsequent information or events.

This report is confidential to the addressees and prepared solely for the purposes set out in our engagement letter and addendum letter, as noted above. You should not refer to or use our name or the report for any other purpose, disclose them or refer to them in any prospectus or other document, or make them available or communicate them to any other party. No other party is entitled to rely on our report for any purpose whatsoever and we accept no duty of care or liability to any other party who is shown or gains access to this report.

We draw your attention to the scope and basis of our work in Appendix 1.

Yours faithfully

Deloitte LLP

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Appendices

Glossary

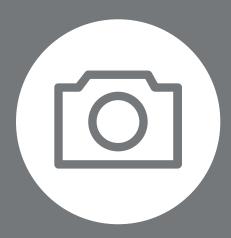
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Key messages

Background and assumptions

The Group is forecasting a liquidity crisis as early as November 2020, triggered by the payment due for the October Coupon on its SSNs and maturity of the RCF.

The Restructuring is proposed in order to inject liquidity into the Group and stabilise the capital structure, and is to be implemented via a UK Scheme of Arrangement.















Background

- Codere S.A. ("Codere") and its subsidiaries (the "Group") is a leading international gaming operator, employing circa 12,000 people, with retail operations across Latin America (Mexico, Argentina, Uruguay, Panama and Colombia), Spain and Italy. The Group also provides online gaming services under the Codere brand in Spain, Mexico, Colombia and Panama ("Online").
- Operations have been severely disrupted by the COVID-19 pandemic and the subsequent 'lockdown', which
 resulted in a shut down of retail operations for several months. Uruguay is now fully operational, phased reopenings have been possible in Italy and Spain, and circa 20% of gaming halls in Mexico are operating, but the
 majority of other operations remain closed. This has resulted in a deterioration in EBITDA and cash flow and
 reduced performance in the Online business.
- Although Management has taken action to mitigate the impact of COVID-19, the Group anticipates facing significant financial pressure as early as November 2020, as it forecasts that it will have insufficient liquidity to:
- Pay the October coupon ("October Coupon") on the €500m and \$300m Senior Secured Notes ("SSNs"); and
- Repay the Group's €95m Super Senior RCF ("RCF"), which matures on 15 November 2020.
- Therefore, in order to address the Group's funding need, and provide the Group with a stable capital structure, the Group entered into a lock-up agreement (the "Lock-Up") with certain holders of the SSNs ("Noteholders") which provides for a restructuring (the "Restructuring") that includes:
- Additional liquidity of €250m, comprising €85m Senior Secured Interim Notes ("SSINs") issued in July 2020, plus €165m New Senior Secured Notes ("New Notes", together with the SSINs, "2020 Notes") to be issued in October 2020.
- Amendments to the SSNs, including: (1) an extension of the maturity date from November 2021 to November 2023; and (2) an increase in interest payable ("SSN Amendments").
- Repayment of the €95m Super Senior RCF ("RCF").
- The Lock-Up contemplated using either a consent solicitation or a scheme of arrangement ("Scheme") in order to make the SSN Amendments and provide a mechanism for issuing the New Notes. The Group was required to use a Scheme unless 90% of each series of Noteholders had acceded to the Lock-Up by 31 July 2020. However, as of 31 July 2020, only 80.4% of Noteholders had acceded to the Lock-Up, and so the SSN Amendments are proposed to be made, and the New Notes are proposed to be issued, pursuant to the Scheme.

Assumptions

In the event the Scheme is not approved, we have assessed potential returns to Noteholders in two scenarios:

- Alternative Scenario 1: A sale of all or parts of the Group on an accelerated basis (accelerated M&A, or "AMA").
- Alternative Scenario 2: Liquidations of Codere and its subsidiaries.

In assessing the above we have made a number of assumptions, which are included in the Appendices. In particular:

- Our analysis is prepared using the Group entity balance sheets and intercompany balances as at 31 May 2020, (updated to reflect the July issuance of the SSINs) and Management's cash flow forecast.
- We assume that the information and explanations provided to us by Management and Clifford Chance LLP (the "Scheme Counsel") are accurate and complete and that there are no material changes since 31 May 2020, save for those set out at Appendix 6.

Key messages

Alternative scenario options and outcomes

In the event that the Scheme is not approved, an AMA disposal of the Group's Divisions or a liquidation of its operating entities will likely follow (or a combination of both).

Our analysis indicates that in both scenarios, the return to the SSNs is likely to be lower than if the Scheme is approved.















Potential alternative scenario options and outcomes

We understand Management considers that there is no realistic prospect of the Group agreeing and implementing an alternative consensual transaction which would leave the Group with a viable capital structure and enable it to pay the October Coupon and the RCF on its maturity date, and that the Scheme is the only consensual option available.

In the event the Scheme is not approved, Management considers that formal insolvencies will follow, and we therefore assume that the directors of Codere Finance Lux (co-issuer of the SSNs, issuer of the SSINs), Codere Finance UK (co-issuer of the SSNs) and Codere Newco (borrower under the RCF) would likely file for protective insolvency proceedings in the UK, Luxembourg and Spain respectively (office holders together, "Administrators").

In order to maximise value, we assume that the Administrators would co-ordinate, and would likely initially explore the possibility of a sale of all or parts of the Group via an AMA process. If this was not possible, liquidations of Codere and its subsidiaries would likely follow:

Scenario	Deloitte comments	Return to SSNs
Scheme approved	We assume the Scheme delivers a fully funded and capitalised business, and our Valuation Report dated 21 August 2020 indicates a post-Restructuring going concern enterprise value in excess of the Group's debt.	100%
Other consensual agreement	As set out above, the Management considers that there is no realistic prospect of the Group agreeing and implementing an alternative consensual transaction in the time available.	N/A
Alternative Scenario 1: Sale of whole or part of the Group	Management considers that a sale of the whole Group may be challenging, and that any AMA sales would likely be of the Group's Divisions. However, this would be a highly complex process across multiple jurisdictions and require broad stakeholder support, and there can therefore be no certainty that all or any of the Divisions would ultimately be sold. As such, our High Case outcome should be viewed as a theoretical maximum only (we understand from Management that any sale of the whole Group is unlikely to exceed the aggregate value of the Divisions).	Low - High 30% - 72%
Alternative Scenario 2: Liquidation of the operating entities and their assets	In the event it is not possible to secure a sale of the Group or its Divisions, operating entity insolvencies will likely follow. In such a scenario, we have evaluated both a Low and High Case by assessing, at an entity level, the potential liquidation value range of assets. Our analysis indicates a potential return to SSNs of 0% (Low Case) to 4% (High Case). However, we note that we have not received detailed entity level breakdowns of all assets, and so it is possible that realisations could be higher than our High Case.	Low - High 0% - 4%

Conclusion

In light of the above, and assuming that the Scheme delivers a fully funded and capitalised business, we are of the view that the Scheme delivers a better outcome for the SSNs than would otherwise be achieved in an alternative scenario.

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Overview

The Group operates in the private gaming market with operations in Europe and Latin America.

The impact of COVID-19 has left the Group facing a liquidity crisis. In order to enhance its liquidity position and stabilise its capital structure, the Group has proposed the Restructuring, which will be implemented via a Scheme.















Overview

Group overview

The Group operates in the private gaming industry and is Spain's only listed gaming company. The Group operates slot machines, sports betting machines, casinos, bingo halls and racetracks in retail gaming locations as well as online gaming under the Codere brand in Spain, Mexico, Colombia and Panama.

The Group is majority owned by Silver Point Capital Management, LLC. (c.23%), M&G Investment Management Ltd (c.21%) and José Antonio Martínez Sampedro (c.14%). The remaining minority shareholders all represent holdings of 10% or less individually.

Debt and security

The Group is primarily financed by:

- RCF €95m Super Senior RCF due November 2020;
- SSNs €500m and \$300m fixed rate Senior Secured Notes due November 2021;
- OpCo facilities €83.2m; and
- SSINs €85m Senior Secured Interim Notes, issued in July 2020 and due in September 2023;

Financial performance

€m	FY17	FY18	FY19	Q1'19	Q1'20
Revenue	1,638	1,435	1,389	353	277
EBITDA	247	228	285	77	40

Source: Management information

Note: Reflects IFRS 16 (FY19 onwards) and Argentina hyperinflation adjustment

Group revenue has declined over the last two years, from €1.6bn in FY17 to €1.4bn in FY19 as the Group has been negatively impacted by hyperinflation in Argentina and a recessionary environment and competitive conditions in Mexico. Despite this downward trend in revenue, EBITDA has increased.

However, strong performance at the beginning of the FY20 has since has been significantly disrupted by the COVID-19 pandemic. By the end of March 2020 retail operations had completely shut down and only the Online business was generating any revenue.

Current liquidity situation

The operational shut down and weakened Online performance due to COVID-19 also had an adverse impact on liquidity. As such, Management took the following steps to preserve cash:

- The coupon payment on the SSNs (€27.3m) due in April was delayed until May using the 30-day grace period provided for under the SSNs Indenture.
- From March 2020 cash outflows were limited to defined critical items to reduce the rate of cash burn.
- Taxes were deferred through regulatory avenues where possible.
- Discussions were held with local lenders resulting in principal repayment holidays in some cases.
- MX\$500m (c.€21m) additional financing secured.
- The Group drew down fully on the RCF increasing Group liquidity by €41m in March 2020.

Despite these measures, by mid-June the Group's financial projections indicated additional liquidity in the region of €250m would be required to avoid further disruption to operations, pay the October Coupon on the SSNs, and repay the RCF at maturity.

The Group has therefore proposed the Restructuring to enhance liquidity and stabilise its capital structure, which is to be implemented via a Scheme. In summary, the Scheme will facilitate:

- Injection of €165m additional liquidity.
- Extension of the maturity of the SSNs and an increase in interest payable ("SSNs Amendments").
- Repayment of the €95m RCF.

Purpose of this Report

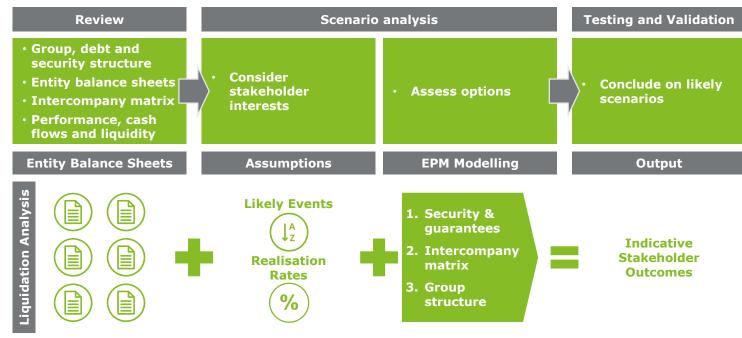
The Group intends to implement the Restructuring via a Scheme. In this regard, the Company has asked Deloitte LLP ("Deloitte" or we/us") to prepare an estimated outcome analysis under likely alternative scenarios in the event that the Scheme is not approved.

As such, the primary purpose of this report is to set out the likely impact and returns for the SSNs in the event that the Scheme is not approved.

Our methodology

We have reviewed the Group's financial data and considered the options available if the Scheme is not approved.

We have then calculated estimated potential recoveries for creditors based on various realisation assumptions.



Methodology

The flow chart sets out the process undertaken to assess the likely scenarios and outcomes for creditors in the event that the Scheme is not approved.

In this case, if the Scheme is not approved we assume that the most likely scenario is insolvency of various holding companies within the Group with a view to pursuing a distressed sale of all or parts of the Group, likely on a geographical basis. If this is not possible, a liquidation of the underlying Group operating entities will likely follow.

Although we may comment as to the potential value of (certain parts of) the Group, this report is not a valuation. Instead, this report is a summary of the logic underpinning our analysis, and is intended to illustrate the potential recovery to the creditors in the event that the Scheme is not approved, using various realisation assumptions.

Limitations

We have produced an illustrative outcome analysis based on our understanding of the Group and debt structure following discussions with Management and the Scheme Counsel, which has been over a limited timeframe.

We have therefore relied upon information provided to us by Management and the Scheme Counsel, which we assume is sufficiently accurate for our analysis. Please refer to Appendix 1 for full limitations, but note in particular:

- We have not audited or verified the accuracy of financial data provided to us.
- We have not reviewed any underlying assumptions to the financial data provided to us.
- We assume there have been no material changes to the financial data which would impact our analysis.
- We have not undertaken any marketing on the realisable value of all or parts of the business.











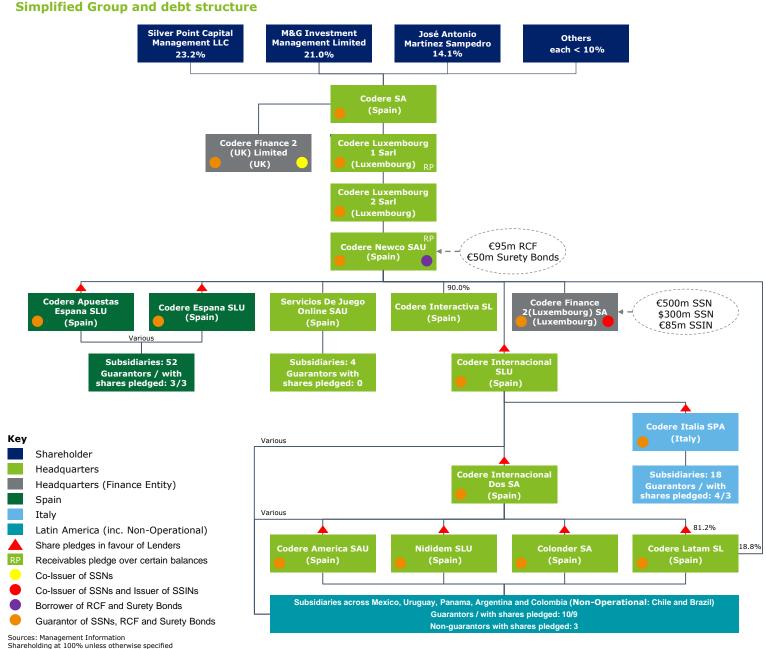


Group structure

The Group is majority owned by Silver Point and M&G, and is financed by a €95m RCF and €500m and \$300m of SSNs. The lenders benefit from guarantees from, and share pledges over, the majority of the Group's holding entities, as well as a small number of operating entities.

The Group structure is highly complex with multiple cross holdings (see Appendix 2), which may complicate any enforcement and disposals.





Operational overview

The Group operates retail and Online gaming businesses across Latin America and Europe.

Retail activities are carried out in all geographies, and include operations relating to gambling houses, racetracks, gambling machines and sports betting.

Online gaming under Codere brand is only present in Spain, Mexico, Colombia and Panama.















Business operations and activities

Division overview

The Group operates across Europe (Italy and Spain) and Latin America (Mexico, Panama, Uruguay, Colombia, and Argentina). Each country constitutes a strategic line of business and the Group manages its operations and financial reporting in accordance with these geographical divisions (the "Divisions"). Argentina, Mexico and Italy are largest Divisions, together representing c.70% of revenue in FY19.

The Group began to report its Online business together with its Platform segment separately in FY19, where previously it been included within the respective Divisions. In FY19, Online (and Platform) generated €60m revenue and had 1.1m users.

Revenue by division

€m	FY17	FY18	FY19
Argentina	582	367	308
Mexico	340	328	311
Panama	94	89	78
Colombia	25	24	24
Uruguay	70	71	74
Brazil	3	1	-
Latin America	1,114	879	796
Spain	188	220	190
Italy	336	337	344
Europe	524	557	534
Online and Platform	-	-	60
Total revenue	1,638	1,435	1,389

Source: FY18 and FY19 annual accounts

Note: Reflects IFRS 16 (FY19 onwards) and Argentina hyperinflation adjustment

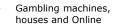
Gaming activities and locations

As at March 2020 the Group operated nearly 56,000 slot machines, more than 29,000 bingo seats and nearly 8,500 sports betting terminals.

Gaming activities are hosted and/or installed across a wide range of gaming venues, including: 148 gaming halls, nearly 1,200 arcades, over 9,200 bars, 245 sports betting shops and four horse racetracks.

Geographical summary

Latin America



11 casinos

Panama

Presidente Rémon racetrack

Mexico

- #1 gambling house operator with 95 houses
- license to operate Las Americas racetrack and Centro Citibanamex Convention Center
- Online gambling

Colombia

- Leading operator in gambling machines and bingo market
- Casino management
- Online gambling

Argentina

Largest operator of gambling houses in Buenos Aires with 13 halls

Uruguay

- National Maroñas and Las Piedras racetracks
- Hotel Casino Carrasco
- Five gambling halls

Europe Spain

- #2 operator of slot machines in Spain
- Operates Spain's largest bingo hall
- Leading player in on-site sports betting
- Online gambling

Italy

- Leading bingo operator
- One of 11 "Network" licence holders operating in this market
- Slot machine operator



Operational structure

Management considers that the Divisions are reasonably separable, albeit certain services relating to IT, finance, HR and security are provided by the HQ function.

With the exception of Online operations in Spain, which operate out of a standalone legal entity, Online is embedded in retail entities within each jurisdiction in which it operates.













Regional model

In 2018 the Group embarked on a transformation to evolve from a centralised model to a regional model in order to maximise efficiency; the Group now organises and operates the business in line with geographical Divisions which operate reasonably independently of each another.

The Group has three COOs for retail (one for each of the Spain, Italy, and the Americas) and one for Online. The Group also has regional managers for Latin America, Europe and Mexico.

Online

The Online gaming business is structurally embedded within retail entities in each of the Panama, Mexico and Colombia divisions. These entities are also the licence holders for their respective Divisional Online operations, which are directly linked to their retail licences. Management has advised it would likely take circa six months to set up new legal entities and transfer Online operations into standalone licenced entities.

In Spain, Online gaming operations primarily sit within a standalone legal entity, Codere Online, S.A.U. ("Codere Online"). Although this entity sits within the Spanish divisional structure, it holds its own licence and Management estimates the Spanish Online business could be carved out within c.15 days. However, we understand from Management that it is likely that any purchaser of Spain would also buy Codere Online.

There are four additional legal entities in Online which sit outside of the geographical Divisions and act as service centres for the rest of the Group.

Platform

Codere Apuestas Espana, S.L.U. ("Platform") provides an internal B2B website software service. Platform owns the website software licences and provides access to software to the retail and Online businesses across the Group. Structurally, Platform sits within Spain.

Headquarters ("HQ")

We understand from Management that the Divisions are reasonably separable, but that certain services relating to HR, finance and security are provided by the Group's HQ function in Madrid.

HQ also provides IT services to the rest of the Group and Codere Newco holds the majority of software licences. The cost of these IT services is passed on to the Divisions through a pay-per-use arrangement.

Furthermore, the Group has secured funding at the HoldCo level through the SSNs and SSINs issued by Codere Finance Lux, and the RCF borrowed by Codere Newco.

These HQ entities provide funding to the rest of the Group through intercompany financing arrangements, which are further illustrated on page 15.

Uruguay / Argentina

There exist some minor operational interdependencies between Uruguay and Argentina, with the Uruguay support team relying on Argentina to provide certain HR, finance and legal functions.

Licences

The Group operates in a highly regulated environment, and certain concessions and gaming licences are required in order to trade. Each of the Divisions holds and owns its own licences at the OpCo entities.

We understand from a Management report; "Impact of insolvency and change of control of Codere on OpCo licences" dated 29 June 2020, that OpCo insolvencies will likely result in the termination of these licences.

Surety bonds

The Group has €142.5m in surety bonds attached to 84 Group entities, of which c.€40m are issued under the €50m Surety Bond Facility ("SBF"). These surety bonds primarily relate to guarantees to licence providers in order to secure gaming licences, and guarantees to tax authorities for deferred taxes. These are negotiated centrally by HQ, although the entity to which the bond is attached is typically the licence holder/tax debtor rather than a HQ entity.

Divisional balance sheets

Group assets total €1,424.7m, primarily made up of goodwill, intangibles, land & buildings, leases and slot machines.

The assets are divided across the Group's seven geographical Divisions, with the largest Divisions being Mexico and Spain.











Entity balance sheets

€m as at May'20	HQ & non- op	Spain	Italy	Argentina	Colombia	Mexico	Panama	Uruguay	EPM Group	Non-EPM Group	Total Group
Assets											
Goodwill	0.0	27.9	47.4	29.1	0.0	60.0	29.6	5.7	199.7	2.0	201.7
Intangible assets	9.6	58.2	34.0	51.2	(0.0)	165.8	13.2	14.4	346.4	(13.2)	333.1
Non-current financial assets	0.0	5.6	3.0	1.6	0.4	1.7	3.7	-	16.0	2.2	18.3
Land & buildings	-	19.6	-	17.7	0.3	76.7	0.4	18.4	133.1	1.1	134.2
Assets by right of use & improvements	4.7	22.8	20.3	17.5	5.5	109.9	54.6	25.4	260.6	6.8	267.4
Slots	-	11.1	2.2	18.4	5.4	47.6	5.7	6.9	97.4	1.8	99.2
Other machines and terminals	-	8.2	0.0	0.2	0.4	0.0	-	-	8.9	0.0	8.9
Plant and equipment	0.2	11.4	2.2	2.1	0.6	9.9	5.9	(1.1)	31.2	1.0	32.2
Furniture & Computer equipment	0.3	3.6	1.6	2.5	0.9	3.3	2.6	1.1	15.8	0.3	16.1
Inventory	-	1.1	0.6	1.1	0.6	3.1	2.5	0.6	9.7	0.1	9.8
Receivables	-	8.2	0.0	0.2	0.4	0.0	-	-	48.4	4.0	52.4
Tax assets	3.5	6.4	10.9	22.7	1.7	60.7	4.4	1.2	111.4	5.2	116.6
Other assets	9.3	10.7	8.3	(0.2)	0.3	17.6	0.5	0.8	47.2	2.5	49.7
Cash & cash equivalents	29.0	15.4	12.1	1.0	1.1	9.4	1.7	13.0	82.7	2.5	85.1
Total assets	53.3	211.6	158.3	165.5	16.8	575.5	128.3	99.3	1,408.5	16.2	1,424.7
Liabilities											
RCF, Notes and PDS	(863.9)	-	-	-	-	-	-	-	(863.9)	-	(863.9)
Local debt	-	(4.5)	(2.6)	-	(0.5)	(29.5)	(2.3)	(43.6)	(83.1)	(0.1)	(83.2)
Employee liabilities	-	-	-	-	-	-	-	-	-	-	-
Tax liabilites	(2.1)	(6.5)	(10.4)	(37.6)	(0.4)	(49.7)	(0.3)	(3.1)	(110.0)	2.6	(107.5)
Leases	(5.0)	(39.3)	(14.7)	(11.6)	-	(63.5)	(52.9)	(4.2)	(191.1)	(4.9)	(196.0)
Trade payables	(13.7)	(12.3)	(10.0)	(5.1)	(6.1)	(20.3)	(8.8)	(6.6)	(82.9)	(3.9)	(86.9)
Provisions and accruals	(2.5)	(1.1)	(10.2)	(2.7)	0.1	(8.4)	(1.3)	(0.6)	(26.8)	(2.4)	(29.2)
Other liabilities	(8.8)	(53.6)	(31.3)	(17.3)	(4.5)	(88.3)	(7.0)	(3.8)	(214.5)	(9.2)	(223.7)
Total liabilities	(896.1)	(117.3)	(79.2)	(74.3)	(11.4)	(259.6)	(72.6)	(61.9)	(1,572.5)	(18.0)	(1,590.5)
Net assets	(842.7)	94.2	79.1	91.2	5.4	315.9	55.7	37.4	(164.0)	(1.8)	(165.8)

Summary

We have been provided with two sets of balance sheets as at May 2020:

- Individual entity balance sheets on a standalone basis; and
- Individual entity balance sheets on a contribution to consolidated Group balances basis ("Contribution Balance Sheets").

Management has not been able to provide a reconciliation between the two sets of balance sheets. However, we understand that the Contribution Balance Sheets correctly remove all intercompany and consolidation items, and so for the purposes of our analysis, we have used the Contribution Balance Sheets.

At a consolidated level, the Group has €1,424.7m of assets. Our analysis focuses on 100 material entities (the "EPM Group"). Major Group balances include:

- Goodwill: €201.7m.
- Intangible assets: €331.1m, made up of concessions, licences, trademarks, rights, software, client portfolio, other.
- Land & buildings: €134.2m.
- Assets by right of use & improvements: €267.4m, being leases recorded pursuant to IFRS 16 and improvements to those leases.
- Slots: €99.2m, which include Amusement With Prize ("AWP") machines and Standalone Sports Terminals ("SSTs").

Debt, surety bond and security structure

The Group is primarily financed by €500m and \$300m SSNs, and the €95m RCF.

In July 2020 Codere
Finance Lux issued
€85m SSINs to
improve Group
liquidity in advance of
and as part of the
Restructuring.

HQ debt, surety bond and security structure

Borrowers / Issuers	Facility	Effective Interest	Balance May-20	Maturity	Security, guarantees and ranking
Codere Finance	€500.0m	6.75%	6760.0***	Nov. 21	The RCF, SSINs and SSNs share the same security and guarantee package (except re. Codere Finance UK, see below) of:
Finance UK	US\$300.0m	7.625%	€/69.9111	NOV-21	- Guarantors: 30 Group entities - Security: pledges over 30 Group entities and pledges over certain
Codere Newco	€95.0m	Euribor + 5%	€91.0m	Nov-20	intercompany receivables due to Codere Luxembourg 1 and Codere Newco. The RCF, and SSNs also have recourse against Codere Finance UK.
Codere Finance Lux	€85.0m	12.75% / 10.75%	-	Sep-23	Per the ICA, the RCF, SBF and SSINs rank senior to the SSNs. In addition, pursuant to an "Agreement Amongst Lenders", the SSINs have agreed to turnover proceeds to the RCF.
Codere Newco & Alta Cordillera (balance relates to Codere Newco)	US\$13.7m	8.25%	€3.1m	Jul-22	Guarantors: Codere Argentina and Iberargen. Cash lockbox based on % of revenues.
			€863.9m		
Codere Newco	€50.0m	n/a	€40.3m*	None	Shares security package with SSNs and RCF. SBF also has cash collateral of 10% of the outstanding SBF balance, plus security over collateral account.
			€904.2m		
	Codere Finance Lux and Codere Finance UK Codere Newco Codere Finance Lux Codere Newco & Alta Cordillera (balance relates to Codere Newco)	Codere Finance Lux and Codere Finance UK Codere Newco Codere Finance Lux Codere Finance Lux Codere Newco & Alta Cordillera (balance relates to Codere Newco) Facility €500.0m U\$\$300.0m U\$\$300.0m	Todere Finance Lux and Codere Finance UK Codere Newco Codere Finance Lux Codere Newco Codere Finance Lux Codere Finance Lux Codere Newco Codere Finance Lux Codere Newco & Alta Cordillera (balance relates to Codere Newco) Interest 1.75% Lux F500.0m 7.625% Furibor + 5% 12.75% / 10.75% Lux Codere Newco & Alta Cordillera (balance relates to Codere Newco)	Tessuers Codere Finance Lux and Codere Finance UK Codere Newco Codere Newco Codere Finance Lux Codere Newco Codere Finance Lux Codere Finance Lux Codere Finance Lux Codere Finance Lux Codere Newco & Alta Cordillera (balance relates to Codere Newco) Codere Newco Codere Newco Codere Newco Codere Newco & €50.0m Codere Newco Codere Newco & €50.0m Codere Newco	Issuers Facility Interest May-20 Maturity Codere Finance Lux and Codere Finance UK €500.0m 6.75% €769.9m Nov-21 Codere Newco €95.0m Euribor + 5% €91.0m Nov-20 Codere Finance Lux €85.0m 12.75% / 10.75% - Sep-23 Codere Newco & Alta Cordillera (balance relates to Codere Newco) US\$13.7m 8.25% €3.1m Jul-22 E863.9m Codere Newco €50.0m n/a €40.3m* None

*Reflects balance as at Mar-20 Note: Balances include accrued interest

















Debt, surety bond and security structure

As at May 2020, the Group also had €83.2m outstanding OpCo level debt.













Facility	Borrowers / Issuers	Facility	Effective Interest	Balance May-20	Maturity	Security, guarantees and ranking
ON 2019 UI	HRU	UI\$227.0m	4.25%	€21.4m	2029	Pledge over receivables from Dirección
ON 2019 USD	HRU	US\$3.0m	4.75%	€2.5m	2029	General de Casino HRU, a concession with the Uruguayan government
Nobilis & Others	Carrasco Nobile	US\$10.8m	8.35%	€9.6m*	2022	Cash lockbox based on % of revenues
BROU UI	Carrasco Nobile	UI\$48.5m	6.78%	€4.4m*	2023	Codere Mexico guarantee up to the value
BROU USD	Carrasco Nobile	US5.9m	7.32%	€5.6m	2023	of US\$12.75m, plus lockbox
Invex – ICELA	AMD Hipódromo	MX\$500.0m	TIIE + 4.9%	€21.0m	2025	Pledge over 25.5% shares of AMD Hipódromo plus cash lockbox
Intercam – ICELA	AMD Hipódromo	MX\$164.0m	TIIE + 3.5%	€5.0m	2026	Security over slot machines at AMD Hipódromo
Nomura – Codere Cal	Codere Mexico	US\$2.5m	Libor1M + 6.0%	€1.1m	2020	Pledge over 16.13% shares of AMD Hipódromo plus 5 group entity guarantors
Intercam – Codere Cal	Operadora	MX\$64.0m	TIIE + 5.0%	€2.4m	2022	Codere Mexico as guarantor
Panama bonds	Alta Cordillera	US\$2.7m	7.50%	€2.3m	2024	Cash lockbox based on % of revenue
Spain OpCo	12 Spain entities	n/a	1.69%	€4.6m	2020 - 2028	Part-secured over working capital and mortgages on Spanish assets, partially guaranteed by Operiberica
Italy OpCo	6 Italy entities	n/a	1.43%	€2.7m	2021 - 2023	Guaranteed by Operbingo Italia
Colombia OpCo	2 Colombia entities	11,000 COP	IBR + 5.5%	€0.5m	2020 - 2028	Mortgage over Palatino Hall
OpCo debt total				€83.2m		
Capital leases	Various group entities	n/a	n/a	€196.0m	n/a	Reflects capital lease liability post-IFRS 16
Surety bonds	84 group entities	€102.3m	n/a	€102.3m*	n/a	Unsecured, note this excludes the €40.3m balance under the SBF facility
OpCo total				€381.5m		

*Reflects balance as at Mar-20

Note: Balances include accrued interest © 2020 Deloitte LLP | Private and Confidential | Project Carmine - Scheme Comparator Report | 21 August 2020

Material intercompany balances

There are material intercompany balances between the HoldCos and the Divisions, and intra-Division.

However, inter-Divisional balances are minimal, which may help facilitate any Divisional disposals if needed.













Intercompany balances

Management has provided a schedule of intercompany balances which we have consolidated into divisional summaries (an entity level intercompany matrix for the 100 entities in our analysis is at Appendix 3). We note that:

- The proceeds of the Notes issued by Codere Finance Lux have been lent to Codere Newco (€510.7m) and the Latin America HQ entities (€277.1m). Codere Newco has then used these funds, together with additional capital, to make loans to various Divisional holding entities, primarily Spain and Mexico. We understand from the Scheme Counsel that certain of these balances have been secured in favour of Lenders.
- Whilst there are material intra-Division balances (again, primarily in Spain and Mexico), there are minimal inter-Divisional balances. As such, a separation of the Group along Divisional lines, if necessary, may be possible.

Given the absence of OpCo guarantees in favour of Lenders, any return to Lenders on an insolvency will be contingent on value flowing via intercompany claims to the various HQ entities. However, in a number of the Group's operating jurisdictions intercompany claims rank behind all other creditors, placing Lenders in a deeply subordinated position.

Intercompany Receivables

€m as at May'20	CODE	LUX1	LUX2	CNEW	CFI2L	CINT	LatAm HQ	Other HQ & non-op	Spain	Italy	Argentina	Colombia	Mexico	Panama	Uruguay
CODE	-	0.0	-	1.1	-	-	-	0.0	1.1	0.3	2.4	0.1	1.1	0.6	0.3
LUX1	-	-	-	0.3	-	-	0.0	-	-	-	-	-	-	-	-
LUX2	-	-	-	0.3	0.0	-	0.0	-	-	-	-	-	-	-	-
CNEW	-	-	-	-	510.7	-	91.1	-	6.7	0.0	-	-	-	-	-
CFI2L	-	0.1	-	-	-	-	-	-	-	-	-	-	-	-	-
CINT	-	-	-	226.5	-	-	-	-	-	0.0	-	-	-	-	-
LatAm HQ	-	-	-	662.6	277.1	277.0	18.2	-	0.0	-	-	-	0.0	3.9	-
Other HQ & non-o	-	-	-	15.2	-	-	0.4	12.5	5.5	-	-	-	-	-	-
Spain	0.7	-	-	356.8	-	-	-	2.6	417.5	0.0	-	0.9	-	-	-
Italy	-	-	-	0.5	-	62.6	-	-	0.0	57.0	-	-	-	-	-
Argentina	-	-	-	3.9	-	-	9.0	-	-	-	19.6	-	-	-	-
Colombia	-	-	-	0.7	-	-	28.4	0.9	0.6	-	-	5.4	-	-	-
Mexico	-	-	-	274.5	-	-	211.9	6.1	0.4	-	-	0.0	795.5	0.3	0.1
Panama	-	-	-	21.3	-	-	17.6	0.1	0.2	-	0.0	-	1.3	2.9	-
Uruguay	0.3	-	-	1.2	-	-	0.0	-	0.0	-	0.0	-	0.0	-	0.1

Intercompany Payables

€m as at May'20	CODE	LUX1	LUX2	CNEW	CFI2L	CINT	LatAm HQ	Other HQ & non-op	Spain	Italy	Argentina	Colombia	Mexico	Panama	Uruguay
CODE	-	-	-	-	-	-	-	-	(0.7)	-	-	-	-	-	(0.3)
LUX1	(0.0)	-	-	-	(0.1)	-	-	-	-	-	-	-	-	-	-
LUX2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CNEW	(1.1)	(0.3)	(0.3)	-	-	(226.5)	(662.6)	(15.2)	(356.8)	(0.5)	(3.9)	(0.7)	(274.5)	(21.3)	(1.2)
CFI2L	-	-	(0.0)	(510.7)	-	-	(277.1)	-	-	-	-	-	-	-	-
CINT	-	-	-	-		-	(277.0)	-	-	(62.6)	-	-	-	-	-
LatAm HQ	-	(0.0)	(0.0)	(91.1)	-	-	(18.2)	(0.4)	-	-	(9.0)	(28.4)	(211.9)	(17.6)	(0.0)
Other HQ & non-o	(0.0)	-	-	-	-	-	-	(12.5)	(2.6)	-	-	(0.9)	(6.1)	(0.1)	-
Spain	(1.1)	-	-	(6.7)	-	-	(0.0)	(5.5)	(417.5)	(0.0)		(0.6)	(0.4)	(0.2)	(0.0)
Italy	(0.3)	-	-	(0.0)	-	(0.0)	-	-	(0.0)	(57.0)	-		-	-	-
Argentina	(2.4)	-	-	-	-	-	-	-	-	-	(19.6)	-	-	(0.0)	(0.0)
Colombia	(0.1)	-	-	-	-	-	-	-	(0.9)	-	-	(5.4)	(0.0)	-	-
Mexico	(1.1)	-	-	-	-	-	(0.0)	-	-	-	-	-	(795.5)	(1.3)	(0.0)
Panama	(0.6)	-	-	-	-	-	(3.9)	-	-	-	-	-	(0.3)	(2.9)	-
Uruguay	(0.3)	-	-	-	-	-	-	-	-	-	-	-	(0.1)	-	(0.1)

Kev

Headquarters (inc. Non-Operational)



Italy LatAm

Group cash flow

Issuance of the SSINs has helped the Group increase liquidity in the short-term.

If the Scheme is approved, the New Notes will be issued, providing the Group with funds to repay the RCF, and additional operational liquidity.









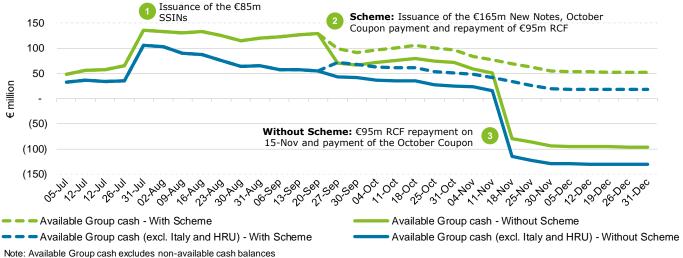






Group Cash flow

Group cash flow forecast through Dec-20 with and without the Scheme



Source: CF DIRECTO - 20200708 (sin vinculos)-sent (1) and Codere Model 2023_CASHFLOW_V1.7

Management's cash flow forecast

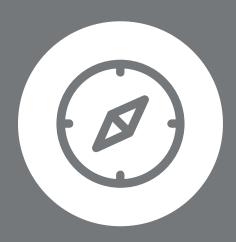
The above graph sets out Management's cash flow forecast for July 2020 to December 2020, adjusted to include sunk costs associated with the Restructuring. The forecast is prepared weekly through to 31 October 2020, and includes actual cash flows through to 2 August 2020. November and December 2020 cash flows have been sourced from Management's long-term monthly forecast. Two scenarios are presented:

- Available Group cash Without Scheme * (green / blue) The Group's cash flow forecast shows a decline in available cash to €71.5m by end of October 2020 (excluding €22.4m cash not available to the Group, such as SBF collateral and cash held for operational purposes) (green). However, we understand that due to Director duty considerations the Group is unable to upstream available cash from Italy and HRU in Uruguay. The forecast available cash balance excluding Italy and HRU available cash is €25.3m by the end of October 2020 (blue). We understand that RCF covenants require available Group cash to be above £60m (£25m excluding Italy and HRU).
- The October Coupon (€26.4m) on the SSNs is due on 31 October 2020 and the Group has a 30 day grace period to make payment. Per the RCF standstill agreement, the October Coupon cannot be paid until the RCF, which matures on 15 November 2020, has been repaid in full. The above illustrates the impact on cash flow if both the RCF and October Coupon are paid on 15 November 2020.
- Available Group cash With Scheme (--- / ---) The dashed lines above assume the Scheme is approved, the €165m New Notes are issued towards the end of September 2020, and the October Coupon and RCF are paid. This scenario includes €16.0m additional Restructuring costs, comprising success fees (€13.2m) and cash interest on the extension of the SSNs (€2.9m). Liquidity is forecast to significantly improve under this scenario; the Group is forecast to have €52.4m cash at the end of the year (31 December 2020).
- * Does not include any working capital stretch if the Scheme is not approved.

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Scheme overview

The Scheme will deliver a funded going concern business with a stable capital structure, and is expected to result in a 100% return to Noteholders.

It has received the support of the significant majority of the Noteholders, as well as the RCF Lenders.













Scheme overview

Lock Up and Standstill

On 13 July 2020, certain members of the Group entered into a lock-up agreement, which was subsequently revised on 21 July 2020, with various Noteholders (the "Lock-Up"). As at 31 July 2020, 80.4% of the Noteholders had acceded to the Lock-Up.

Each party to the Lock-Up has agreed to take all actions necessary to implement the Restructuring, including voting in favour of the Scheme.

In addition, on 23 July 2020 the Group and RCF Lenders entered into a standstill, amendment and waiver agreement (the "RCF Standstill"), pursuant to which:

- The RCF Lenders agreed to forbear from taking any enforcement action in respect of outstanding Events of Default ("EoDs") whilst the Restructuring is implemented.
- The maturity of the RCF was amended to 15 November 2020 (originally November 2021).
- Certain members of the Group gave an undertaking to apply the proceeds of the New Notes (see below) in repayment of the RCF.

The Restructuring

The key terms of the Restructuring, which are interconditional, are as follows:

- Amendments to the SSNs ("SSN Amendments") including a maturity extension to November 2023 and an interest rate increase.
- Additional liquidity in the form of new notes to be issued by Codere Finance Lux:
- the SSINs (already issued); and
- €165 million notes due September 2023 (the "New Notes", together with the SSINs, the "2020 Notes").
- · Repayment of the RCF.

The 2020 Notes will share the same security and guarantee package as the SSNs, and on enforcement will rank *pari passu* with the SBF, and ahead of the SSNs.

Use of a Scheme

The Lock-Up contemplated using either a consent solicitation or a scheme of arrangement ("Scheme") in order to make the SSN Amendments and provide a mechanism for issuing the New Notes.

The Group was required to use a Scheme unless 90% of each series of Noteholders had acceded to the Lock-Up by 31 July 2020. However, as of 31 July 2020, only 80.4% of Noteholders had acceded to the Lock-Up, and so the SSN Amendments are proposed to be made, and the New Notes are proposed to be issued, pursuant to the Scheme.

Codere Finance Lux is the original issuer of the SSNs. On 23 July 2020, Codere Finance UK agreed to assume the rights and obligations of Codere Finance Lux under the SSNs Indenture. The Scheme is now being proposed by Codere Finance UK ("Scheme Company").

Classes & Voting

Where creditors have rights which are so dissimilar as to make it impossible for them to consult together with a view to their common interest, they must be split into separate classes and a separate Scheme meeting must be held for each class.

To be approved, the Scheme will require the support of a majority of each class of creditor representing 75% in value of that class voting on the Scheme.

The Scheme Company has considered the present rights of Noteholders and the way in which those rights will be affected under the Scheme and has concluded that the SSNs constitute a single class for the purposes of the Scheme.

Outcome

In summary, the Scheme will deliver a €165m liquidity injection, a stable capital structure and a going concern platform for the Group. In addition, it will preserve jobs and trade creditor liabilities.

We understand that the post Restructuring going concern enterprise value of the Group will likely exceed the post Restructuring debt, such that under the Scheme, Noteholders will likely receive a 100% return.

Alternative scenario

In the event the Scheme is not approved, it appears likely that there will be insufficient time to agree an alternative consensual restructuring.

In such circumstances, the Scheme Company, Codere Finance Lux and Codere Newco are expected to become cash flow insolvent, and we assume that the respective directors will likely file for protective insolvency.













Alternative scenario

Previous options explored

We understand from Management that the Restructuring is the result of several months' analysis of the options available to the Group. During this process, the Group engaged in restructuring discussions with a variety of parties in addition to Noteholders, including the RCF Lenders and alternative capital providers.

Although the RCF Lenders were not willing to provide the additional liquidity needed, discussions with the alternative capital providers did result in an third-party financing proposal. However, the proposal did not offer the longer-term solution required, and so the Group ultimately chose to proceed with the Restructuring.

Alternative consensual scenarios

We note that:

- the October Coupon in respect of the SSNs (€16.9m & \$11.4m) is due on 31 October 2020; and
- the terms of the RCF Standstill provide that the October Coupon cannot be paid until the RCF has been repaid in full, and the RCF now matures on 15 November 2020.

Although the Group benefits from a 30-day grace period in respect of the October Coupon, we understand that:

- the Group has insufficient liquidity to pay the October Coupon on 31 October 2020 or to repay the RCF on 15 November 2020;
- pursuant to the RCF Standstill agreement, the RCF maturity has been brought forward and the RCF Lenders are unlikely to agree any extension.

As such, it appears as though any alternative consensual transaction would likely need to be capable of being implemented by October / November 2020.

We understand that Management considers that there is no realistic prospect of the Group agreeing and implementing an alternative consensual transaction that would leave the Group with a viable capital structure and enable it to pay the October Coupon within the grace period and the RCF on its maturity date, and the Scheme is likely the only consensual option available.

Alternative non-consensual scenarios

We assume that if the Scheme is not approved, there are no other consensual restructuring options available.

In such circumstances, we assume that the following will, or is likely to occur:

- The RCF Standstill and the Lock Up would terminate and there would be immediately actionable EoDs under the RCF and SSINs (which if actioned would cross-default the SSNs).
- The Group would have insufficient liquidity to pay the October Coupon within the grace period, and repay the RCF on maturity (15 November 2020).
- The non-payment of the October Coupon within the grace period would constitute an event of default under the SSNs and acceleration rights would accrue to the Noteholders.
- Operating entity facilities may include cross default clauses, which may be triggered by the existing RCF EoDs, non-payment of the October Coupon or RCF, and / or acceleration of the SSNs (although no security review has been conducted to confirm this).

In light of the above, Management considers that formal insolvencies will follow, and we therefore assume that the directors of the Scheme Company, Codere Finance Lux and Codere Newco would need to consider the solvency position of these entities, and we assume that they will conclude that the appropriate course of action is to file for protective insolvency proceedings in the UK, Luxembourg and Spain respectively.

In order to maximise value, we assume that the respective office holders (the "Administrators") would co-ordinate, and would likely explore the following options in the following order:

- Alternative Scenario 1: A sale of all or parts of the entire Group on an accelerated basis (Accelerated M&A, or "AMA").
- Alternative Scenario 2: In the event that an AMA process was not possible / successful, it is likely that liquidations of the underlying operating entities would follow.

Alternative scenario options

Administrators would likely pursue a sale of all or part of the Group in order to maximise value.

However, if this was not possible, a liquidation of the underlying operating entities and their assets would likely follow.















Alternative scenario options

We have evaluated the following alternative scenarios:

Scenario	Deloitte Comments	Viability	Value impact
Other consensual scenarios	 In the event that the Scheme is not approved, the first alternative to consider would be an consensual restructuring outside of insolvency. However, in light of the Group's current liquidity position, it appears highly unlikely that the Group will be able to: (1) pay the October Coupon when due; or (2) repay the RCF on maturity (at which point the Issuer and Borrower will likely be cash flow insolvent), and therefore any consensual restructuring would likely need to conclude by October / November 2020. Given the circumstances, we understand that Management considers that there is no realistic prospect of the Group agreeing and implementing an alternative consensual transaction in the time available, and the Scheme is likely the only consensual option available. 	×	Lowest
Alternative Scenario 1: Sale of whole or part of the Group	 We understand from Management that a sale of the whole Group may be challenging (particularly as the operations in Argentina would likely be unattractive to an international buyer), and that any interest in the Group would likely be for its various Divisions. In this regard, we understand that the Divisions are readily separable, and provided that there is sufficient liquidity to fund through a sales process, and various sales challenges can be overcome (see pages 22 to 24), it may be possible to secure a sale of the Group's Divisions. As such, we have evaluated a potential outcome range for AMA sales of the Group's Divisions (we understand from Management that any sale of the whole Group is unlikely to exceed the aggregate value of the Divisions). 	?	
Alternative Scenario 2: Liquidation of the underlying operating entities and their assets	 In the event that it is not possible to secure a sale of the Group or its Divisions, operating entity insolvencies will likely follow. If there is sufficient funding available in the operating entities (either from cash available on appointment, liquidation of assets / trading, or creditors), it may be possible for some operating entities to avoid an immediate liquidation (and licence termination), and instead pursue an accelerated sale of business and assets. In such circumstances, assets can be realised on an individual basis at a discount to comparable market transactions. If this is not possible, a shut down and forced sale of assets would follow. We have therefore evaluated a potential high / low outcome range for operating entity insolvencies. 	✓	Highest

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statement

















Scenario summary

Administrators would likely explore a sale of all or parts of the Group in the first instance.

Any sale of the parts is likely to be along geographical Divisions, but there are a number of challenges that would need to be overcome.

Scenario Summary

Summary

Given the Group generates positive EBITDA and holds minimal tangible assets, it is likely that an accelerated going concern sale of all or parts of the Group will maximise value and result in a better outcome for creditors than a liquidation. As such, we would expect Administrators to pursue this option if possible.

In this regard, we understand from Management that, due to its size and footprint, a sale of the Group as a whole may be challenging, and that interest in the Group would more likely be at a Divisional level.

Structure

The Group structure is highly complex with multiple cross holdings, but the Group is generally divided by geography (see Group structure on page 9).

Each of the Divisional holding entities has provided a guarantee to Lenders, enabling Lenders to enforce and the Divisions to be sold (although not all of the underlying shares have been pledged to Lenders).

As such, we agree that any sale of parts of the Group will likely be along Divisional lines, and we set out (at Appendix 5) an overview of how such sales might be structured for each Division, and how the value received might be apportioned.

	Holding Entities Guarantee	Subsidiaries' Shares Pledged
Spain	Yes	Yes
Italy	Yes	Yes
Argentina	Yes	Yes
Colombia	Yes	Some
Mexico	Yes	Some
Panama	Some	No
Uruguay	Yes	Some

Sale Challenges

Notwithstanding the above, we note that a sale of the Divisions (or of the whole Group) would present a number of challenges, and a successful disposal would require significant support and cooperation from a number of stakeholders. In particular, we note:

- RCF support:
- Under the terms of the Inter-Creditor Agreement ("ICA"), the RCF Lenders are the instructing group and control enforcement and release of the security (for six months or until repaid in full).
- Given the level of the RCF debt, the RCF Lenders may be inclined to accept potentially lower value offers if they can be delivered on an accelerated basis, thus impacting the return to Noteholders.
- Liquidity:
- We note the Group is already in need of liquidity (prior to any working capital stretch caused by publicity surrounding failure of the Scheme and holding entity insolvencies), and that failure to approve the Scheme will deprive the Group of a €165m cash injection.
- In order to secure a sale, the Group will need sufficient cash (either in hand, from Lender funding, or internally generated) to trade through an AMA process. According to Management's cash flow forecast, even with Lender forbearance the Group would likely face a liquidity crisis before the end of November 2020. During this time, director duty considerations may present impediments to moving cash between entities, and so each entity may need to be self sufficient for this period.
- We expect funding from the RCF is unlikely given

 (1) the low level of debt; and (2) that the RCF has already refused to provide additional funding.
 However, given the uncertainty re. RCF returns in a break up (see page 31), we would expect the RCF to support an AMA strategy.
- Although Noteholders may choose to fund, there is no certainty this could be obtained in the time available.













Scenario summary

Administrators would likely explore a sale of all or parts of the Group in the first instance.

Any sale of the parts is likely to be along geographical Divisions, but there are a number of challenges that would need to be overcome.















Sale Challenges (cont'd)

- Structural
- Wrong pockets: Carrasco Nobile S.A. ("Carrasco Nobile") is a Uruguayan entity generating c.11% of Uruguay EBITDA. However, due to local regulation requiring the entity to be directly owned by a casino operator, it is owned by Codere Mexico S.A. ("Codere Mexico") and sits in the Mexico structure. Separate Divisional sales of Uruguay and/or Mexico will first require this entity to be extracted from the Mexico holding structure.
- Online and Platform: The Group reports Online and Platform as separate Divisions (i.e. not part of a geographical Division). However:
 - Platform: Platform is a standalone entity within Spain, and owns several other Spain entities.
 - Online: Aside from in Spain, we understand that Online operations are embedded within the local retail entities, which hold the operating licences. We understand from Management that to extract Online operations into standalone licenced entities would likely take c. six months.

As such, we assume any purchaser of a geographical Division will also acquire its Online operations, and we allocate Online value across the geographies accordingly (in the case of Spain, we assume Platform would also be included).

- Intercompany
- There are a small number of small intercompany balances which cross Divisional boundaries, and which are not secured in favour of Lenders. If these are not capable of being released by the Security Trustee on a sale under the ICA, local director support and cooperation may be required to release these balances.
- While this should be possible if both debtor and creditor Divisions are being sold, if any Division is not being sold (and falls into liquidation), we would expect that Division to seek to recover amounts owed, potentially impeding the ability to sell other Divisions, or impairing price.

Licences:

- Given the nature of the Group's business, its operations are heavily regulated and concessions / licences are required in order to trade.
- The Group has provided a summary analysis on the impact of insolvency or a change of control on these licences. In summary, the Group is of the view that:
 - Insolvencies at holding entities (as anticipated in Appendix 7) are unlikely to trigger automatic termination of the Group's licences but may, in a limited number of cases (potentially Mexico and Colombia), give grounds for termination of the Group's licences.
 - Insolvencies at licence holding entities in most jurisdictions are likely to trigger automatic termination of Group's licences, or give grounds for termination of the Group's licences.
 - Change of control, in some cases, may need to be notified to the regulator, or require regulator approval.
- We have not reviewed the Group's licences or validated the Group's summary analysis.
 However, notwithstanding the above, it is likely that any prospective sale will require the support of the local regulators, and the incoming operator will want to be confident that licences will be able to be renewed in due course.

· Contracts:

 We have not conducted a review of the Group's contracts. However, it is possible that insolvencies of various holding entities may default certain operating contracts, which may in turn adversely impact the Group's licences.

· Operational:

 We understand from Management that the Divisions are reasonably separable, but that there are a number of shared services provided by Headquarters and a transitional services agreement would be needed to facilitate any sale.

Scenario summary

Administrators would likely explore a sale of all or parts of the Group in the first instance.

Any sale of the parts is likely to be along geographical Divisions, but there are a number of challenges that would need to be overcome.















Sale Challenges (cont'd)

- Local lenders:
- The Group's operating entities have a number of local funding facilities. We have not reviewed the terms of these facilities, but it is possible that these facilities may include cross default clauses which would be triggered following an EoD under the RCF or the SSNs.
- In such circumstances, the Group would require the support and forbearance from local lenders to trade through an AMA process and secure sales.
- · Employees and other operational stakeholders
 - In order to preserve value through an AMA process, it will be critical for the Divisions to continue to trade as normally as possible.
- This will require the Group's customers, suppliers, employees and other stakeholder to continue to operate with the Group in a BAU manner.
- Multiple transactions
 - The distressed AMA scenario contemplates seven public contemporaneous transactions across seven different jurisdictions.
- This will be a complex task, and will require significant coordination between parties, particularly given the likely overlap of potential purchasers for certain Divisions.
- There can be no guarantee that all, or any, of the transactions would be successful, and so it remains possible that a more realistic Alternative Scenario 1 would be a hybrid of distressed AMA disposals of some Divisions, and liquidations of others. In this case, value would likely fall somewhere between Alternative Scenario 1 and Alternative Scenario 2.
- Although we expect Administrators would work collaboratively, there is no guarantee that this would occur. Individual office holders will be required to maximise the value for creditors on an entity basis rather than the Group as a whole, which may drive different behaviours than those anticipated.

- · Buyer population
 - In light of the COVID-19 pandemic and the current economic climate, we would expect there to be a reduced number of buyers willing and able to transact, and reduced access to financing.

Divisional Challenges

The individual Divisions may have additional issues which would present challenges to a sale, or impact the relevant discount range (i.e. value) of a distressed AMA sale. The Divisional issues are set out at Appendix 5.

Conclusion

In light of the above, it may be possible to secure a sale of some or all of the Group's Divisions. However:

- It is unlikely that the RCF Lenders would participate in any sale process (given: (1) the low level of debt; and (2) that the RCF Lenders have already refused to provide additional funding to the Group).
- Although it is possible that some Noteholders may participate in a sales process, given the large number of holders, it is unlikely that there would be a credit bid from Noteholders collectively.
- Given the comments made by Management (i.e. that a sale of the Group as a whole may be challenging, and that interest in the Group would more likely be at a Divisional level), we assume that a sale of the whole Group would not result in a better outcome than a sale of the individual Divisions.

As such, we have considered high and low case scenarios where each of the Divisions is sold on a going concern basis, but at a range of discounts to reflect the distressed and accelerated nature of the sales.

Indicative value range

Any sale by **Administrators is** likely to be at a discount to going concern value to reflect the distressed and accelerated nature of the transaction.



Summarv

We set out on page 27 a high level directional estimated outcome statement for two scenarios (entity by entity estimated outcome statements for the non-sold entities are at Appendix 9):

- High Case using high EV and low discount rate
- Low Case using low EV and high discount rate

In preparing our directional estimated outcome statements we have used the indicative going concern enterprise values for the different Divisions as set out in our Valuation Report dated 21 August 2020 (please refer to Appendix 6 for general assumptions relating to these valuations), and we have:

- Allocated Online to the respective Divisions by reference to revenue generated, and allocated Platform to Spain.
- Applied value adjustments in relation to certain specific considerations in respect of Platform and Net Operating Losses (see Appendix 5); and
- · Applied discounts (the "Distressed AMA Discount Range") to reflect a number of situational considerations (see below and Appendix 5).

A summary of the Indicative Distressed AMA Values is set out on the following page.

Distressed AMA Discount Range

In our experience, in a distressed AMA transaction valuers typically apply discounts of 30% - 40%, although in light of the current global economic situation, we have seen the upper end of this range increase, in some case to c.60%.

These discounts reflect a number of factors, which in this case would include the following:

- The transaction is on an accelerated basis, and therefore the buyer may be unable to conduct a normal level of due diligence.
- The seller is a forced seller, has reduced bargaining power, and is unable to hold out for higher offers.

- · Administrators would sell without representations and warranties.
- Potential brand damage (which is unquantifiable) and working capital stretch as a result of insolvency.
- Recent performance has been poor and parts of the Group are currently non-operational due to COVID-19, and there is no certainty as to when normal trading (and EBITDA generation) will resume.
- There is likely to be a reduced buyer pool (and therefore less competitive tension) due to:
- The current global economic situation; and
- The consequential financial state of buyers and potentially limited access to financing.

With this in mind, we have considered each Division with Management to understand the likely challenges and opportunities in each market, and have adjusted the Distressed AMA Discount Range for the Division accordingly. A summary of Distressed AMA Discount Ranges and our rationale is at Appendix 5.

Note: we have not conducted any independent market analysis or testing to verify these discount ranges.

Transaction Structure and Value Allocation

We also set out at Appendix 5 an overview of how Divisional sales might be structured, and how the value received might be apportioned. In a going concern scenario (such as AMA) value is typically a multiple of EBITDA, rather than by reference to assets, and so we applied a similar approach.

In summary:

- Value is first applied against intercompany payables (exc. payables to sold entities, which are assumed to be waived) equal to the amounts that would have been paid in Alternative Scenario 2 High Case (to ensure intercompany creditors will receive at least as much as they would in liquidation); then
- Value is apportioned to individual entities pro rata by reference to positive EBITDA. This is then first applied to that entity's intercompany payables (exc. payables to sold entities), with any surplus rolled up into the value available to that entity's parent.













Indicative value range

Any sale by
Administrators is
likely to be at a
discount to going
concern value to
reflect the distressed
and accelerated
nature of the
transaction.













Indicative value range

Value Range

We set out below a summary of the Indicative Distressed AMA Values in our Low Case and High Case:

Low Case: €413.5m
High Case: €735.5m
In this regard, we note that:

- The value range has been estimated by applying a low discount in the High Case, and a high discount in the Low
 Case. This therefore creates a broad value range, and we would expect that the likely value range if all Divisions
 were to be sold would be towards the middle third of this range (i.e. €521m to €628m).
- Seven different transactions in seven different jurisdictions would all need to achieve their individual High Case in order to achieve the overall High Case outcome, which would appear unlikely. As such, we consider that the prospects of achieving the Alternative Scenario 1 High Case outcome are low.
- There can be no certainty that any of the Divisions could actually be sold in Alternative Scenario 1, and some or all of the Divisions may therefore end up being closed and liquidated. In such a case, we would expect an outcome and return to SSNs of between Alternative Scenario 1 and Alternative Scenario 2.

Notwithstanding the above, we note that the High and Low Cases do not necessarily represent the "best" and "worst" outcomes for creditors, as our analysis is predicted a number of high level assumptions.

Indicative Distressed AMA Values

€m	Spa	ain	Ita	ıly	Arge	ntina	Colo	mbia	Mex	cico	Pan	ama	Urug	juay	То	tal
CIII	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Divisional EV	235.5	277.5	76.8	95.7	102.8	149.4	20.5	23.7	482.6	555.9	64.3	74.7	113.7	127.1	1,096.1	1,304.0
Allocation of O&P EV	60.4	80.4	-	-	-	-	10.9	14.5	35.7	47.6	3.1	4.2	-		110.1	146.6
Total EV (EUR)	295.9	357.9	76.8	95.7	102.8	149.4	31.4	38.2	518.3	603.5	67.4	78.9	113.7	127.1	1,206.2	1,450.6
Headquarters allocation	(26.3)	(26.3)	(6.4)	(6.4)	(20.6)	(20.6)	(6.1)	(6.1)	(32.9)	(32.9)	(9.4)	(9.4)	(9.4)	(9.4)	(111.0)	(111.0)
Headquarters allocation (O&P)	(7.9)	(7.9)		-	-	-	(1.4)	(1.4)	(4.7)	(4.7)	(0.4)	(0.4)	-	-	(14.3)	(14.3)
Concluded EV	261.7	323.7	70.4	89.3	82.2	128.8	23.9	30.7	480.8	566.0	57.6	69.1	104.3	117.7	1,080.9	1,325.3
Other Assets and Liabilities	1.8	1.8	-	-	-	-	-	-	-	-	-	-	-	-	1.8	1.8
Equity interest	0.0	0.0	-	-	-	-	-	-	3.4	3.4	-	-	-	-	3.4	3.4
Net Financial Debt	(15.7)	(15.7)	8.8	8.8	(6.8)	(6.8)	1.8	1.8	(36.7)	(36.7)	0.8	0.8	(31.0)	(31.0)	(78.8)	(78.8)
Net Financial Debt (O&P)	1.4	1.4	-	-	-	-	-	-	-	-	-	-	-	-	1.4	1.4
Provisions	(1.0)	(1.0)	(11.6)	(11.6)	(2.7)	(2.7)	(0.6)	(0.6)	(5.2)	(5.2)	(1.3)	(1.3)	(0.6)	(0.6)	(22.9)	(22.9)
Provisions (O&P)	(0.1)	(0.1)	-	-	-	-	-	-	-	-	-	-	-	-	(0.1)	(0.1)
Net Operating Losses	32.7	32.7	3.1	3.1	-	-	3.8	3.8	46.0	46.0	2.0	2.0	8.1	8.1	95.8	95.8
Net Operating Losses (O&P)	1.4	1.4	-	-	-	-	-	-	-	-	-	-	-	-	1.4	1.4
Minority Interests	(22.5)	(26.2)	(18.6)	(22.4)	(0.9)	(1.2)	(2.3)	(2.7)	(45.1)	(51.7)	(15.5)	(18.1)	-	-	(104.8)	(122.3)
Concluded Equity Value	259.7	318.1	52.1	67.2	71.8	118.0	26.7	33.2	443.3	521.8	43.8	52.6	80.8	94.2	978.2	1,205.1
Platform Adjustment	(15.1)	-	-	-	-	-	-	-	-	-	-	-	-	-	(15.1)	-
NOL Adjustment	(24.5)	(8.2)	(3.1)	(1.5)	-	-	(3.8)	(1.9)	(46.0)	(34.5)	(2.0)	(1.0)	(6.1)	(2.0)	(85.6)	(49.2)
Adjusted Equity Value	220.1	309.9	49.0	65.7	71.8	118.0	22.8	31.2	397.3	487.3	41.7	51.6	74.7	92.2	877.5	1,155.9
Discount Range (on Concluded EV)	40%	30%	50%	30%	60%	40%	50%	40%	40%	30%	50%	40%	40%	30%	43%	32%
Distressed AMA Discount	(104.7)	(97.1)	(35.2)	(26.8)	(49.3)	(51.5)	(11.9)	(12.3)	(192.3)	(169.8)	(28.8)	(27.6)	(41.7)	(35.3)	(464.0)	(420.4)
Indicative Distressed AMA Values	115.4	212.8	13.8	38.9	22.5	66.5	10.9	18.9	205.0	317.5	12.9	24.0	33.0	56.9	413.5	735.5

Notes: (1) the value of Online has been allocated to the respective geography by reference to revenue generated, and the value of Platform has been allocated to Spain; (2) we have ignored Restructuring costs on the assumption that these are incurred at HQ and paid from HQ cash.

Indicative summary estimated outcome statement

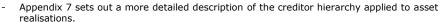
Our indicative analysis suggests that the SSN recovery could be between 30% and 72% in Alternative Scenario 1.

Indicative summary estimated outcome statement

Carmine - Summary EOS (Alternative Scenario 1)

€m	Low	B.V. / Claim		High	B.V. / Claim	
Realisations						
Goodwill	-	0.0	-	-	0.0	-
Intangible assets	-	9.6	-	0.9	9.6	9.0%
Non-current financial assets	-	0.0	-	0.0	0.0	100.0%
Land & buildings	-	-	-	-	-	-
Assets by right of use & improvements	-	4.7	-	0.9	4.7	20.0%
Slots	-	-	-	-	-	-
Other machines and terminals	-		-	-	-	.
Plant and equipment	-	0.2	-	0.0	0.2	20.0%
Furniture & Computer equipment	0.0	0.3	10.0%	0.1	0.3	30.0%
Inventory	-	-	-	-		
Receivables	0.0	0.1	30.0%	0.1	0.1	70.0%
Tax assets	-	3.5	-	3.4	3.5	98.2%
Other assets	4.2	11.5	36.5%	8.5	11.5	73.8%
Positive liabilities	-	0.1		0.1	0.1	100.0%
Cash & cash equivalents	11.9	29.0	41.1%	11.9	29.0	41.1%
Sold Entity: Receivables	285.5	999.0	28.6%	485.2	999.0	48.6%
Sold Entity: Equity	128.0	128.0	100.0%	250.3	250.3	100.0%
Total Realisations (exc. Group)	429.7	1,186.0	36.2%	761.4	1,308.2	58.2%
Intercompany						
Receivables (EPM)	0.5	2,092.0		8.8	2,092.0	
Investments		-			-	
Total Realisations (inc Group)	430.2			770.2		
Cost of Insolvency	(8.6)			(19.2)		
Lenders						
RCF	(91.0)	(91.0)	100.0%	(91.0)	(91.0)	100.0%
SBF - 3	-	`- '	-	-	`- ′	-
SSINs	(85.0)	(85.0)	100.0%	(85.0)	(85.0)	100.0%
SSNs	(231.2)	(769.9)	30.0%	(555.6)	(769.9)	72.2%
PDS Loan	(3.1)	(3.1)	100.0%	(0.5)	(3.1)	17.2%
Local Debt Facilities	-	-	-	-	-	-
Preferential Claims	(3.9)	(4.5)	87.1%	(3.3)	(3.3)	100.0%
Unsecured (e.g. Trade)	(6.8)	(36.9)	18.5%	(6.6)	(36.8)	18.0%
Equity	-			-		
Total Payments (exc. Group)	(429.7)			(761.4)		
Intercompany						
Pavables	(0.5)			(8.8)		
Equity 5	-			-		
Total Payments (inc. Group)	(430.2)			(770.2)		
Source: Management information						

Notes:



RCF, SBF and SSINs ranks senior to the SSNs under the ICA, and are therefore paid in priority. Pursuant to an "Agreement Amongst Lenders", the SSINs have agreed to turnover proceeds to the RCF.

Creditor waterfall

Cash proceeds are paid down the waterfall per local insolvency legislation.

- for liquidated entities, book values are multiplied by estimated to realise rates ("EtRs") to estimate potential Low / High insolvency realisations, which are added to Indicative Distressed AMA Values to get total realisations.
- 2 Proceeds are then applied down a creditor waterfall, which varies across different jurisdictions (see Appendix 7 for further details). Costs of realisations are typically paid in priority to creditor distributions.
- Asset specific claims are generally paid from those assets. This includes Lender claims secured by share and receivables pledges against HoldCo entities.
- Preferential claims are those afforded general priority, and typically include certain employee and tax claims. These are followed by unsecured claims (e.g. trade, and intercompany unless subordinated), then equity.
- 5 The intercompany matrix (for creditor claims, see Appendix 4) and Group structure (for equity, see page 9) redistribute value between estates. In some cases, intercompany claims in are subordinated to all other creditors.















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Scenario summary

In the event the Scheme is not approved, and a AMA process is not possible, it appears likely that liquidation (or similar local law processes) will follow.

Scenario Summary

Summary

In the event that it is not possible to secure a sale of the Group or its Divisions, we expect that the local operating entities will shortly experience a liquidity crisis.

The Group as a whole currently has a liquidity need, and failure to approve the Scheme will deprive the Group of a \leq 165m cash injection.

Local operating entities and / or their directors may then conclude that the respective entities are insolvent (according to local law definitions), and be required by local law to file for insolvency.

In addition, we expect that:

- Lenders would call on the guarantees provided by various holding entities with the Group; and
- Administrators would seek repayment of any intercompany amounts owed by Group subsidiaries.

In such circumstances, the operating entities would have insufficient funds to repay Lenders / intercompany balances, and it is likely that the majority of the Group's entities will ultimately enter insolvency proceedings.

Licence Considerations

The Group has provided a summary of its analysis of the impact of insolvency on its licences.

In summary, the Group is of the view that insolvencies at the respective licence holding entities are likely, in most jurisdictions, to trigger automatic termination of Group's licences, or give grounds for termination of the Group's licences.

We have not reviewed the Group's licences or validated the Group's summary analysis. However, if the Group's analysis is correct, then it may be advantageous to delay certain operating entity insolvencies (where local law permits and the relevant stakeholders support) in order to pursue pre-pack style disposals of businesses and assets.

Conclusion

In light of the above, if it is not possible to secure going concern equity sales of all or parts of the Group, then operating entity insolvencies will likely follow.

As such, we have considered the following scenarios: *High Case*

- Assumes insolvency office holders are appointed at the HoldCo level, but that there is sufficient funding available in the operating entities (either from cash available on appointment, liquidation of assets trading, or creditors), such that certain of the local entities may be able to avoid immediate insolvency (and licence termination).
- These local entities would instead look to pursue an accelerated sale of their respective business and assets. In such circumstances, assets can be realised on an individual basis at a discount to comparable market transactions.
- The insolvency discount is generally dependent on the asset type, specifics to the business / industry in question, and potentially duration of the insolvency.

Low Case

 If this is not possible, a shut down and forced sale of assets would follow.













Realisation rates

A low and high range of outcomes has been prepared reflecting our assessment of potential asset recoveries in different insolvency scenarios.

This illustrative range of recoveries also accounts for potentially significant differences in the nature and condition of the assets in the absence of more detailed asset information.













Insolvency outcome

Summary

We set out on the following page a high level directional estimated outcome statement for both high and low realisation scenarios (entity by entity estimated outcome statements are at Appendix 9).

In preparing our directional estimated outcome statements, we have reviewed Group entity balance sheets and identified various different categories of assets.

We have not conducted or been provided with any formal valuations of these assets. Instead, for each category of asset we have applied an estimated to realise ("EtR") rate for the high and low cases based on our experience of the likely level of realisations for that type of asset in the current situation. A summary of the EtR rates and our reasoning is at Appendix 6.

The High and Low Cases do not necessarily represent the "best" and "worst" outcomes for creditors, as our estimated to realise rates are predicated on incomplete information and a number of high level simplifying assumptions.

Realisations (see Appendix 6 for further detail)

The Groups main assets are:

- Goodwill (NBV: €199.7m): as is normal in a liquidation, we assume no recovery in both Low and High scenarios.
- Concessions, licences and intellectual property (NBV: €272.1m): we understand this represents licences to operate gaming activities. According to a Management report titled "Impact of insolvency and change of control of Codere on OpCo licences", dated 29 June 2020, insolvencies at licence holding entities are likely, in most jurisdictions, to trigger automatic termination of Group's licences, or give grounds for termination of the Group's licences. As such, we assume zero recovery for licences in Spain, Italy, Argentina and Mexico, and 0% to 100% recovery in Panama, Uruguay, and Colombia, resulting in a blended EtR rate of 0% to 11%.

- Assets by right-of-use and improvements (NBV:
 €260.7m): we understand from Management that the
 Group has previously been able to monetise leasehold
 premiums, and therefore assume an EtR range of 0%
 (Low) to 20% (High) in relation to both right-of-use
 assets (i.e. leases), and associated improvements.
- Land and Buildings (NBV: €133.2m):
 - Management has not provided a schedule of land and buildings by entity, and we understand independent valuations have not been undertaken.
 - We have therefore assumed that the land and buildings are generally held at c. market value, and we have applied a discount of 20% to 40%.
 - However, we understand from Management that the Centro Citibanamex building (NBV: €33.7m) is built on government land, and that the building is not transferrable. We have therefore assumed a 0% recovery for this asset, giving a blended EtR rate for land and buildings of 39% to 52%.
- Slot machines (NBV: €97.4m):
 - Management has provided its view of the realisable value of slot machines based on its understanding of market liquidity and achievable sales price per machine. This equated to a blended EtR rate of between c.180% to 190% of NBV.
 - In our experience, it is extremely rare for any asset (except appreciating assets) to realise above NBV in a liquidation. While it may be possible in some cases to realise in excess of 100% of NBV for an individual machine, we expect that accelerated forced sale of several thousand machines across multiple jurisdictions at the same time is likely to significantly impair realisations.
 - As such, we have assumed an EtR range of 100% to 150%, although we expect this to be optimistic.
- Cash and cash equivalents (NBV: €83.1m): we assume that the forecast cash balance (€94.0m after payment of restructuring costs) on the assumed liquidation date (31 October 2020) is fully recoverable, which implies a recovery of 113% of cash per the balance sheet as at 31 May 2020.

Indicative summary estimated outcome statement

Our indicative analysis suggests that the SSN recovery could be between 0% and 4% in Alternative Scenario 2.

This is, in part, due to the fact that Lenders have limited direct claims against the operating entities, and that intercompany claims (which Lenders rely on to draw value into HQ) are generally subordinated to all other creditors under local laws.















Indicative summary estimated outcome statement

Carmine - Summary EOS (Alternative Scenario 2)

€m	Low	B.V. / Claim		High	B.V. / Claim	
Realisations						
Goodwill	-	199.7	-	-	199.7	-
Intangible assets	34.8	367.3	9.5%	83.3	367.3	22.7%
Non-current financial assets	-	16.7	-	16.7	16.7	100.0%
Land & buildings	59.7	133.2	44.8%	79.6	133.2	59.8%
Assets by right of use & improvements	-	260.6	-	52.1	260.6	20.0%
Slots	97.4	97.4	100.0%	146.0	97.4	150.0%
Other machines and terminals	1.0	8.9	11.8%	2.8	8.9	31.8%
Plant and equipment	2.6	35.5	7.2%	9.7	35.5	27.2%
Furniture & Computer equipment	1.6	15.9	10.0%	4.8	15.9	30.0%
Inventory	1.3	9.7	13.5%	2.8	9.7	29.2%
Receivables	16.5	55.1	30.0%	38.5	55.1	70.0%
Tax assets	-	120.9	-	52.0	120.9	43.0%
Other assets	16.0	50.3	31.9%	34.4	50.3	68.4%
Positive liabilities	-	5.9	-	5.9	5.9	100.0%
Cash & cash equivalents	94.0	83.1	113.1%	94.0	83.1	113.1%
Sold Entity: Receivables	-	-	-	-	-	-
Sold Entity: Equity			-			-
Total Realisations (exc. Group)	324.9	1,460.1	22.3%	622.7	1,460.1	42.6%
Intercompany						
Receivables (EPM)	3.7	4,343.3		118.8	4,343.3	
Investments	5.9	-		13.0	-	
Total Realisations (inc Group)	334.6			754.6		
Cost of Insolvency	(19.9)			(45.9)		
Lenders						
RCF	(70.3)	(91.0)	77.3%	(91.0)	(91.0)	100.0%
SBF 3	(3.9)	(3.9)	100.0%	(3.9)	(3.9)	100.0%
SSINs	-	(85.0)	-	(85.0)	(85.0)	100.0%
SSNs	_	(769.9)	_	(31.6)	(769.9)	4.1%
PDS Loan	(3.1)	(3.1)	100.0%	(0.2)	(3.1)	5.4%
Local Debt Facilities	(29.2)	(83.2)	35.0%	(44.8)	(83.2)	53.8%
Preferential Claims	(171.4)	(257.0)	66.7%	(181.9)	(187.2)	97.2%
Unsecured (e.g. Trade)	(23.6)	(845.8)	2.8%	(132.1)	(629.3)	21.0%
Equity	(3.5)			(6.4)		
Total Payments (exc. Group)	(324.9)			(622.7)		
Intercompany						
Pavables	(3.7)			(118.8)		
Equity 5	(5.9)			(13.0)		
Total Payments (inc. Group)	(334.6)			(754.6)		
Source: Management information	<u></u>					

Notes

- Appendix 7 sets out a more detailed description of the creditor hierarchy applied to asset realisations.
- RCF, SBF and SSINs ranks senior to the SSNs under the ICA, and are therefore paid in priority. Pursuant to an "Agreement Amongst Lenders", the SSINs have agreed to turnover proceeds to the RCF.

Creditor waterfall

Cash proceeds are paid down the waterfall per local insolvency legislation.

- 1 For liquidated entities, book values are multiplied by Estimated to Realise ("EtRs") rates to estimate potential Low / High insolvency realisations. In Alternative Scenario 2, there are no "Sold Entities".
- 2 Proceeds are then applied down a creditor waterfall, which varies across different jurisdictions (see Appendix 7 for further details). Costs of realisations are typically paid in priority to creditor distributions.
- 3 Asset specific claims are generally paid from those assets. This includes Lender claims secured by share and receivables pledges against HoldCo entities.
- 4 Preferential claims are those afforded general priority, and typically include certain employee and tax claims. These are followed by unsecured claims (e.g. trade, and intercompany unless subordinated), then equity.
- 5 The intercompany matrix (for creditor claims, see Appendix 4) and Group structure (for equity, see page 9) redistribute value between estates. In some cases, intercompany claims in are subordinated to all other creditors.

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Scope and basis of work

Scope

This report addresses our Liquidation Outcome Analysis scope of work only, as detailed in our engagement letter dated 24 July 2020. The scope of our work is set out below:

Liquidation Outcome Analysis

- You have asked us to prepare a liquidation estimated outcome analysis (i.e. an Entity Priority Model) to provide an indication of the likely returns to different creditors in the event that the Scheme is not approved and the Group is liquidated.
- In order to achieve this, our work will analyse:
- The Group structure;
- The Group including analysis of the debt and security structure;
- Individual entity balance sheets;
- Intercompany balance position;
- Key intra Group and other operational dependencies; and
- Other key stakeholders
- In addition, we may also perform a high-level analysis of the Group's cash and liquidity forecasts.
- As part of the above we may comment on any of the Companies and/or their advisers' work relating to the fair value or other such valuation of the Group or its assets.

Distressed Sale Outcome Analysis

 In addition to the Liquidation Outcome Analysis above, you have asked us to prepare an estimated outcome analysis (i.e. a further Entity Priority Model) to provide an indication of the likely returns to different creditors in the event that the Scheme is not approved and that the most likely alternative to the Scheme is a distressed sale of at least parts of the Group rather than liquidation.

- In order to achieve this, our work will analyse (in addition to those factors listed for the "Liquidation" Outcome Analysis" above):
 - Whether entities or business units within the Group are likely to be deemed to have material value which could be realised through a distressed sale to a market participant:
 - Whether such divisions would likely have or have access to sufficient liquidity to survive such a process, and whether they would be separable in such circumstances; and
 - The indicative value which these entities or business units may be realised for in the market.

The remaining areas of our scope of work, detailed under the heading "High-level limited scope Going Concern Valuation", will be addressed in our separate indicative valuation report (the "Valuation Report").













Scope and basis of work

Limitations

- Parts of our scope of work have been completed in a shorter time period than would usually be expected for a report of this nature. In particular we note that although we received the first tranche of information on 7 July 2020, we continued to receive new information until shortly prior to the issuance of this report, and have therefore not been able to consider all information in the level of detail that we normally would. Were we to have more time, we would be able to obtain more information and explanations from Management, which would enable us to refine our analysis.
- Our outcome analysis has been prepared using the Group's entity balance sheets and intercompany balances as at 31 May 2020, together with the Group's cash flow forecast. We have not been provided with entity balance sheets and intercompany balances as at a more recent date. We assume that there have been no material changes to the entity balance sheets and intercompany balances since 31 May 2020, except as noted on page 53 (Adjustments to financial information).
- We have relied on information and explanations provided to us by Management and the Scheme Counsel. However, in some cases, the Group or Scheme Counsel have been unable to provide all of the information requested, including explanations and reconciliations in relation to various items of financial information.
- We have not, and will not, undertake any marketing to assess the realisable value of the businesses and / or assets of the Group. Our procedures are not intended to determine specific values for the Group and, accordingly, we will not express such an opinion.
- The analysis in this report is directional only in order to demonstrate the prospect of returns across the creditor classes and should not be treated as a valuation of the Group.

- We have not reviewed security documentation and assume that all security is valid and enforceable. We have relied on "Appendix 4 Group security and structure chart from Project Climb – Codere – Discussion Paper 80641-5-8910 v0.c" provided by the Scheme Counsel, plus Management review for factual accuracy of the debt schedules on slides 14 and 15.
- Except where stated, we have not considered tax liabilities within our analysis, which may impact recoveries, as this is not in the scope of our review.
- We recommend the Group reviews the scenarios with the Scheme Counsel, as at the date of this report this analysis has not been subjected to legal review.
- Further limitations and details of key assumptions underpinning our analysis are set out at Appendices 6 and 7.

Access to Management and information

Our work has been performed on a desktop basis with very limited access to Management and is not intended as a detailed review of the operations or financial position of the Group.

Our work is also based on discussions with, and information provided to us by, the Scheme Counsel.

The information we have used to prepare the report has been provided to us by the Management and Scheme Counsel, or is derived from our own research of publicly available sources. Our procedures did not include verification work or constitute an audit in accordance with auditing standards.

Forecasts

The assumptions behind the Group's forecasts are the sole responsibility of Management. We comment on the assumptions but can accept no responsibility for them, or the ultimate realisation of the forecasts. You should also note that there will usually be differences between forecast and actual results because circumstances frequently do not occur as expected, and these differences may be material.













Scope and basis of work

Limitations (continued)

Liability

We shall not under any circumstances whatsoever be under any liability to any party other than the clients per our engagement letter dated 24 July 2020, for whatever the clients may or may not do in reliance on the report or any other information, opinions or advice given to the clients by us. Any further work done or advice given in relation to the engagement will be on this basis.

Post date events

This report is issued on the understanding that Management has drawn our attention to all matters of which they are aware concerning the financial position of the Group which may have an impact on our report up to 21 August 2020. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Management representation

Management confirms that Management and the Scheme Counsel have reviewed a draft of this report, and their comments have been incorporated.

Estimated outcome statement

The insolvency values are based on high level financial and other information. We have not performed any appraisal or independent verification of assets and liabilities, so outcomes must be viewed as illustrative only.

At the time of writing, we understand the Group is working towards implementation of the Scheme. Should that cease to be the case, we recommend that a more detailed contingency planning exercise is carried out and that an updated EOS is prepared based on refined assumptions and up-to-date balance sheets, which may require valuations to be undertaken on various balance sheet items.













COVID-19

The scope of Services does not include any consideration of the likely impact of Coronavirus ("COVID-19") on sales, production, supply chain or any other aspect of the business, which may have an adverse impact on the performance of the Group. You should consider the increasingly broad effects on the financial condition of the Group as a result of the negative impact on the domestic and global economies and major financial markets from COVID-19.

Management full Group structure see A3 extract

Management full Group structure

See A3 extract at end of report

We have taken a full Group structure chart provided by Management and sought to colour code by reference to Divisions.

For this purpose, we have allocated:

- Codere Apuestas Espana S.A. (Platform) and Codere Online S.A.U. (Online) to Spain.
- · Remaining Online entities (which we understand are shared service providers) to Headquarters.
- Headquarters entities and non-operational entities (i.e. Codere Chile and Codere Brazil) to "HQ & nonop".













Entity contribution balance sheets – see A3 extract

Entity contribution balance sheets

See A3 extract at end of report















Entity intercompany matrix – see A3 extract

Intercompany matrix

See A3 extract at end of report









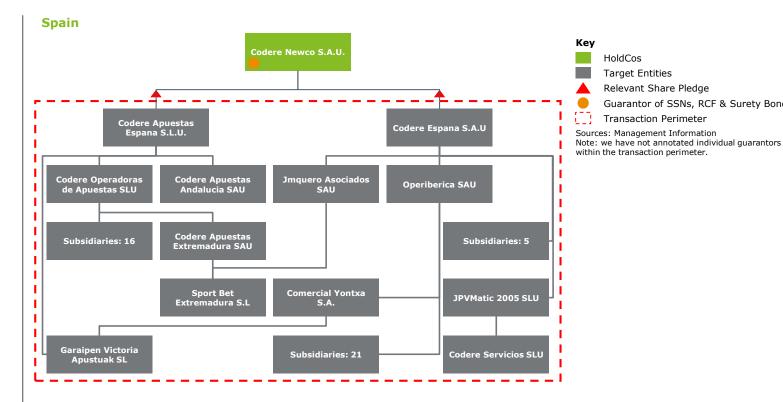








Divisional disposals



Summary of division as at May-20 (unless

Total Assets (contribution): €202.1m

• Shareholdings crossing transaction perimeter: 2

• Revenue: €228.3m (Dec-19)

• EBITDA: €53.1m (Dec-19)

Net Financial Debt: €14.3m

otherwise stated)

Guarantors: 5

• Employees: 1,227

Local Debt: €4.6m

• Fntities: 54

Sale

• The sale of Spain would be delivered by the sale of two shareholdings by one vendor. The vendor (Codere Newco) is a guarantor of the Lenders, and so Lenders should be able to control any insolvency appointment and sale process.

HoldCos Target Entities Relevant Share Pledge

Transaction Perimeter

Guarantor of SSNs, RCF & Surety Bonds

- In addition, both of the above shareholdings are pledged in favour of the Lenders, and so any equity value (after dealing with any intercompany claims) should flow to Lenders.
- We assume the sale of Spain includes Platform and Codere Online, the Spanish Online entity.















Divisional disposals

Spain

Distressed AMA feasibility

- We understand from Management that:
- Numerous parties expressed an interest in acquiring Spain during the Group's 2016 restructuring.
- The Group has subsequently been approached on more than one occasion by parties interested in acquiring Spain.
- Management has identified additional parties who may be interested in acquiring Spain, although the buyer pool may be restricted due to competition issues in Spain, given the size of the Group's existing market share.
- Summary: we understand that Management is of the view that Spain should be readily disposable in an AMA scenario.

Distressed AMA discount

- As set out on page 25, in a distressed AMA transaction valuers typically apply discounts of 30% - 40%, but in light of the current global economic situation, we have seen the upper end of the discount range increase, in some cases to c. 60%.
- In this case, given the track record of buyer's interest in Spain and Management's views on the likely level of interest if Spain were to be marketed, we have applied a modest discount of 30% - 40%, but after accounting for the following:
- Platform: in our low case, we assume that a buyer already has its own platform, and therefore does not attribute any value to Platform.
- NOL: in our low case, we assume that a buyer discounts the NOL by 75%, and in our high case by 25%.

Management view re. Sale Prospects: Key

High confidence

Medium confidence Low confidence

Indicative Distressed AMA Values

6	Spa	iin
€m	Low	High
Concluded Equity Value	259.7	318.1
Platform Adjustment	(15.1)	-
NOL Adjustment	(24.5)	(8.2)
Adjusted Equity Value	220.1	309.9
Distressed AMA Discount	(104.7)	(97.1)
Indicative Distressed AMA Values	115.4	212.8
Allocated to HQ Intercompany Claims	(115.4)	(212.8)
Allocated to Equity		_

Allocated to Equity

Intercompany Claim Summary					
€m	Receivables	Payables			
Spain	410.6	(410.6)			
Italy	0.0	(0.0)			
Argentina	-	-			
Colombia	0.6	(0.9)			
Mexico	0.4	-			
Panama	0.2	-			
Uruguay	0.0	-			
Pledged	-	(356.6)			
Not Pledged	13.3	(3.5)			
Headquarters	13.3	(360.1)			
Total	425.1	(771.6)			
Non-EPM	7.0	(6.9)			
Total	432.1	(778.5)			

Equity Allocations

Sold Entity		Vendor	Vendor	Allocated to	o Vendor	Diadecad
Code Entity Name	Code	Entity Name	Ownership	Low Case	High Case	Pledged
FVER CODERE ESPAÑA, S.A.U.	CNEW	CODERE NEWCO, S.A.U.	100%	-	-	Yes
CAES CODERE APUESTAS ESPAÑA, S.L.U.	CNEW	CODERE NEWCO, S.A.U.	100%	-	-	Yes
Total			- -	-	-	





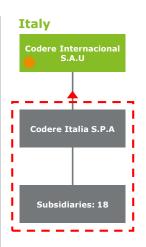








Divisional disposals



Key HoldCos Target Entities Relevant Share Pledge

Guarantor of SSNs, RCF & Surety Bonds

Transaction Perimeter

Sources: Management Information Note: we have not annotated individual guarantors within the transaction perimeter.

Summary of division as at May-20 (unless otherwise stated)

• Entities: 19 • Guarantors: 4 • Employees: 818

Total Assets (contribution): €159.5m

• Revenue: €340.6m (Dec-19) • EBITDA: €28.4m (Dec-19)

• Local Debt: €2.7m Net Cash: €8.8m

· Shareholdings crossing transaction perimeter: 1

Sale

- · The sale of Italy would be delivered by the sale of one shareholding by one vendor. The vendor (Codere Internacional) is a guarantor of the Lenders, and so Lenders should be able to control any insolvency appointment and sale process.
- In addition, the above shareholding is pledged in favour of the Lenders, and so any equity value (after dealing with any intercompany claims) should flow to Lenders.















Divisional disposals

Italy

Distressed AMA feasibility

- We understand from Management that:
- Italy is likely to attract interest from Private equity and strategic purchasers, although the number of bidders may be depressed due to COVID-19. Two potential strategic purchasers recently refinanced and may now be well-positioned from a liquidity perspective to undertake strategic acquisitions such as this one.
- There have been prior expressions of interest in Italy, but the Group did not progress any of these enquiries. A number of these interested parties were also seeking to acquire Spain.
- Italy's key licence, Codere Network, matures in January 2022 and will require significant investment to renew.
- Summary: we understand that Management is of the view that Italy should be disposable in an AMA scenario, but it is perhaps not as attractive an asset as Spain.

Distressed AMA discount

- As set out on page 25, in a distressed AMA transaction valuers typically apply discounts of 30% - 40%, but in light of the current global economic situation, we have seen the upper end of the discount range increase, in some cases to c. 60%.
- In this case, given the track record of buyer's interest in Italy and Management's views on the likely level of interest if Italy were to marketed, but to reflect the potential challenge of divesting Italy as a standalone division without Spain, we have applied a discount of 30% - 50%, but after accounting for the following:
 - NOL: in our low case, we assume that a buyer discounts the NOL value in full, and in our high case by 50%.

Management view re. Sale Prospects: Key

High confidence

Low confidence

Medium confidence

Indicative Distressed AMA Values

C.m.	Italy		
€m	Low	High	
Concluded Equity Value	52.1	67.2	
Platform Adjustment	-	-	
NOL Adjustment	(3.1)	(1.5)	
Adjusted Equity Value	49.0	65.7	
Distressed AMA Discount	(35.2)	(26.8)	
Indicative Distressed AMA Values	13.8	38.9	
Allocated to HQ Intercompany Claims	(13.8)	(38.9)	
Allocated to Equity	-	-	

Intercompany Claim Summary					
€m	Receivables	Payables			
Spain	0.0	(0.0)			
Italy	53.6	(53.6)			
Argentina	-	-			
Colombia	-	-			
Mexico	-	-			
Panama	-	-			
Uruguay	-	-			
Pledged	-	-]			
Not Pledged	0.3	(63.1)			
Headquarters	0.3	(63.1)			
Total	53.9	(116.7)			
Non-EPM	3.4	(3.4)			
Total	57.3	(120.2)			

Equity Allocations

Sold Entity		Vendor		Vendor Allocated to Vendor		Dladgad
Code Entity Name	Code	Entity Name	Ownership	Low Case	High Case	Pledged
CITALI CODERE ITALIA, S.P.A.	CINT	CODERE INTERNACIONAL, S.A.U.	100%	-	-	Yes
Total			_	-	-	•







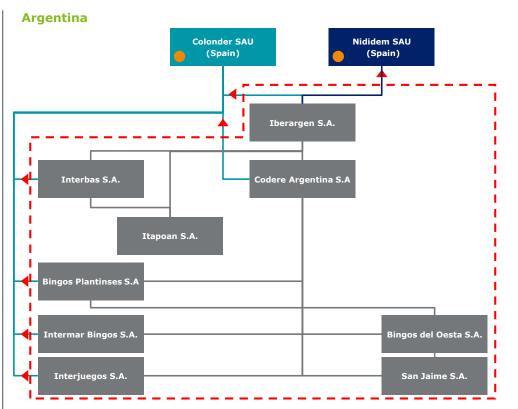








Divisional disposals



Nididem SAU Colonder SAU Target Entities Relevant Share Pledge Guarantor of SSNs, RCF & Surety Bonds Transaction Perimeter

Sources: Management Information Note: we have not annotated individual guarantors within the transaction perimeter.

Summary of division as at May-20 (unless otherwise stated)

• Entities: 9

• Guarantors: 8

• Employees: 2,747

• Total Assets (contribution): €165.5m

• Revenue: €307.5m (Dec-19)

• EBITDA: €72.4m (Dec-19)

· Local Debt: N/A

• Net Financial Debt: €6.8m

• Shareholdings crossing transaction perimeter: 7

Sale

- The sale of Argentina would be delivered by the sale
 of seven shareholdings by two vendors. Both of the
 vendors are guarantors of the Lenders, and so the
 Lenders should be able to control any insolvency
 appointments (appointing a single liquidator) and
 sale process.
- In addition, all of the above shareholdings are pledged in favour of the Lenders, and so any equity value (after dealing with any intercompany claims) should flow to Lenders.















Divisional disposals

Argentina

Distressed sale feasibility

- We understand from Management that:
- Political and macroeconomic instability may deter international buyers, and hyperinflation creates uncertainty around value.
- The Group has received prior interest from local competitors, but
 - a lack of precedents may mean the buyer pool is limited;
 - the scale of Group operations may mean local competitors are incapable of acquiring the whole division; and
 - any divestment on a piecemeal basis would likely create significant tax liabilities at vendor entities.
- A number of licences are due for renewal in 2-3 years, which may deter internationals with no existing regulator relationships.
- Summary: we understand that Management is of the view that Argentina should be disposable in an AMA scenario, but interest may be limited to local competition, and at a hall or entity level.
- However, for the purposes of our analysis, given that each Argentinian entity (except one) is subject to a share pledge in favour of Lenders, we assume that a sale of parts of Argentina will provide a broadly similar outcome to a sale of all of Argentina.

Distressed AMA discount

- As set out on page 25, in a distressed AMA transaction valuers typically apply discounts of 30% - 40%, but in light of the current global economic situation, we have seen the upper end of the discount range increase, in some cases to c. 60%.
- Given the challenges associated with the region, tax considerations and licence expiries, we have applied a discount of 40% 60%.

Management view re. Sale Prospects: Key

y

High confidenceMedium confidence

Low confidence

Indicative Distressed AMA Values

6	Argentina			
€m	Low	High		
Concluded Equity Value	71.8	118.0		
Platform Adjustment	-	-		
NOL Adjustment	-	-		
Adjusted Equity Value	71.8	118.0		
Distressed AMA Discount	(49.3)	(51.5)		
Indicative Distressed AMA Values	22.5	66.5		
Allocated to HQ Intercompany Claims	(12.9)	(12.9)		
Allocated to Equity	9.6	53.7		

Intercompany Claim Summary						
€m	Receivables	Payables				
Spain	-	-				
Italy	-	-				
Argentina	19.6	(19.6)				
Colombia	-	-				
Mexico	-	-				
Panama	0.0	-				
Uruguay	0.0	-				
Pledged	-	- "				
Not Pledged	2.4	(12.9)				
Headquarters	2.4	(12.9)				
Total	22.1	(32.5)				
Non-EPM		-				
Total	22.1	(32.5)				

Equity Allocations

Sold Entity		Vendor		Allocated to Vendor		Diadaad
Code Entity Name	Code	Entity Name	Ownership	Low Case	High Case	Pledged
ITBA INTERBAS, S.A.	COLO	COLONDER, S.A.U.	30%	1.2	4.1	Yes
IBAR IBERARGEN, S.A.	NIDI	NIDIDEM, S.A.U.	5%	0.4	2.3	Yes
IBAR IBERARGEN, S.A.	COLO	COLONDER, S.A.U.	95%	6.8	43.3	Yes
INTE INTERJUEGOS, S.A.	COLO	COLONDER, S.A.U.	17%	0.3	1.0	Yes
ITMB INTERMAR BINGOS, S.A.	COLO	COLONDER, S.A.U.	13%	0.1	0.4	Yes
BPLA BINGOS PLATENSES, S.A.	COLO	COLONDER, S.A.U.	10%	0.3	0.8	Yes
CARG CODERE ARGENTINA, S.A.	COLO	COLONDER, S.A.U.	10%	0.5	1.7	Yes
Total			-	9.6	53.7	













Divisional disposals

Colombia **Codere Internacional** (Spain) **Codere Internacional** Dos SA (Spain) Codere Latam SA Colonder SAU **Nididem SAU** (Spain) (Spain) (Spain) Codere Latam Colombia S.A Codere Colombia S.A Bingos Codere S.A. Intersare S.A.

Summary of division as at May-20 (unless

Total Assets (contribution): €17.3m

· Shareholdings crossing transaction perimeter: 11

• Revenue: €24.0m (Dec-19)

• EBITDA: €5.5m (Dec-19)

otherwise stated)

Guarantors: 0

• Employees: 375

Local Debt: €0.5m

Net Cash: €1.8m

Fntities: 4



 The sale of Colombia would be delivered by the sale of eleven shareholdings by five vendors. All of the vendors are guarantors of the Lenders, and so the Lenders should be able to control any insolvency appointments (appointing a single liquidator) and sale process.

Key

Codere Latam SA

Nididem SAU

Colonder SAU

Other HoldCos

Target Entities Relevant Share Pledge

transaction perimeter.

Transaction Perimeter Sources: Management Information

Guarantor of SSNs, RCF & Surety Bonds

Note: we have not annotated individual guarantors within the

• However, only three of the eleven shareholdings are pledged in favour of Lenders, and so a proportion of the equity value (after dealing with any intercompany claims) will need to be allocated the vendors' insolvency estates to be distributed pursuant the relevant insolvency waterfall.















Divisional disposals

Colombia

Distressed sale feasibility

- We understand from Management that:
- Colombia's pre-existing Online operations differentiate it from its competitors, and the absence of regulatory limits on the opening of new gaming halls make it an attractive jurisdiction.
- The business is currently underperforming vs. its peers and its own historical performance, which may present an opportunity for a purchaser to turnaround the business and generate value. However, the business is also undergoing an operational restructuring which may present an obstacle to a sale.
- There is likely to be interest from both local competitors and regional strategic purchasers. However, divestment may need to be on a piecemeal basis to a number of different purchasers, which may be logistically complex.
- Summary: we understand that Management is of the view that Colombia should be disposable in an AMA scenario.

Distressed AMA discount

- As set out on page 25, in a distressed AMA transaction valuers typically apply discounts of 30% - 40%, but in light of the current global economic situation, we have seen the upper end of the discount range increase, in some cases to c. 60%.
- In this case, given the blend of opportunities and challenges in Colombia, we have applied a discount of 40% 50%, but after accounting for the following:
- NOL: in our low case, we assume that a buyer discounts the NOL value in full, and in our high case by 50%.

Management view re. Sale Prospects:

Key

High confidence

Medium confidenceLow confidence

Indicative Distressed AMA Values

C	Colombia		
€m	Low	High	
Concluded Equity Value	26.7	33.2	
Platform Adjustment	-	-	
NOL Adjustment	(3.8)	(1.9)	
Adjusted Equity Value	22.8	31.2	
Distressed AMA Discount	(11.9)	(12.3)	
Indicative Distressed AMA Values	10.9	18.9	
Allocated to HQ Intercompany Claims	(10.6)	(18.0)	
Allocated to Equity	0.3	1.0	

Intercompany Claim Summary					
€m	Receivables	Payables			
Spain	0.9	(0.6)			
Italy	-	-			
Argentina	-	-			
Colombia	5.4	(5.4)			
Mexico	0.0	-			
Panama	-	-			
Uruguay	-	-			
Pledged	-	-]			
Not Pledged	0.1	(30.0)			
Headquarters	0.1	(30.0)			
Total	6.4	(36.0)			
Non-EPM	-				
Total	6.4	(36.0)			

Equity Allocations

	Sold Entity		Vendor	Vendor _	Allocated to	o Vendor	Diodese
Code	Entity Name	Code	Entity Name	Ownership	Low Case	High Case	Pledged
CCOL	CODERE COLOMBIA, S.A.	NIDI	NIDIDEM, S.A.U.	3%	-	0.2	Yes
CCOL	CODERE COLOMBIA, S.A.	CLAT	CODERE LATAM, S.A.	2%	-	0.1	Yes
CCOL	CODERE COLOMBIA, S.A.	CINT	CODERE INTERNACIONAL, S.A.U.	0%	-	0.0	Yes
BGCO	BINGOS CODERE, S.A.	COLO	COLONDER, S.A.U.	0%	0.0	0.0	No
BGCO	BINGOS CODERE, S.A.	CLAT	CODERE LATAM, S.A.	6%	0.3	0.7	No
INTS	INTERSARE, S.A.	NIDI	NIDIDEM, S.A.U.	0%	0.0	0.0	No
CLCO	CODERE LATAM COLOMBIA, S.A.	CINT	CODERE INTERNACIONAL, S.A.U.	0%	-	-	No
CLCO	CODERE LATAM COLOMBIA, S.A.	CIN2	CODERE INTERNACIONAL DOS, S.A.U.	0%	-	-	No
CLCO	CODERE LATAM COLOMBIA, S.A.	COLO	COLONDER, S.A.U.	2%	-	-	No
CLCO	CODERE LATAM COLOMBIA, S.A.	CLAT	CODERE LATAM, S.A.	94%	-	-	No
CLCO	CODERE LATAM COLOMBIA, S.A.	NIDI	NIDIDEM, S.A.U.	4%	-	-	No
Total				_	0.3	1.0	

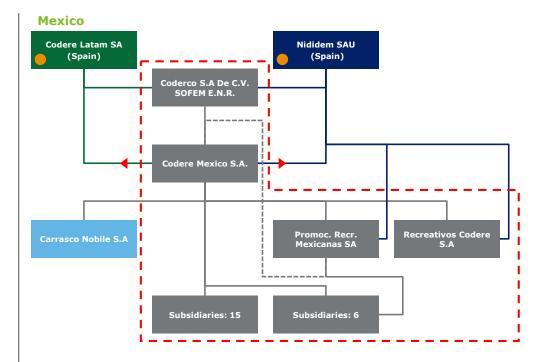


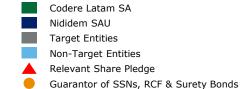






Divisional disposals





Transaction Perimeter
Upward ownership

Key

Sources: Management Information Note: we have not annotated individual guarantors within the transaction perimeter.

Summary of division as at May-20 (unless otherwise stated)

• Entities: 25

• Guarantors: 1

• Employees: 4,397

Total Assets (contribution): €577.3m

Revenue: €300.2m (Dec-19)
 EBITDA: €111.1m (Dec-19)

• Local Debt: €29.5m

Net Financial Debt: €36.7m

Shareholdings crossing transaction perimeter: 6
 (exc. Carrasco Nobile, which forms part of Uruguay
 and will need to be carved out)

Sale

- The sale of Mexico would be delivered by the sale of six shareholdings by two vendors. Both vendors are guarantors of the Lenders, and so Lenders should be able to control any insolvency appointments (appointing a single liquidator) and sale process.
- However, only two of the six shareholdings are pledged in favour of Lenders, and so a proportion of the equity value (after dealing with any intercompany claims) will need to be allocated the vendors' insolvency estates to be distributed pursuant the relevant insolvency waterfalls.















Divisional disposals

Mexico

Distressed sale feasibility

- We understand from Management that:
- Mexico is the retail market leader within the region, with its Online proposition up and running and a very attractive licence profile with no material imminent renewals.
- The Group has received interest for Mexico in the past but price differences prevented any transaction from progressing.
- A sale of Mexico would likely attract a range of interested parties, including international purchasers and local bidders.
- Summary: we understand that Management is of the view that Mexico should be readily disposable in an AMA scenario.

Distressed AMA discount

- As set out on page 25, in a distressed AMA transaction valuers typically apply discounts of 30% - 40%, but in light of the current global economic situation, we have seen the upper end of the discount range increase, in some cases to c. 60%.
- In this case, given the track record of interest in Mexico and Management's views on the likely level of interest if Mexico were to marketed, we have applied a modest discount of 30% - 40%, but after accounting for the following:
- NOL: Mexico has a significant volume of outstanding litigation, with claims relating to tax exceeding €100m. In light of this, and the fact that an accelerated timetable will likely limit buyer due diligence, we would expect buyers to heavily discount the NOL. Therefore in our low case we assume that a buyer discounts the NOL by 100%, and in our high case by 75%.

Management view re. Sale Prospects: Key

High confidence

Medium confidence
Low confidence

Indicative Distressed AMA Values

	Mex	Mexico		
€m	Low	High		
Concluded Equity Value	443.3	521.8		
Platform Adjustment	-	-		
NOL Adjustment	(46.0)	(34.5)		
Adjusted Equity Value	397.3	487.3		
Distressed AMA Discount	(192.3)	(169.8)		
Indicative Distressed AMA Values	205.0	317.5		
Allocated to HQ Intercompany Claims	(118.1)	(176.9)		
Allocated to Equity	86.9	140.6		

Intercompany Claim Summary				
Division	Receivables	Payables		
Spain	-	(0.4)		
Italy	-	-		
Argentina	-	-		
Colombia	-	(0.0)		
Mexico	734.5	(734.5)		
Panama	1.3	(0.3)		
Uruguay	0.0	(0.1)		
Pledged	-			
Not Pledged	1.1	(492.5)		
Headquarters	1.1	(492.5)		
Total	736.9	(1,227.6)		
Non-EPM	61.0	(61.0)		
Total	797.9	(1,288.7)		

Equity Allocations

Sold Entity		Vendor	Vendor _	Allocated to	Vendor	Diadead
Code Entity Name	Code	Entity Name	Ownership	Low Case	High Case	Pledged
CMEX CODERE MÉXICO, S.A. DE C.V.	CLAT	CODERE LATAM, S.A.	49%	88.7	144.4	Yes
CMEX CODERE MÉXICO, S.A. DE C.V.	NIDI	NIDIDEM, S.A.U.	1%	1.1	1.8	Yes
SCOM CODERCO, S.A. DE C.V., SOFOM, E.N.R.	CLAT	CODERE LATAM, S.A.	100%	-	-	No
SCOM CODERCO, S.A. DE C.V., SOFOM, E.N.R.	NIDI	NIDIDEM, S.A.U.	0%	-	-	No
PREM PROMOCIONES RECREATIVAS MEXICANAS, S.A. DE C.V.	NIDI	NIDIDEM, S.A.U.	10%	0.0	0.0	No
RCOM RECREATIVOS CODERE, S.A. DE C.V.	NIDI	NIDIDEM, S.A.U.	10%	-	-	No
Total			_	89.9	146.3	

Note: Carrasco Nobile, S.A. (Uruguay Division) is a subsidiary of the Mexico Division, and its equity value is rolled up into Mexico



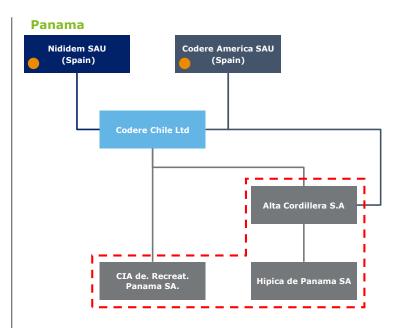








Divisional disposals



Nididem SAU Codere America SAU Target Entities Non-Target Entities Guarantor of SSNs, RCF & Surety Bonds Transaction Perimeter

Sources: Management Information Note: we have not annotated individual guarantors within the transaction perimeter.

Summary of division as at May-20 (unless otherwise stated)

• Entities: 3

Guarantors: 1Employees: 935

Total Assets (contribution): €128.4m

Revenue: €71.2m (Dec-19)
 EBITDA: €16.6m (Dec-19)

Local Debt: €2.3mNet Cash: €0.8m

• Shareholdings crossing transaction perimeter: 2

Sale

- The sale of Panama would be delivered by the sale
 of three shareholdings by two vendors. One vendor
 (Codere America) is a guarantor of the Lenders, and
 so Lenders should be able to control any insolvency
 appointment. However the other vendor is not a
 guarantor, and has only minimal intercompany
 liabilities, and so local management cooperation
 may be required to effect a sale, either via a
 liquidation or otherwise.
- Neither of the shareholdings is pledged in favour of Lenders, and so the equity value (after dealing with any intercompany claims) will need to be allocated the vendors' insolvency estates to be distributed pursuant the relevant insolvency waterfalls.













Divisional disposals

Panama

Distressed sale feasibility

- We understand from Management that:
- The Group has not made any previous efforts to sell Panama and has not received any unsolicited offers.
- The business is small but profitable and USD denominated, reducing FX risk for international purchasers. However, the buyer pool is likely to be limited, and primarily comprise local competitors and regional strategic acquirers.
- The only other significant market participant in Panama has a near monopoly and may therefore be unable to participate in any sales process.
- The business is currently restructuring a number of its gaming venues and management team, which may represent a transaction obstacle. In addition, the retail regulatory environment is fairly opaque, which may deter purchasers.
- Summary: we understand that Management is of the view that Panama may be disposable in an AMA scenario.

Distressed AMA discount

- As set out on page 25, in a distressed AMA transaction valuers typically apply discounts of 30% - 40%, but in light of the current global economic situation, we have seen the upper end of the discount range increase, in some cases to c. 60%.
- In this case, given the lack of previous interest and uncertainty regarding buyer pool, we have applied a discount of 40% - 50% but after accounting for the following:
- NOL: in our low case, we assume that a buyer discounts the NOL value in full, and in our high case by 50%.

Management view re. Sale Prospects:

Key

High confidence

Medium confidence Low confidence

Indicative Distressed AMA Values

intercompany Claim Summary

6	Pana	Panama		
€m	Low	High		
Concluded Equity Value	43.8	52.6		
Platform Adjustment	-	-		
NOL Adjustment	(2.0)	(1.0)		
Adjusted Equity Value	41.7	51.6		
Distressed AMA Discount	(28.8)	(27.6)		
Indicative Distressed AMA Values	12.9	24.0		
Allocated to HQ Intercompany Claims	(12.9)	(24.0)		
Allocated to Equity	-	-		

Intercompany Claim Summary					
€m	Receivables	Payables			
Spain	-	(0.2)			
Italy	-	-			
Argentina	-	(0.0)			
Colombia	-	-			
Mexico	0.3	(1.3)			
Panama	2.9	(2.9)			
Uruguay	-	-			
Pledged	-	-]			
Not Pledged	4.4	(38.9)			
Headquarters	4.4	(38.9)			
Total	7.6	(43.3)			
Non-EPM	-	_			

7.6

Equity Allocations

Sold Entity	Vendor	Vendor	Allocated to	o Vendor	Pledged
Code Entity Name	Code Entity Name	Ownership	Low Case	High Case	rieugeu
ACOR ALTA CORDILLERA, S.A.	CAME CODERE AMÉRICA, S.A.U.	69%	-	-	No
ACOR ALTA CORDILLERA, S.A.	CCHILE CODERE CHILE, LTDA.	6%	-	-	No
REPA COMPAÑÍA DE RECREATIVOS DE PANAMÁ, S.A.	CCHILE CODERE CHILE, LTDA.	100%	-	-	No
Total		_	-	-	









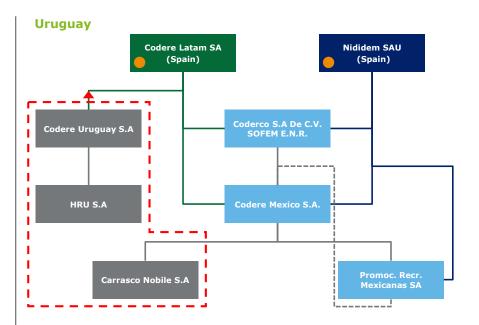




(43.3)

Total

Divisional disposals



Codere Latam SA Nididem SAU Target Entities Non-Target Entities Relevant Share Pledge Guarantor of SSNs, RCF & Surety Bonds Transaction Perimeter --- Upward ownership Sources: Management Information Note: we have not annotated individual guarantors within the

transaction perimeter.

Summary of division as at May-20 (unless otherwise stated)

Entities: 3Guarantors: 0

• Employees: 1,032

Total Assets (contribution): €99.3m
FY19 Revenue: €74.1m (Dec-19)

• FY19 EBITDA: €21.1m (Dec-19)

• Local Debt: €43.3m

• Net Financial Debt: €31.0m

• Shareholdings crossing transaction perimeter: 2

Sale

- The sale of Uruguay would be delivered by the sale of two shareholdings by two vendors. One vendor (Codere Latam) is a guarantor of the Lenders, and so the Lenders should be able to control any insolvency appointment.
- The shares owned by Codere Latam are pledged in favour of Lenders, and so any equity value (after dealing with any intercompany claims) should flow to Lenders. However, Carrasco Nobile is held in the Mexico Division and will need to be extracted upon sale of Mexico / Uruguay. Any equity value (after dealing with any intercompany claims) will need to be allocated to the Codere Latam / Nididem insolvency estates to be distributed pursuant the relevant insolvency waterfall.













Divisional disposals

Uruguay

Distressed sale feasibility

- We understand from Management that:
- The Uruguayan market is fairly stable from a regulatory, political and economic perspective.
- Uruguay has a dominant market position, with several prominent gaming halls and a destination hotel, and benefits from 30 year licences and predictable revenue streams.
- Uruguay would likely entice international purchasers as well as operators within the Latam region, and Management has identified potential interested parties.
- The Group has had several past expressions of interest for Uruguay in the past, with a material offer being made in Q4 2019 (but falling away as a result of COVID-19).
- Summary: we understand that Management is of the view that Uruguay should be readily disposable in an AMA scenario.

Distressed AMA discount

- As set out on page 25, in a distressed AMA transaction valuers typically apply discounts of 30% - 40%, but in light of the current global economic situation, we have seen the upper end of the discount range increase, in some cases to c. 60%.
- In this case, given its market position, the track record of interest in Uruguay, and Management's views on the likely level of interest if Uruguay were to marketed, we have applied a modest discount of 30% 40%, but after accounting for the following:
- NOL: in our low case, we assume that a buyer discounts the NOL by 75%, and in our high case by 25%.

Management view re. Sale Prospects: Key

:

High confidence

Medium confidenceLow confidence

Indicative Distressed AMA Values

6	Urug	Uruguay		
€m	Low	High		
Concluded Equity Value	80.8	94.2		
Platform Adjustment	-	-		
NOL Adjustment	(6.1)	(2.0)		
Adjusted Equity Value	74.7	92.2		
Distressed AMA Discount	(41.7)	(35.3)		
Indicative Distressed AMA Values	33.0	56.9		
Allocated to HQ Intercompany Claims	(1.6)	(1.6)		
Allocated to Equity	31.4	55.3		

Intercompany (Claim Summary	
€m	Receivables	Payables
Spain	-	(0.0)
Italy	-	-
Argentina	-	(0.0)
Colombia	-	-
Mexico	0.1	(0.0)
Panama	-	-
Uruguay	0.1	(0.1)
Pledged	-	-]
Not Pledged	0.3	(1.6)
Headquarters	0.3	(1.6)
Total	0.4	(1.6)
Non-EPM		
Total	0.4	(1.6)

Equity Allocations

Sold Entity		Vendor	Vendor	Allocated to	o Vendor	Dladgad
Code Entity Name	Code	Entity Name	Ownership	Low Case	High Case	Pledged
CURU CODERE URUGUAY, S.A.	CLAT	CODERE LATAM, S.A.	100%	28.4	49.6	Yes
CANO CARRASCO NOBILE, S.A.	CMEX	CODERE MÉXICO, S.A. DE C.V.	100%	3.0	5.7	No
Total			_	31.4	55.3	

Note: Carrasco Nobile, S.A. (Uruguay Division) is a subsidiary of the Mexico Division, and its equity value is rolled up into Mexico













General assumptions

Area	Assumptions
Accuracy and completeness of information	Our outcome analysis has been prepared using the Group's entity balance sheets and intercompany balances as at 31 May 2020, together with the Group's cash flow forecast (see following slide).
	We have not been provided with entity balance sheets and intercompany balances as at a more recent date. Basing our analysis on more recent entity balance sheets and intercompany balances could alter our analysis, and we therefore assume that there have been no material changes to the entity balance sheets and intercompany balances since 31 May 2020, except as noted below (Adjustments to financial information).
	We have not audited or verified the accuracy of the financial information provided. We have relied on information and explanations provided to us by Management and the Scheme Counsel. We have assumed that the information and explanations provided are accurate and complete.
Adjustments to financial information	Debit liability / credit asset balances For the purposes of our analysis, where there are: Credit balances on asset codes, we have treated this as a liability. Debit balances on liability codes, we have treated this as an asset.
	 Off Balance Sheet We have incorporated the following balance sheet items as liabilities for the purposes of our analysis to the extent that they have not already provided for on the balance sheet. Employee: claims which typically arise on insolvency. Litigation: Management's high / low estimate of the Group's potential litigation liabilities, primarily relating to tax and employees. Guarantees: we reflect guarantees that are likely to be called on insolvency
	SSINs and Cash The Group issued the SSINs post 31 May 2020. We have therefore included the SSIN balance in our analysis, and assume cash balances will roll forward in line with Management forecasts (which include the SSIN proceeds) to the date of the hypothetical insolvency (31 October 2020).
Tax	For the avoidance of doubt tax advice is outside the scope of our work. Unless otherwise stated, we assume that there are no tax consequences in any scenario that we have considered.
	We recommend that the Group considers seeking tax advice in order to assess potential consequences of the Restructuring and the Scheme at the appropriate stage.













General assumptions

Area	Assumptions
Management forecasts and statements	 We assume Management's cash flow forecasts are accurate. In particular, we assume our understanding of the two cash flow scenarios set out on page 16 is correct, and the underlying assumptions are correct and accurate as summarised below: We understand that Management's short-term weekly cash flow as presented in "CF DIRECTO - 20200805 new money(sin vinculo)vLiquidity Cov Envio" (the "STCF") reflects actual cash flow data through 2 August 2020 and forecast data from 3 August 2020 through to 31 October 2020. We understand that Management's STCF reflects the issuance of the SSINs and associated interest but does not reflect the issuance of the New Notes or non-recurring and adviser costs associated with the Restructuring. We have adjusted Management's STCF and monthly long-term cash flow to include non-recurring and adviser costs in the two scenarios on page 16, based on a fee schedule provided by Management which includes commentary as to whether each costs is sunk or contingent on the completion of the Restructuring. We have excluded non-available cash from our cash flow analysis on page 16, based on the non-available cash schedule provided by Management within the STCF. For the purpose of our estimated realisations in a hypothetical liquidation scenario, we assume that we can use Management's cash flow forecast as a proxy for the cash balances as at the date of a hypothetical insolvency to entities within a Division by reference to their cash balances as at May 2020. Apply Restructuring costs pro rata to Headquarters entities. In this regard, Divisional cash balances for 31 October 2020 were sourced from Management's STCF.
Going concern valuation assumptions	The indicative going concern enterprise values in the Valuation Report reflect the amount for which the asset in question could reasonably be expected to change hands in a transaction between parties who are equally willing and informed as to the relevant facts, on an arm's length basis, and under prevailing market conditions. The Valuation Report assumes that the forecasts are materially accurate and that the business, post Restructuring, is reasonably expected to continue operating as a going concern. In addition the analysis reflects the assumption that the business is not in any financial distress (i.e. it is appropriately capitalised to achieve the forecasts provided by Management), the business could look to maximise value in a normal sales process (i.e. it would not need to undertake any accelerated M&A or other realisation approaches) and there is no consideration of risk associated with being in a financially distressed situation.













Area	Assumptions
General	The general assumptions at Appendix 6 also apply to our estimated outcome analysis.
Limitations	Our estimated outcome analysis is based on a number of assumptions. Given our experience of similar situations, we consider these assumptions to be fair and reasonable in the current context. However, we do not guarantee that these assumptions are correct, and our analysis should therefore be viewed as directional only. Our analysis has been completed in a shorter time period than would usually be expected for a report of this nature. Were we to have more time, we would be able to obtain more information and explanations from Management, which would enable us to refine our analysis.
Sufficiency	Our estimated outcome analysis is based on entity balance sheets and intercompany balances for 100 entities within the Group (the "EPM Group") as at 31 May 2020. The EPM Group includes: • 98.8% of the Group's third party assets (exc. Goodwill) • 97.4% of the Group's third party liabilities • 98.4% of the Group's intercompany debts We assume that the EPM Group includes sufficient assets and liabilities for our analysis to be materially accurate.













Area	Assumptions
Insolvency process	In our experience, insolvencies generally fall into one of three categories:
	 Where there is an ability to secure an accelerated sale of the entire / substantial majority of the Group's business as a going concern, either as a single transaction of for various divisions / geographies (either immediately upon appointment or after a short period of insolvency trading):
	 This typically requires a single HoldCo insolvency, or a small number of insolvencies with the same insolvency practitioner appointed, in order to execute a transaction. In such circumstances, business values at a discount to distressed M&A valuations can be achieved ("Alternative Scenario 1").
	2. Where there is an ability to secure funding (either from cash available on appointment, liquidation of assets / trading, or creditors) and agree and implement a trading / operating protocol across estates to avoid an immediate cessation of trade and associated value destruction, an orderly realisation of assets is possible ("Orderly Wind Down"):
	 This typically requires the same insolvency practitioner to be appointed across the various insolvent entities, or if different insolvency practitioners, a significant amount of cross entity cooperation.
	• In this instance, realisations can include a combination of:
	 Equity sales of standalone businesses; Sales of entity business and assets; and Individual asset sales.
	 In the above scenario, realisations at a discount to comparable market transactions can be achieved. However, the discount is generally greater than in scenario 1 above, and it dependent on the asset type, specifics to the business / industry in question, and potentially time in insolvency ("Alternative Scenario 2 High Case").
	3. Where there are factors which make trading within an insolvency extremely difficult or risky (i.e. lack of liquidity, ability to control assets, operational risk), a shut down and forced sale is common ("Immediate Shut Down"):
	 In this instance, assets are realised on a break up basis, and the insolvency discount is generally high (except for certain asset types which can hold value in insolvency), resulting in very low or nil recoveries ("Alternative Scenario 2 Low Case").











Area	Assumptions		
Insolvency process (continued)	In our analysis, we have assessed each of the above three categories, but have not considered the relatively likelihood of each case occurring.		
(commutes)	Alternative Scenario 1		
	 In relation to Alternative Scenario 1, we have taken the indicative "Concluded Equity Value" for the different Divisions, as set out in our Valuation Report dated 21 August 2020, and a spread of discounts to reflect a number of considerations. This gives High Case and Low Case discounted AMA values (see Appendix 5 for details by Division). 		
	• These discounted AMA values are then apportioned by Division as follows: (1) by applying amounts against intercompany payables equal to the amounts that would have been paid in Alternative Scenario 2 High Case; then (2) against the individual entities pro rata by reference to positive EBITDA. This value is then:		
	 First applied against the entity's intercompany payables (and added to any amounts at (1) above) (note – no value is applied to Lender guarantee claims, which are assumed to be released for no consideration as part of the respective sales); then Any surplus is rolled up to that entity's parent. Any surplus in sold entities (i.e. the shareholdings which cross the transaction perimeter) is then allocated against the respective equity interests. 		
	 Where there are intercompany claims between Divisions, these are assumed to be waived / released as part of the respective sales processes. Entities not sold under Alternative Scenario 1 are dealt with as per Alternative Scenario 2. 		
	Alternative Scenario 2		
	• In relation to Alternative Scenario 2, we have reviewed the entity balance sheets and identified various categories of assets. We have not conducted or been provided with any formal valuation of these assets. Instead, for each category of asset we have applied an EtR rate for the High Case and Low Case based on our experience of the likely level of realisations for that type of asset in the current situation. A summary of EtR rates and our reasoning is at Appendix 8.		
	In both scenarios, we assume that insolvency filings occur on c. 31 October 2020 (the October Coupon date), and therefore assume an insolvency date of c. 31 October 2020 .		
	The High and Low cases in each Alternative Scenario do not necessarily represent the "best" and "worst" outcomes for creditors, as our values, discount rates and estimated to realise rates are predicted on incomplete information and a number of high level assumptions.		















Area	Assumptions
Timing of distributions, and creditor	We assume that the insolvency practitioner appointed to each estate acts solely for the benefit of that estate's creditors.
hierarchy	However, for the purpose of our analysis, we assume that the various insolvency practitioners will coordinate to marshal the claims of, and distributions to, secured and guarantee creditors, in order to respect and preserve:
	The equitable doctrine of marshalling; andThe rule against double proof
	(or equivalent local law principals), and to prevent creditors from over-recovering.
	In particular, where a guarantee creditor stands to be repaid in excess of 100%, we assume that any payments from guarantors are reduced pro rata by reference to the ultimate distributions that would have been received from those estates (excluding any fixed charge / pledged asset claims), such that the total distribution to the guarantee creditor does not exceed 100%.
	Different jurisdictions have different rules and regulations governing the ranking of claims in insolvency. The Scheme Counsel have provided a high level view on the creditor hierarchy in Spain and Italy respectively. We have asked Management for a similar view from the Group's counsel in relation to its other jurisdictions, but this has not been received.
	In light of the advice received to date, and our knowledge and experience of similar situations, we assume the following waterfall within each estate:
	 Fixed charge / pledged asset claims Cost of insolvency Preferential claims with regular priority – typically employees and taxes General secured creditor / floating charge claims Unsecured claims (including non-subordinated intercompany) Statutorily subordinated claims (certain intercompany claims) Statutory interest (if applicable) Equity















Area	Assumptions
Set off	We have not been made aware of any cash pooling arrangements, and have not considered the impact that cash pooling may have on recoveries.
	We understand that the SBF lenders hold cash collateral at Codere Newco. In Alternative Scenario 1 (AMA disposals) we assume that the underlying surety bonds are replaced by the purchaser and are returned. In Alternative Scenario 2, we assume that certain bonds will be called, that the cash collateral will be set off against called bonds, but that any set off falls outside of any recovery sharing arrangements under the ICA.
	We are not aware of any further instances of creditors holding cash that would be required under applicable insolvency law to be set off against creditor claims.
	We assume that any intercompany creditor which is also an intercompany debtor of a particular entity (and vice versa) will be required under applicable insolvency law to set off their receivable / payable position to arrive at a net position vis-à-vis that entity, and that such set off applies globally between balances of different natures (i.e. trading, lending etc.).
	We assume that tax authorities will set off all tax positions. If the net position is a liability for the Group entity, we assume that it will be claimed. If the net position is an asset for the Group entity, we assume recoveries as per our Estimated to Realise rates at Appendix 8.
	We assume that set off operates at a legal entity level only (i.e. not at a Divisional level etc.).
Fixed charge claims and pledged assets	We have not conducted a detailed review of the security granted by the Group. However, we have provided a draft copy of this report to the Scheme Counsel who have confirmed that (1) to the best of their knowledge, the debt and security summary included on pages 13 and 14 of this report is materially accurate, and that (2), as far as they are aware, all security is valid and fully enforceable.
	In particular, we note that in addition to the share pledges granted in favour of Lenders, on 29 July 2020, Codere S.A. and Codere Luxembourg 1 S.a.r.l. granted security over certain intercompany receivables, and agreed to subordinate amounts due to them by way of fixed charge security. We assume that such security is valid, and that there are no hardening periods or similar which could result in such security being invalid.
	We assume that net realisations from fixed charge / pledged assets are paid to the respective creditor, subject to the limit of that creditor's claim.
	In relation to the PDS facility and the OpCo facilities, see "General secured creditor / floating charge claims" on page 62.















Area	Assumptions
Cost of insolvency	Different jurisdictions have different rules and regulations governing the remuneration of officeholders.
	Given the time and information available, we are not able to provide a detailed estimate for the insolvency costs in the Group's various jurisdictions, and have therefore made the following simplifying assumptions, which we assume are a reasonable proxy for costs in our analysis.
	 Low Case: €100k per legal entity, plus 4% of realisations (exc. intercompany creditor and equity receipts, and amounts distributed to fixed charge creditors).
	 High Case, which may involve the respective liquidator retaining some staff and incurring additional costs for a short period in order to secure a more orderly closure of the business with a view to enhancing realisations: €100k per legal entity, plus 6% of realisations (exc. intercompany creditor and equity receipts, and amounts distributed to fixed charge creditors).















Area	Assumptions
Preferential claims with regular priority	Different jurisdictions have different rules and regulations governing preferential claims. The Scheme Counsel have provided a very high level view of the preferential / priority / privileged claims in Spain and Italy respectively (summarised below), which employ 2,065 of the Group's 11,842 employees. We have asked Management for a similar view from the Group's counsel in relation to its other jurisdictions, but this has not been received.
	Spain
	 Arrears of pay: up to three times the "minimum inter-professional salary" of €950 per month (i.e. up to 3 x €950 = €2,850) Unpaid holiday Notice: 15 days Severance / redundancy: Assuming "fair" dismissal, 20 days per year worked 50% of unpaid tax
	Italy
	 Arrears of pay Unpaid holiday Notice: 15 days to 6 months Severance / redundancy: c. one month pay per year Unpaid tax
	The above is very high level, and applies to only a limited number of the Group's operating entities. In addition, we do not have employee payroll data to be able to perform a detailed calculation of the likely preferential claims in insolvency. As such, for the purposes of our analysis, we have assumed that the following will be treated as preferential in all jurisdictions and paid after costs, but before generally secured creditors, and we assume that this is a reasonable proxy for actual preferential claims:
	 Any balance sheet liabilities that reference employees. In this regard, we note that there are no prima facie balance sheet items that reference employees. We have requested a summary from Management, but are yet to receive reconciled figures and have therefore been unable to include any balance in this regard; Any balance sheet liabilities that reference tax, after setting off against any balance sheet assets that reference tax (expect in Spain, where we assume 50% of this amount); and Employee insolvency claims of: Low case: A claim per employee of 6 months pay at an average salary of €3k per employee (i.e €18k per employees) High case: A claim per employee of 4 months pay at an average salary of €3k per employee (i.e €12k per employees)













Estimated outcome analysis assumptions

Area	Assumptions					
Prescribed part	We have not included any prescribed parts or similar provisions in our analysis.					
General secured creditor / floating charge claims	We have not conducted a detailed review of the security granted by the Group. However, we have provided a draft copy of this report to the Scheme Counsel who have confirmed that (1) to the best of their knowledge, the debt and security summary included on pages 13 and 14 of this report is materially accurate, and that (2), as far as they are aware, all security is valid and fully enforceable.					
	As set out on pages 13 and 14, we understand that PDS and certain of the OpCo lenders (all exc. "Intercam – Codere Cal" (\in 2.4m) and "Italy OpCo" (\in 2.7m)) benefit from various forms of security, but that no security review has been completed to determine the validity of this security. We have not, with the information available, been able to accurately map the security set out on pages 13 and 14 to individual entity assets, and so assume:					
	 High Case: such claims are unsecured. Low Case: such claims benefit from security analogous to a UK floating charge. 					
Unsecured claims	We assume liabilities (including on balance sheet liabilities) to be unsecured claims unless otherwise stated. We assume that secured creditors may submit unsecured claims against liable entities for any shortfalls, but the amount claimed against an entity must be net of the value of the security granted to the creditor by that same entity. Distributions to unsecured creditors will be on a <i>pari passu</i> basis.					
Guarantee claims	We have not conducted a detailed review of the guarantees granted by the Group. However, we have provided a draft copy of this report to the Scheme Counsel who have confirmed that (1) to the best of their knowledge, the guarantee summary included on pages 13 and 14 of this report is materially accurate, and that (2), as far as they are aware, all guarantees are valid and fully enforceable.					
	We assume that all guarantees are joint and several (rather than shortfall guarantees), and we therefore assume that the respective creditor:					
	 Is entitled, due to the EPM Group entity insolvencies, to call all guarantees and make claims against all obligors. Claims in full against all obligors (less the value of any security granted by that obligor). 					
	In the event that a guarantee creditor stands to be repaid in excess of 100%, we assume that any payments from guarantors are reduced pro rata by reference to the ultimate distributions that would have been received from those estates (excluding any fixed charge / pledged asset					













claims), such that the total distribution to the guarantee creditor does not exceed 100%.

Estimated outcome analysis assumptions

Assumptions Area

Surety bonds in Alternative Scenario 2

Note, in **Alternative** Scenario 1 (AMA) disposal), we assume that the underlying bonds are replaced by the purchaser and are returned.

The Group's operating entities utilise off balance sheet surety bonds as follows:

- SBF: €50m SBF provided to Codere Newco and Codere, of which c. €40.3m was drawn as at March 2020. The facility benefits from 10% (i.e. €4m) cash collateral at Codere Newco.
- OpCo Bilaterals: the Group's operating entities have bilateral surety bonds of c. €102.3m.

Surety Bond Summary

€m	SBF	ОрСо	Total	Accured
Rent	0.9	3.6	4.5	Yes
Concession	36.4	76.2	112.5	No
Tax	3.1	6.2	9.3	Yes
Technical guarantee	-	2.7	2.7	No
Court guarantee	-	2.0	2.0	Yes
Unknown	-	11.5	11.5	Unknown
Total	40.3	102.3	142.5	
Number	124	322	446	

In relation to the above, we understand that:

- 1. Rent: bonds provided to landlords in the event that the Group fails to pay rent. The liability is reflected on balance sheet under IFRS 16. On liquidation we assume these bonds will be called, and the surety will claim against the Group in lieu of the landlord.
- 2. Concessions: bonds issued to licencing authorities in the event the Group fails in any of its obligations and becomes liable to the authorities (e.g. fines). No obligation is recorded on balance sheet. We understand from Management that, assuming the Group does not breach its licencing obligations, these bonds should not be called and should be returned.
- 3. Tax: bonds issued in Spain in lieu of paying tax advances (c.€9.5 per machine per day, paid quarterly, accrued on balance sheet). On liquidation we assume these bonds will be called, and the surety will claim against the Group in lieu of the tax authority.
- 4. Technical guarantees: issued to suppliers to guarantee future payments. No obligation is recorded on the balance sheet and we assume these will not be called in liquidation.
- 5. Court guarantees: issued in respect of potential litigation liabilities, with the underlying liability recorded on balance sheet. On liquidation we assume that these bonds will be called, and the surety will claim against the Group in lieu of the bond beneficiary.
- 6. Unknown: in this case, we assume that if the bond secures an underlying obligation, then such obligation is accrued on balance sheet, and as above, the bonds will be called and the surety will claim against the Group in lieu of the bond beneficiary.

As such, we make no adjustments for the OpCo bonds, as these will substitute for existing balance sheet liabilities. However, in relation to the SBF, we assume that c, €4m will be called, and that the SBF will claim against both the underlying borrower (who has an existing balance sheet liability) and the SBF quarantors, including the Codere Newco collateral (note - we have not included the underlying individual SBF borrowers when marshalling the SBF recoveries).













Estimated outcome analysis assumptions

Area Assumptions

Other off balance sheet claims

Management has advised that the Group has no material off balance sheet liabilities save for ongoing legal disputes. In this regard, Management has provided a schedule of the ongoing disputes, together with an estimate of the potential liability range for the Group and details of amounts provided for in the Group's financial statements. For the purposes of our analysis:

- *High Case*: we have adjusted balance sheet liabilities from the amount provided for to Management's low estimate (below).
- Low Case: we have adjusted balance sheet liabilities from the amount provided for to Management's high estimate (below).

Division	Туре	Claim	Max. liability (inc. interest)	Mgmt Liability	Mgmt Liability Estimate	
Division				Low	High	Provision
Headquarters	Tax	-	-	-	-	-
	Employee	€0.1m	€0.1m	-	€0.1m	-
	Other	€13.4m	€13.4m	€0.0m	€2.3m	€0.0m
Spain	Tax	-	-	-	-	-
	Employee	€0.4m	€0.3m	€0.2m	€0.4m	€0.2m
	Other	€0.3m	€0.5m	€0.1m	€0.3m	€0.2m
Italy	Tax	-	-	-	-	-
	Employee	€0.1m	€0.1m	€0.0m	€0.1m	€0.1m
	Other	€13.5m	€17.9m	€0.0m	€13.1m	€0.0m
Argentina	Tax	-	-	-	-	-
	Employee	-	€10.1m	€1.7m	€6.0m	€1.9m
	Other	€0.0m	€0.0m	-	-	-
Colombia	Tax	€0.0m	€0.1m	-	€0.1m	-
	Employee	€0.4m	€0.5m	€0.1m	€0.5m	-
	Other	€2.1m	€19.2m	-	€2.1m	-
Mexico	Tax	€55.6m	€101.9m	-	€101.9m	-
	Employee	€21.5m	€21.5m	€6.9m	€21.5m	-
	Other	€1.8m	-	-	€1.5m	-
Panama	Tax Employee Other	€2.8m €0.1m	€5.2m €0.2m -	- €0.1m -	€5.2m €0.2m -	€0.2m - -
Uruguay	Tax	-	-	-	-	-
	Employee	€0.1m	€0.1m	€0.1m	€0.1m	€0.0m
	Other	-	-	-	-	-
Total	Tax	€58.5m	€107.1m	-	€107.1m	€0.2m
	Employee	€22.8m	€32.9m	€9.1m	€28.9m	€2.1m
	Other	€31.2m	€51.0m	€0.1m	€19.3m	€0.2m
Total	Total	€112.4m	€191.1m	€9.2m	€155.3m	€2.6m













Area	Assumptions
Intercompany claims	Our estimated outcome analysis calculates the anticipated distributions to intercompany claims using an iterative process as described below (see Calculation of outcome). Each intercompany claim receives a dividend from the realisable assets of the debtor entity. This dividend is included as a realisable asset in the creditor. The intercompany claims do not create any additional recoveries or result in any value leakage across the Group as a whole, and only serve to reallocate realisations between different entities.
Indemnity / contribution claims	 The rule against double proof prevents a guarantor from proving: An indemnity claim against the estate of the principal debtor; and A contribution claim against the estate of a co-guarantor; until the beneficiary of the guarantee ("the Creditor") is paid in full. Once the Creditor has been paid in full, such claims would, in theory, be permitted. However: if such claims were to be permitted, then the order in which dividends are declared by the various estates could alter the ultimate dividends to the different categories of creditor; and in this case, the only guarantee claims that we are aware of relate to the Lenders, and our analysis indicates that Lenders will not be paid in full, and so such claims would not be permitted. As such, for the purposes of our analysis, we have ignored indemnity and contribution claims. Instead, in the event that a guarantee creditor stands to be repaid in excess of 100%, we assume that it will receive its full dividend entitlement from the borrower / primary obligor, and that any payments from guarantors are reduced pro rata by reference to the ultimate distributions that would have been received from those estates (excluding any fixed charge / pledged asset claims), such that the total distribution to the Creditor does not exceed 100%. This effectively provides the guarantors with a subrogated claim against the borrower.
Contractual subordination / turnover	The Scheme Counsel have confirmed that on 29 July 2020 Codere S.A. and Codere Luxembourg 1 S.a.r.l. granted security over certain intercompany receivables, and agreed to subordinate amounts due to them by way of fixed charge security.













Estimated outcome analysis assumptions

Area	Assumptions			
Statutory subordination	Different jurisdictions have different rules and regulations governing the treatment of intercompany claims. The Scheme Counsel have provided a very high level view of the treatment of intercompany claims in Spain and Italy respectively (summarised below). We have asked Management for a similar view from the Group's counsel in relation to its other jurisdictions, but this has not been received.			
	Spain (including holding entities)			
	Intercompany claims against Spanish debtors are subordinated.			
	Italy			
	 Intercompany claims are subordinated if: from the controlling company to a (even indirectly) controlled company; and/or between "sister companies", i.e. when the lender and the borrower are controlled by the same company. Claims from a controlled company against the controlling company ("Upstream Claims") rank as unsecured claims (although we understand that some scholars dispute this view). 			
	Given the uncertainty in relation to Upstream Claims, and the fact: (1) the two largest claims, (totalling c. €32m) are against Codere Italia, which is a guarantor of the Lenders; and (2) that there are relatively few other such claims and these have minimal value, we have assumed all intercompany claims against Italian debtors are subordinated.			
	Other (except UK and Luxembourg)			
	As we have not received an legal input in relation to other jurisdictions, we assume:			
	 High Case: all other intercompany claims are unsecured. Low Case: all other intercompany claims are subordinated. 			
Statutory interest	We have ignored statutory interest.			
Equity	Our estimated outcome analysis calculates the anticipated distributions to intercompany equity investments using an iterative process as described below (see Calculation of outcome). Each intercompany investment receives a dividend from the realisable assets of the subsidiary entity (if funds permit). This dividend is included as a realisable asset in the parent. The intercompany equity investments do not create any additional recoveries or result in any value leakage across the Group as a whole, and only serve to reallocate realisations between			

different entities.















Area	Assumptions
Tax	Statutory interest and equity realisations can give rise to taxable realisations. We assume that any entity making such realisations: (1) has sufficient carried forward losses; and (2) is legally entitled to set off such losses against any amounts chargeable to tax, such that these realisations do not give rise to any tax liabilities.
Calculation of outcome	 Our estimated liquidation outcome analysis calculates an indicative outcome via the following process: We initially assume all intercompany claims and intercompany equity investments make no realisation. We apply EtR rates to different asset categories for each Group entity to calculate total realisations, from which we deduct costs. The balance is then distributed down the creditor waterfall using the above series of assumptions. This process calculates an initial distribution to intercompany claims (Dividend 1) and, if funds permit, intercompany equity investments (Distribution 1). We then repeat the above process, but begin by assuming that intercompany claims and intercompany equity investments make realisations of Dividend 1 and Distribution 1 respectively. This provides a new figure for the distributions to creditors and shareholders ("Dividend 2" and "Distribution 2"). This process is repeated several times until Dividend X converges to Dividend X+1. It is important to note that our estimated liquidation outcome analysis is based on a number of assumptions as described above. In particular: Our work has been performed largely on a desktop basis with limited access to Management. We have not conducted any formal valuation of the Group's assets and the likely realisable value of these assets.
	Given our experience of similar situations, we consider these assumptions to be fair and reasonable in the current context. However, we do not guarantee that these assumptions are correct, and our analysis should therefore be viewed as directional only.





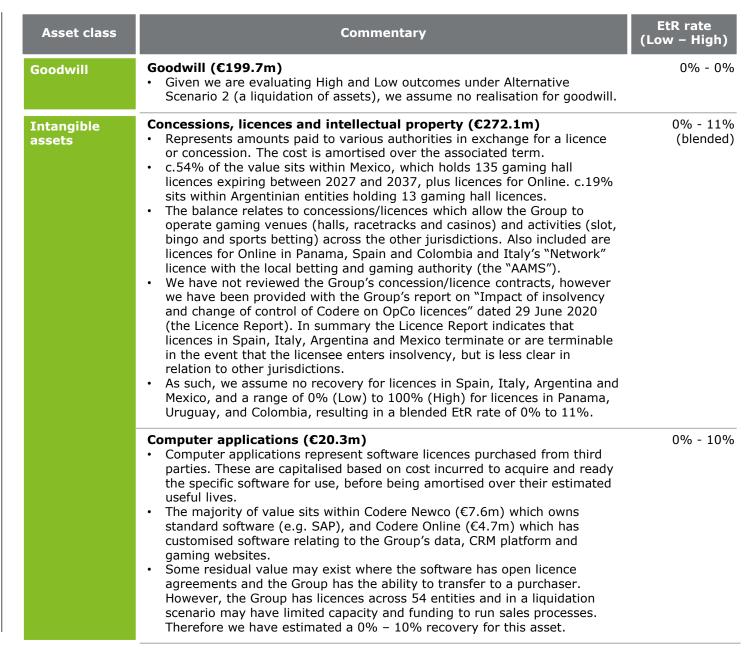






















Asset class Commentary		EtR rate (Low – High)
Intangible assets (continued)	 Installation, exclusivity and transfer rights (€58.0m) Represents upfront fees paid to hospitality establishment for the right to install gaming machines in their premises. The Group capitalises this cost on the balance sheet and then amortises the amount over the duration of the contract on a straight line basis. Management communicated there is a liquid market for these contracts as typically when a machine is sold, these rights are included in the deal under a single price. Therefore, Management's view is that recoveries should be close to NBV. However, though it may be reasonable to assume individual contracts could be realised close to book value, recoveries will likely be depressed in a distressed scenario where the all contracts are being marketed at once. Also, included in this balance may be contracts in underperforming locations, or contracts close to term which may be less attractive to purchasers. Therefore we consider a blended EtR rate of 60% (Low) to 90% (High) to be more appropriate. Note that Management 's view is that the contracts do not terminate upon insolvency. We have not reviewed any contracts and are therefore unable to confirm this view. If the contracts do terminate upon insolvency expected recoveries would be reduced to zero. 	60% - 90%
	 Client portfolio (€16.7m) We understand from Management that this balance relates to a purchase price allocation adjustment for customer relationships acquired with previous acquisitions, for which we have assumed zero recovery. 	0% - 0%
	 R&D and other intangible assets (€0.1m) In our experience, R&D and other intangibles rarely result in any realisation and in this case the asset balance is also negative. Therefore we have assumed zero realisation in both the Low and High case. 	0% - 0%
Right-of-use assets and improvements	 Right-of-use assets (£190.9m) The Group leases gaming rooms (5-20 year leases), offices (3-6 year), vehicles (3-5 year) and equipment (3-5 year). These assets are initially recognised at the amount of the lease liability before being depreciated over the term of the lease agreement. The Group may be able to recover value from right-of-use assets through realisation of leasehold premiums upon assignment of the lease. Management has communicated they are in the process of completing a similar transaction in Mexico where the Group is exiting seven underperforming gaming halls. As such we anticipate recoveries to be in the region of 0% (Low) to 20% (High). 	0% - 20%

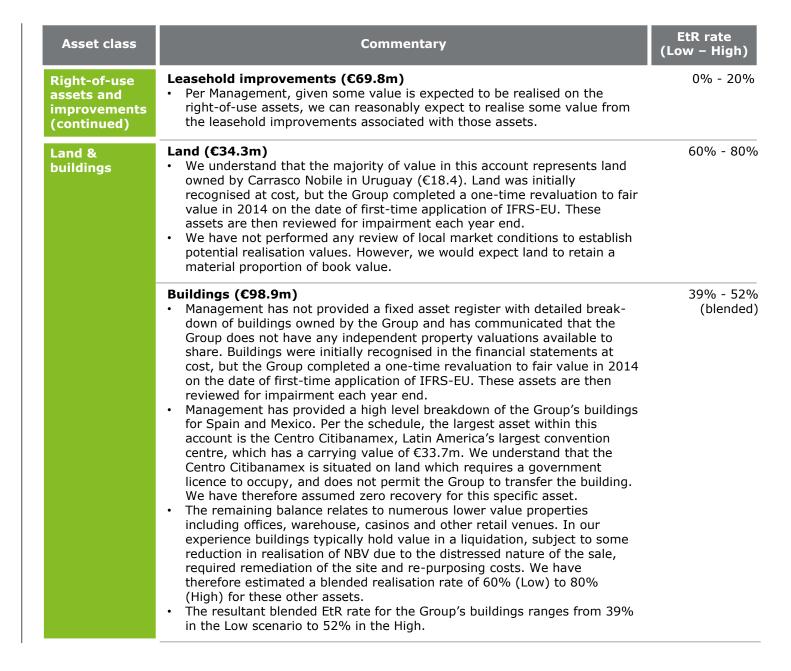






















Asset class	Commentary	EtR rate (Low – High)
Slot machines	 Slot machines (€97.4m) Slot machines comprises Amusement With Prize ("AWP") machines and Standalone Sports Terminals ("SSTs"). Per Management, there is a liquid market for these machines and there would likely by significant interest in the cash-generating premium slot machines. Management provided their view of realisable value, calculated by multiplying an estimated achievable sales price per machine for each entity by the number of slot machines within that entity, and applying a 5% discount to realisations under the Low scenario. This resulted in a blended estimate recovery range from 180% (Low) to 190% (High). In our experience, the discount to sales prices in a distressed scenario is typically high due to timing, funding and Management capacity limitations whilst in liquidation. Therefore we have revised Managements recovery estimate down to 100% (Low) to 150% (High) of NBV, representing 31% (Low) to 47% (High) of GBV. 	
Other machines and terminals	 Other machines and terminals (€1.6m) Other machines and terminals comprises change machines (€1.2m), vending machines (€0.2m), sports machines (€0.2m) and recreational units (€0.1m). We expect that in a fire sale scenario the Group could generate 20% (Low) to 40% (High) of NBV whilst in liquidation, under assumption these machines have not been modified or customised and the purchaser is easily able to repurpose these assets. 	20% - 40%
	 Sports betting terminals (€7.2m) Per Management, sports betting terminals are heterogeneous compared to slot machines as they are typically customised. These terminals are frequently constructed in-house and are tailored to the Group's platform. The main sellable component are the screens although many operators have different screen sizes. We have therefore assumed 10% - 30% NBV can be recovered in Alternative Scenario 2. 	10% - 30%
Plant and equipment		













Asset class	Commentary	EtR rate (Low – High)
Plant and equipment (cont'd)	 Installations (€22.7m) Management has communicated this relates to adaptation works completed at gaming locations in order to host the Group's gaming activities, as well as installations of appliances (e.g. air conditioning, refrigeration units) at these sites. Based on our experience, costs associated with decommissioning, removing and reinstalling assets of this nature are typically high, especially given installations are spread across numerous locations. Therefore we have estimated low recovery for these units, in the range of 0% to 20%. 	0% - 20%
Furniture and computer equipment	 Furniture and computer equipment (€15.9m) The balance comprises furniture (€8.4m) at gaming venues and computer equipment (€7.4m). On the assumption the furniture is free-standing, the cost of extraction for these assets is likely to be reasonably low. However, the assets appear to be spread across multiple locations, therefore we expect the Group could realise 10% (Low) to 30% (High) of NBV in liquidation. 	10% - 30%
Non-current financial assets	 Long-term financial assets (£16.7m) Management shared a detailed breakdown of long-term financial asset balances for Spain which illustrates that balances primarily relate to hopper deposits, as well as advances given to non-specialised retail locations, which are then repaid through collections on slot machines in those locations. Hopper deposits represent Group cash held within gaming machines and we anticipate that these balances could be easily recovered. However, recovery of advances made to retail operators is likely to low, as these amounts will be subject to counter-claim and set off from each counterparty. Management has communicated that this account also includes long-term credits to third parties, long-term deposits (including deposits for concession agreements) and surety facilities. However, Management has not provided a detailed break-down for the other Divisions and thus we are unable to separate out the above balances. As such, we have assumed a broad range of recovery from 0% (Low) to 100% (High). 	0% - 100%

















Asset class	Commentary	EtR rate (Low - High)
Other assets	 Current financial assets (€2.7m) Current financial assets primarily comprises the short-term component of deposits Codere Newco has with various financial institutions (€1.0m), and short-term loans granted by Codere Mexico to companies accounted for by the equity method (€1.5m). We have assumed the Group is able to recover the deposits, albeit for a fee (which varies under the two scenarios), plus a portion of the short-term loans, resulting in a recovery range from 40% (Low) to 80% (High). 	40% - 80%
	 Other short-term credits (€29.9m) Management has communicated that other short-term credits comprises short-term investments and deposits with financial institutions. The balance also includes (€3.3m) in short-term loans to executives and others which should be considered bad debt. We have assumed the bad debt is non-recoverable but that the short-term investments and deposits can be realised for a fee (which varies under the two scenarios). Therefore, we have assumed recovery ranges between 50% (Low) and 90% (High). 	50% - 90%
	 Prepayments (€17.7m) Prepayments comprise advance payments made for insurance, advisors, taxes, endorsements, and other expenses. We have assumed a recovery of 0% - 30% as in our experience it is challenging to realise value from prepayments in a liquidation scenario, as they are likely to be set off against liabilities or counter claims. 	0% - 30%
	 Share capital (€0.0m) We have not reviewed this balance in detail as the value is immaterial, we have assumed a broad recovery of 0% (Low) to 100% (High). 	0% - 100%















Ass	set class	Commentary	EtR rate (Low – High)
Inve	• Primaril merchai	 Merchandise and other (€4.2m) Primarily relates to indirect marketing with Group partners and merchandise and bingo cards which have been customised with Group branding. Given these are branded items we have assumed recovery to be zero. 	0% - 0%
		 Represents liquor and food inventory at various hospitality establishments. We have not reviewed a detailed break-down of bar consumption inventory which splits the balance between perishable and non-perishable goods, nor have we assessed whether the Group is licenced to wholesale these items. We expect that non-perishable inventory could be sold to a third party for reasonable value but that there may be limited opportunity for resale of perishable inventory. Therefore we have assumed a blended realisation rate for these assets of 40% (Low) to 80% (High). 	40% - 80%
		 Gaming machines (€2.2m) This inventory balance reflects low value slot machine parts intended for internal use, rather than for sale to third parties. There is unlikely to be alternative use for these assets outside of the gaming industry. Within the gaming industry there are likely to be limited purchasers for parts, especially in a fire sale scenario. Therefore we have assumed zero recovery for these assets in the Low scenario and 10% in High. 	0% - 10%
Tax /	Assets	 Tax assets (€120.9m) Tax assets comprise both deferred tax assets and current tax debtors. We have assumed local tax authorities will provide set off against tax liabilities at entity level only. The Group had €106.1m tax liabilities as at 31 May 20, which we have net against tax assets on an entity by entity basis, resulting in 59 EPM entities with aggregate net tax assets of c.€52m (with the corresponding tax liability being reduced accordingly). We have assumed the net tax assets are not recovered in our Low Case, but are recovered in full in our High Case. This results in a blended EtR rate for the Group's tax assets of 0% (Low) to 43% (High). 	0% - 43% (blended)













Asset class	Commentary	EtR rate (Low – High)
Receivables	 Current debtors (€49.7m) Current debtors is presented net of Management's provision for doubtful debts (€37.9m), as we have assumed no doubtful debts are recoverable in liquidation. Management has not provided a detailed break-down of current debtors for all jurisdictions or an debtor aging schedule. However, we understand that the balance includes amounts due from hospitality establishments for the provision of hospitality and management services and amounts due from clients for gaming services. Whilst Management communicated that in the normal course of business the Group would collect 100% of the outstanding balance, our experience is that in a liquidation scenario collections are significantly lower from both corporate debtors, who typically counter claim and apply set-off, and individual debtors, who tend to avoid and delay payment. Therefore we have lowered the range of EtR rates to 30% (Low) and 70% (High). 	30% - 70%
Cash	 Cash (€83.1m) There was €83.1m cash on the balance sheet as at 31 May 2020. We understand that the current (2 August 2020) cash balance is €156.5m. Alternative Scenario 2 assumes the various legal entities would enter liquidation on or around 31 October 2020. Our High and Low cases under this scenario both assume cash held at the time (including cash held for operational purposes) is fully recovered. The cash balance is forecast to be €94.0m on 31 October 2020 (c. 113% of 31 May 2020 balance), after deducting c. €11.5m from HQ cash for Restructuring costs not currently included in the cash flow forecast. We note that variances between actual and forecast cash flow will likely impact recoveries. Furthermore, we anticipate insolvency costs in our High Case to be greater than in our Low Case as cash balances are utilised to trade the business to generate higher creditor recoveries (see page 35). 	€94.0m recovery (113%)















Entity estimated outcome statements (AMA & Liquidation) - see A3 extracts

Entity estimated outcome statements

See A3 extract at end of report















EPM legal entities and divisions 78

General glossary 81

















EPM legal entities and divisions

Code	Legal Name	Division	Code	Legal Name	Division
AAND	CODERE APUESTAS ANDALUCÍA, S.A.U.	Spain	CAME	CODERE AMÉRICA, S.A.U.	Headquarters
AAST	CODERE APUESTAS ASTURIAS, S.A.U.	Spain	CANA	CODERE APUESTAS NAVARRA, S.A.U.	Spain
ABAL	CODERE APUESTAS BALEARES, S.A.U.	Spain	CANO	CARRASCO NOBILE, S.A.	Uruguay
ACAN	CODERE APUESTAS CANTABRIA, S.A.U.	Spain	CANT	OPERADORA CANTABRIA, S.A. DE C.V.	Mexico
ACAT	CODERE APUESTAS CATALUÑA, S.A.U.	Spain	CARG	CODERE ARGENTINA, S.A.	Argentina
ACLE	CODERE APUESTAS CASTILLA Y LEÓN, S.A.U.	Spain	CASA	CODERE APUESTAS, S.A.U.	Spain
ACMA	CODERE APUESTAS CASTILLA LA MANCHA, S.A.U.	Spain	CAVA	CODERE APUESTAS VALENCIA, S.A.U.	Spain
ACOR	ALTA CORDILLERA, S.A.	Panama	CCHILE	CODERE CHILE, LTDA.	Headquarters
AGAL	CODERE APUESTAS GALICIA, S.L.U.	Spain	CCOL	CODERE COLOMBIA, S.A.	Colombia
АМНІ	ADMINISTRADORA MEXICANA DE HIPÓDROMO, S.A. DE C.V.	Mexico	CDON	CODERE ONLINE, S.A.U.	Spain
AMUR	CODERE APUESTAS MURCIA, S.L.U.	Spain	CDSE	CODERE SERVICIOS, S.L.U.	Spain
APEX	CODERE APUESTAS EXTREMADURA, S.A.U.	Spain	CELA	CALLE ICELA, S.A.P.I. DE C.V.	Mexico
APRA	APUESTAS DEL PRINCIPADO ASTURIAS, S.A.	Spain	CFI2L	CODERE FINANCE 2 (LUXEMBOURG), S.A.	Headquarters
APRI	CODERE APUESTAS LA RIOJA, S.A.U.	Spain	CFI2UK	CODERE FINANCE 2 (UK) LTD	Headquarters
BETS	BETSLOTS CR-COD, S.L.	Spain	CGIR	CODERE GIRONA, S.A.	Spain
BGCO	BINGOS CODERE, S.A.	Colombia	CIN2	CODERE INTERNACIONAL DOS, S.A.U.	Headquarters
BOES	BINGOS DEL OESTE, S.A.	Argentina	CINT	CODERE INTERNACIONAL, S.A.U.	Headquarters
BPLA	BINGOS PLATENSES, S.A.	Argentina	CITALI	CODERE ITALIA, S.P.A.	Italy
CAAR	CODERE APUESTAS ARAGÓN, S.L.U.	Spain	CLAT	CODERE LATAM, S.A.	Headquarters
CAES	CODERE APUESTAS ESPAÑA, S.L.U.	Spain	CLCO	CODERE LATAM COLOMBIA, S.A.	Colombia















EPM legal entities and divisions

Code	Legal Name	Division	Code	Legal Name	Division
CLOG	CODERE LOGROÑO, S.L.	Spain	IBAR	IBERARGEN, S.A.	Argentina
CMAT	CODEMÁTICA, S.R.L.	Italy	ICEA	IMP. DE CENTROS DE ENTRE. DE LAS AMÉRICAS, S.A.P.I. DE C.V.	Mexico
CMEX	CODERE MÉXICO, S.A. DE C.V.	Mexico	IMSS	CODERE ISRAEL MARKETING SUPPORT SERVICES LTD	Headquarters
CNEW	CODERE NEWCO, S.A.U.	Headquarters	INTE	INTERJUEGOS, S.A.	Argentina
CODE	CODERE, S.A.	Headquarters	INTS	INTERSARE, S.A.	Colombia
COLO	COLONDER, S.A.U.	Headquarters	IPMQ	IPM MÁQUINAS, S.L.U.	Spain
COYO	COMERCIAL YONTXA, S.A.	Spain	ITBA	INTERBAS, S.A.	Argentina
CTEC	CRISTALTEC SERVICE, S.R.L.	Italy	ITMB	INTERMAR BINGOS, S.A.	Argentina
CURU	CODERE URUGUAY, S.A.	Uruguay	ITPO	ITAPOAN, S.A.	Argentina
ENTR	ENTRETENIMIENTO RECREATIVO, S.A. DE C.V.	Mexico	JMQU	J.M.QUERO ASOCIADOS, S.A.U.	Spain
EVIR	ENTRETENIMIENTO VIRTUAL, S.A. DE C.V.	Mexico	JPVM	JPVMATIC 2005, S.L.U.	Spain
FVER	CODERE ESPAÑA, S.A.U.	Spain	KISL	KING SLOT, S.R.L.	Italy
GAPG	GAP GAMES, S.R.L.	Italy	LFOR	LIBROS FORÁNEOS, S.A. DE C.V.	Mexico
GARE	GAMING RE, S.R.L	Italy	LUX1	CODERE LUXEMBOURG 1, S.A.R.L.	Headquarters
GAVA	GARAIPEN VICTORIA APUSTUAK, S.L.	Spain	LUX2	CODERE LUXEMBOURG 2, S.A.R.L.	Headquarters
GIBA	CODERE GIBRALTAR MARKETING SERVICES LIMITED	Headquarters	MIGA	MILLENNIAL GAMING, S.A.	Spain
HELA	HOTEL ICELA, S.A.P.I. DE C.V.	Mexico	MIOG	MIO GAMES, S.A. DE C.V.	Mexico
HENT	HOTEL ENTRETENIMIENTO LAS AMÉRICAS, S.A. DE C.V.	Mexico	MISU	MISURI, S.A.U.	Spain
HIPA	HÍPICA DE PANAMÁ, S.A.	Panama	NEWJ	NEW JOKER, S.R.L.	Italy
HRIU	HRU, S.A.	Uruguay	NIDI	NIDIDEM, S.A.U.	Headquarters















EPM legal entities and divisions

Code	Legal Name	Division
OACO	CODERE OPERADORA DE APUESTAS, S.L.U.	Spain
OBIN	OPERBINGO ITALIA, S.P.A.	Italy
OEDS	OPERADORA DE ESPECTÁCULOS DEPORTIVOS, S.A. DE C.V.	Mexico
OMSE	CODERE ONLINE MANAGEMENT SERVICES LTD	Headquarters
OPIB	OPERIBÉRICA, S.A.U	Spain
PMEX	PROMOJUEGOS DE MÉXICO, S.A. DE C.V.	Mexico
PREM	PROMOCIONES RECREATIVAS MEXICANAS, S.A. DE C.V.	Mexico
RCOM	RECREATIVOS CODERE, S.A. DE C.V.	Mexico
REPA	COMPAÑÍA DE RECREATIVOS DE PANAMÁ, S.A.	Panama
RETE	CODERE NETWORK, S.P.A.	Italy
RMAR	RECREATIVOS MARINA, S.A. DE C.V.	Mexico
ROBE	RECREATIVOS OBELISCO, S.L.	Spain
SAHI	SERVICIOS ADMINISTRATIVOS DEL HIPÓDROMO, S.A. DE C.V.	Mexico
SCMM	CODERE SCOMMESSE, S.R.L	Italy
SCOM	CODERCO, S.A. DE C.V., SOFOM, E.N.R.	Mexico
SEBI	SE.BI.LOT, S.R.L.	Italy
SEJO	SERVICIOS DE JUEGO ONLINE, S.A.U.	Headquarters
SEVE	SEVEN CORA SERVICE, S.R.L.	Italy
SJAI	SAN JAIME, S.A.	Argentina
SORT	COMERCIALIZADORA SORTIJUEGOS, S.A. DE C.V.	Mexico



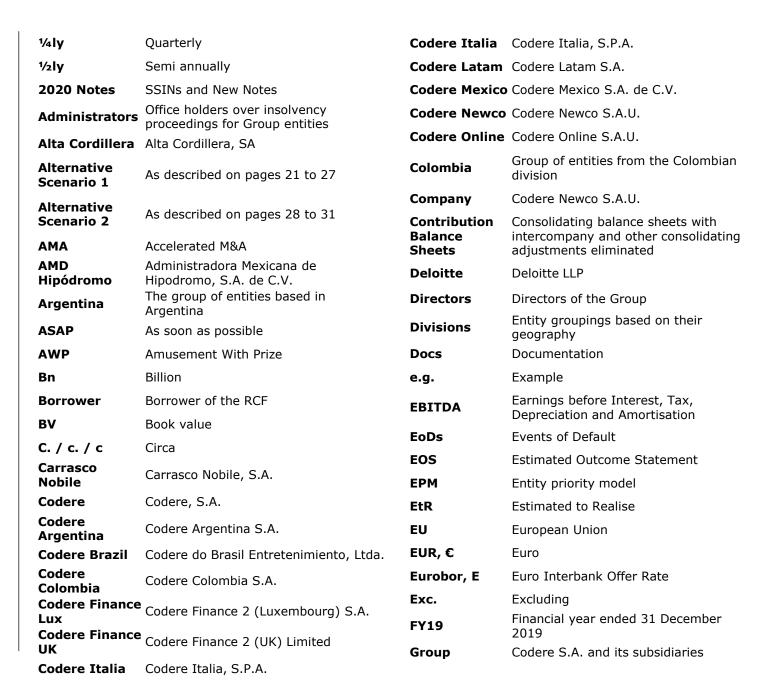








General glossary















General glossary

Headquarters	Group of entities from the Headquarters division	Management	Management team of the Group	
	The high end of our valuation or	Maturity	15 November 2020	
High Case	liquidation range	Mexico	Group of entities from the Mexican division	
HoldCo	Holding Company		Data either not applicable or not	
HQ	Group of entities from the Headquarters division	n/a	available	
HR	Human Resources	Nididem	Nididem, S.A.U.	
HRU	HRU, S.A.	NDA	Non-disclosure Agreement	
Iberargen	Iberargen, S.A.	Now Notes	€165m Senior Secured Notes to be	
TCA	Inter-Creditor Agreement dated 7	New Notes	issued following Scheme approval	
ICA	November 2016	Newco	New Company	
ICT, IT	Information (and communications) technology	NOL	Net operating losses	
	International Financial Reporting Standards	Non-op	Non-operational entities	
IFRS		Noteholders	Holders of the Existing Note	
IM	Information memorandum	October Coupon	€26.4m coupon on the SSNs due 30 October 2020	
IP	Insolvency practitioner	ОрСо	Operating company	
Issuer	Issuer of the SSNs	Operadora	Operadora Cantabria S.A. de C.V.	
Italy	Group of entities from the Italian division	Operbingo	Operbingo Italia, S.P.A.	
KPI	Key Performance Indicator	Italia	operange Italia, an in	
Latam	Latin America	Operiberica	Operiberica S.A.U.	
Lenders	Lenders of the SSNs and RCF	Panama	Group of entities from the Panama division	
Lock-Up	As described on page 4	Platform	Codere Apuestas Espana S.L.U	
Low Case	The low end of our valuation or	RCF	Revolving credit facility	
Low Case	liquidation range	RCF Lenders	Lenders providing revolving credit	
LTGR	Long term growth rate	KCF Lenders	facility under RCF	
LTM	Last twelve months	Restructuring	As described on page 4	
M&A	Merger & acquisition	SBF	€50m Surety Bond Facility with AM Trust	
M, m	Millions	SBF Lenders	Creditors to the facility detailed on page 14	















page 14

General glossary

Scheme UK Scheme of Arrangement as proposed by Codere Finance 2 (UK)

Limited

Scheme Company Scheme

Codere Finance UK

Scheme Counsel

Spain

SSINs

Clifford Chance LLP

SIP Statements of Insolvency Practice

SN Secured Notes

Group of entities from the Spanish

division

SSF Super Senior Facility

€85m Senior Secured Interim Notes

issued in July 2020

SSNs Senior Secured Notes

SSNs Indenture dated 8 November 2016
Indenture relating to the SSNs

Indenturerelating to the SSNsSTCFShort-term cash flow

UK United Kingdom

UruguayGroup of entities from the Uruguayan

division

US United States

Valuation Deloitte's separate indicative valuation discussion paper dated 21 August 2020

W/C, wc Week commencing

WIP Work in process

YTD Year to date













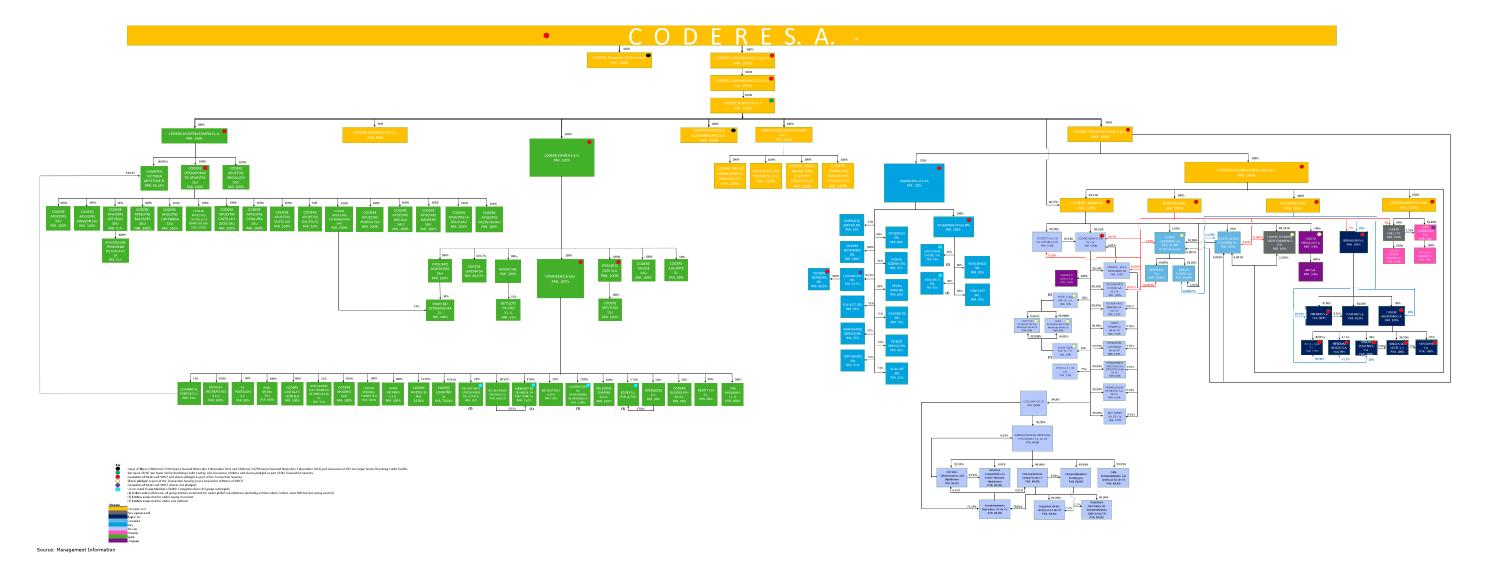
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Carmine – Entity Contribution Balance S	heets (EPM (Group)																																
€m as at May'20	CODE	LUX1	LUX2	CNEW	CFI2L (CFI2UK	SEJO	GIBA	OMSE	IMSS	CINT	CIN2	CLAT	NIDI	COLO	CAME	CCHILE	CAES	FVER	GAVA	DACO /	AAND	CASA	CAVA	AGAL	CANA	ACMA	APEX	ACAT	ACLE	ACAN /	ABAL	OPIB	JPVM
Assets Goodwill Intangible assets Non-current financial assets Land & buildings Assets by right of use & improvements Slots	0.0	- - - -	- - - -	8.6 0.0 - 4.4	- - - -	- - - -	- - - -	- - - -	- 1.0 - - 0.3	- - - -	- - - -	- - - -	- - - -	- - - -	-	- - - -	- - - -	- 6.4 - - 0.0	- - - -	0.1 0.0 0.0 0.0	- 0.0 - - -	- 0.2 - -	0.3 0.1 - 2.3	0.1 0.1 - 0.5	0.0 0.0 - 0.1	0.0 0.0 - 0.1	0.1 0.0 - 0.2	0.4 0.1 0.1 - 0.3	- 0.0 - -	0.0 0.3 - 0.2	0.0 0.0 - 0.3	0.0 0.0 - 0.2	15.6 38.4 3.0 11.3 3.8 7.8	1.7 - 0.8 0.6
Other machines and terminals Plant and equipment Furniture & Computer equipment Inventory Receivables	- - - (0.1)	- - - - 0.0	- - - - 0.0	0.2 0.2 - (0.3)	- - - - 0.0	- - - -	- - - - 0.0	- - - -	0.0	(0.0) 0.1 - 0.1	- - - -	- - - -	- - - -	- - - - 0.0	- - - -	- - - -	- - - -	0.0 0.0 0.3 -	(0.0)	0.0 0.2 0.1 0.0	6.7 0.0 0.5 0.7 0.2	0.0 1.2 0.4 - 0.1	0.0 2.2 0.5 0.0 1.6	0.8 0.1 0.0 0.1	0.2 0.0 - 0.3	0.0 0.1 0.1 0.0 (0.0)	0.6 0.7 0.3 0.0 0.2	0.0 0.3 0.1 -	0.0 0.1 0.0 -	0.0 0.2 0.1 0.0 0.0	0.0 0.2 0.0 0.0 0.1	0.0 0.3 0.1 0.0 (0.0)	0.4 1.1 0.2 0.3 4.4	0.0 0.0 - 0.1
Tax assets Other assets	2.4 0.9 0.6	0.0 0.0	0.0 0.0	0.9 5.6 19.5	1.2 0.0	-	0.0 1.6	- 0.0	0.2 1.6 1.2	(0.0) 0.0 0.1	- - 0.1	- - 0.4	- - 0.5	- - 0.1	- - 4.7	0.0 0.0	- 0.0	2.2 0.0 0.4	(0.3) - 0.0	0.1 0.2 0.2	(0.0) 0.0 0.0	(0.0) 0.2	0.2 0.3 0.0	0.0 0.2 0.1	0.1 0.6 0.0	0.0 0.2 0.3	0.0 0.0 0.1	0.0 0.1 0.0	0.0 0.1 (0.0)	0.0 0.0 (0.0)	0.0 0.0 0.0	0.0 0.0 0.0	1.9 4.8 3.3	0.0 0.3 4.4
Cash & cash equivalents Total assets	3.9	0.0	0.0	39.1	1.2	-	1.6	0.0	1.4	0.1	0.1 0.1	0.4	0.5 0.5	0.1	4.7	0.0	0.0	12.6	(0.3)	1.3	8.1	2.2	7.6	2.0	1.3	0.9	2.1	1.4	0.2	0.0)	0.0	0.6	96.4	7.9
Liabilities RCF, Notes and PDS Local debt	-	-	-	(94.1)	(769.9)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	- (0.4)	-	(0.3)	- (0.2)	-	-	-	-	-	-	-	-	- (1.1)	- (1.6)
Employee liabilities Tax liabilites	(0.0)	-	-	(0.0)	-	-	-	-	-	-	(2.0)	-	(0.0)	-	-	-	-	(0.4)	-	-	0.0	-	0.0	-	(0.2)	-	-	-	-	-	-	(0.0)	(3.6)	(0.0)
Leases Trade payables	(3.1)	(0.0)	(0.0)	(5.0) (7.4)	(0.2)	-	(0.0)	0.0	(2.5)	(0.0)	(0.0)	(0.0)	0.0	0.0	(0.0)	(0.5)	(0.1)	0.0 (1.8)	0.0	(0.3)	0.5	(0.4)	(2.0)	(0.5)	(0.0)	(0.1)	(0.6)	(0.2)	(0.0)	(0.2)	(0.3)	(0.1)	(20.3) (3.6)	(0.2) (0.5)
Provisions and accruals Other liabilities Total liabilities	(0.3)	(0.0) (0.0)	(0.0) (0.0)	(2.4) (7.7) (116.6)	(0.0) (0.1) (770.1)	-	(0.0)	0.0 (0.0)	(0.5) (3.0)	(0.1) (0.3) (0.4)	(2.0)	(0.0)	(0.0)	0.0	(0.0)	(0.5)	(0.1)	(0.5) (3.5) (6.1)	0.0	0.0 (0.2) (0.9)	(0.3) (0.1)	(0.0) (0.2) (0.6)	0.0 (1.4) (5.0)	(0.0) (0.4) (1.6)	0.0 (0.2) (1.4)	0.0 (0.2) (0.4)	(0.0) (0.2) (1.9)	0.0 (0.2) (0.4)	(0.0) (0.1) (0.3)	(0.0) (0.1) (0.4)	(0.0) (0.1) (0.4)	(0.0) (0.1) (0.2)	(35.7) (64.4)	(0.7)
Net assets	0.5	0.0	0.0	(77.5)	(769.0)	-	1.6	0.0	(1.6)	(0.2)	(1.9)	0.4	0.5	0.1	4.7	(0.4)	(0.1)	6.4	(0.3)	0.4	8.0	1.5	2.6	0.3	(0.1)	0.5	0.2	0.9	(0.0)	0.5	0.3	0.4	32.1	4.9
€m as at May'20	CGIR	CDON	JMQU	MISU	BETS	CDSE	ROBE	APRI	MIGA	соуо	IPMQ	CLOG	AAST	CAAR	APRA .	AMUR	CITALI	OBIN I	NEWJ	GAPG (GARE (CTEC S	SCMM	SEVE	CMAT	SEBI	KISL	RETE	SCOM	CMEX I	RMAR I	LFOR (CANT	OEDS
Assets Goodwill	-	-	-	8.9	-	0.1	1.8	-	-	0.6	-	0.5	-	-	-	-	6.4	26.0	-	1.3	- (2.2)	0.0	-	-	13.8	- (4.2)	- 0.6	-	-	32.7	-	-	- 0.9	- 0.0
Intangible assets Non-current financial assets Land & buildings	2.5 0.2 4.9	0.4 0.1 -	0.0 0.1 1.1	0.0 0.0 -	3.1 0.6 -	0.2 - -	0.9 0.1 0.0	0.0 0.0 -	0.2 0.2 0.0	1.3 0.5 1.3	0.2 0.1 -	2.0 0.1 0.1	0.0 0.0 -	0.0 0.0 -	0.0	0.0 - 0.0	32.8 (0.6)	7.1 1.2 -	(0.0)	(10.0) 1.3 -	(2.3) - -	0.1 0.3 -	0.6 - -	0.2 0.2 -	- -	(1.2) 0.6 -	0.0	6.1 - -	0.1 - -	43.9 0.0 -	6.3 0.1 -	0.6 0.1 -	0.9	0.0
Assets by right of use & improvements Slots	0.1 0.4	0.0	0.3	6.9 0.1	3.6 1.0	-	0.2 0.4	0.1	1.2 0.3	0.4 0.3	0.1 0.5	0.0 0.3	0.4 0.1	0.1	0.1	0.0	2.8 0.2	14.7 0.0	-	0.1 0.4	0.2 0.4	0.5 0.2	-	0.2 0.1	-	0.2 1.0	1.6	0.0	-	0.2 26.8	4.8 0.1	9.9 0.0	21.9 0.4	3.8 0.0
Other machines and terminals Plant and equipment	0.0 0.1	0.0	0.0 0.0	0.0 0.3 0.1	0.1 1.1	0.0 0.0	0.0	0.1	0.1 1.2	0.1	0.0	0.0	0.0 0.3 0.0	0.0	0.0	0.0	(0.7)	1.5	-	0.0 0.3 0.0	0.0 0.2 0.0	0.0	0.0	0.1	-	0.0 0.2 0.0	0.0 0.0	0.5 0.1	-	0.1	0.5	0.6	1.3	0.5 0.1
Furniture & Computer equipment Inventory Receivables	0.0 0.0 0.7	0.0 - 0.0	0.0 0.0 0.1	0.1 0.0 0.1	0.0 - (2.8)	0.0 0.0	0.0 - 0.2	0.0 0.0 0.0	0.3 0.0 0.2	0.1 0.0 0.2	0.0 - 0.1	0.0 0.0 0.4	0.0 0.0	0.0 - 0.0	-	0.0 - 0.0	(0.0) - 0.3	1.2 0.3 1.7	-	1.1	1.3	0.0 - 1.4	0.2 - 0.0	0.0 - 0.9	-	2.0	0.3 0.7	6.2	0.0	0.2 0.0 0.2	0.2 0.0 (0.0)	0.2 0.1 3.3	0.7 0.1 0.7	0.0 0.0
Tax assets Other assets	0.3 0.1	0.0 2.9	0.0	0.4 0.3	0.5 0.1	(0.0) 0.0	0.3 0.1	0.0 0.1	0.2 0.2	0.0 (0.1)	0.0 0.1	0.1 0.1	0.4 0.0	0.0	0.0 0.0	0.0	3.9 1.1	3.7 2.0	-	0.6 0.8	0.1 0.7	0.3 (0.2)	0.3 0.1	0.5 0.5	0.0 (0.0)	0.1 0.5	0.1 0.1	1.4 2.7	0.1 0.1	5.3 4.0	2.8 0.8	4.1 0.1	6.2 0.5	2.2 0.1
Cash & cash equivalents Total assets	0.6 10.0	2.1 5.5	0.0 1.8	0.1 17.4	0.5 7.7	0.0 0.4	0.5 4.7	0.0 0.3	0.1 4.1	2.2 6.8	(0.0) 1.3	0.2 3.8	0.0 1.3	0.0 0.3	0.0 0.1	0.0 0.3	7.8 53.9	1.1 60.6	(0.0)	0.2 (4.1)	0.3 0.9	1.1 4.0	0.0 1.2	0.8 3.4	0.0 13.8	0.1 3.4	0.4 4.0	0.3 17.3	0.0 0.3	(0.4) 113.0	0.0 15.7	1.3 20.4	0.2 33.0	0.0 6.8
Liabilities RCF, Notes and PDS	-	-	-	- (0.0)	-	- (0.4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Local debt Employee liabilities Tax liabilites	- (0.1)	-	-	(0.8) - (1.5)	- - 0.1	(0.1) - 0.0	- - (0.1)	(0.0)	- 0.0	- (0.7)	0.0	- (0.0)	-	- (0.0)	-	-	- (10.6)	(2.6) - (2.7)	-	- - 2.5	- 0.6	- (0.1)	-	(0.0) - (0.1)	-	(0.0) - 0.2	(0.2)	(0.3)	-	(1.1) - (14.2)	-	- (0.0)	(2.4) - (0.0)	(0.7)
Leases Trade payables	(0.1) (0.1)	(3.5)	(0.3) (0.0)	(6.7) (0.5)	(2.9)	(0.2)	(0.3)	(0.1)	(0.9) (0.2)	(0.1)	(1.6) (0.1)	(0.8)	(0.4) (0.1)	(0.1)	(0.1) (0.0)	(0.0) (0.1)	(2.1)	(10.3)	-	(0.0) (0.7)	(0.1) (0.6)	(0.2)	(0.0)	(0.1) (0.1)	(0.0)	(0.1)	(0.9)	(0.8)	(0.0)	(0.5)	(2.6) (0.4)	(6.7) (3.8)	(11.5) (2.0)	(2.4) (0.7)
Provisions and accruals Other liabilities	(0.4)	(0.1)	(0.1)	(0.4)	(1.2)	(1.7)	(0.6)	(0.0)	(0.2)	(0.3)	(0.5)	(0.6)	(0.0)	(0.0)	(0.0)	(0.0)	(2.7)	(4.6) (9.7)	-	(0.2)	(0.0)	(0.3)	(0.0)	(0.2)	-	(0.1)	(0.2)	(2.2)	(0.0) (4.5)	(0.7)	(0.1)	(0.4)	(0.8)	(0.2)
Total liabilities Net assets	9.3	(5.5) 0.1	(0.4) 1.3	(11.8) 5.7	(0.3) 7.4	(1.9) (1.5)	(1.0) 3.7	(0.1) 0.2	(2.2) 1.9	(1.4) 5.4	(2.2)	(1.6)	(0.6) 0.7	0.2	(0.1) 0.0	(0.1) 0.1	(18.6) 35.3	(33.4) 27.2	(0.0)	(3.7)	(0.6) 0.4	(1.4) 2.6	(0.0) 1.2	(0.8) 2.6	(0.0) 13.8	(1.3) 2.1	(1.4) 2.6	(22.2)	(4.5)	(34.7) 78.3	(3.7) 11.9	(13.4) 7.0	(21.4) 11.5	(5.0) 1.8
€m as at May'20	PMEX	MIOG	АМНІ	HENT	SORT	HELA	EVIR	ENTR	PREM	RCOM	SAHI	ICEA	CELA	HRIU	CANO	CURU	CLCO	CCOL	INTS	BGCO	IBAR	ІТРО	ITBA (CARG	BPLA	ІТМВ	BOES	INTE	SJAI	ACOR	REPA	HIPA		EPM Group
Assets Goodwill	-		_	_	_		-	_	_	_		27.3		5.7	_		-	(0.0)		0.0	24.9	_	_	4.1	0.0	-	0.0	-	_	29.6	-	-		199.7
Intangible assets Non-current financial assets	0.0 0.1	-	114.1 1.0	-	-	0.1	-	-	-	-	-	-	0.2	13.3	1.1 -	-	-	(0.1) 0.2	0.0 0.1	0.1	14.0 0.1	-	26.9 0.1	-	0.8 0.0	0.8	0.3 1.5	8.4 0.0	-	10.8 3.0	-	2.4 0.7		346.4 16.0
Land & buildings Assets by right of use & improvements Slots	3.6	0.4	76.7 65.2	-	-	-	-	-	-	-	-	-	-	20.1	18.4 5.3	-	-	0.2 4.0	1.2	0.1 0.3	0.4 5.8	4.6 -	4.2 6.8 4.9	-	1.0	4.8 0.7	2.1 0.5	2.6	1.6 -	0.4 54.0	-	0.5 0.6		133.1 260.6 97.4
Other machines and terminals Plant and equipment	0.0 - 0.2	- - 0.1	20.2 0.0 6.6	-	- 0.0	-	-	-	-	-	-	-	-	5.8 - 1.7	1.1 - (2.8)	-	-	1.5 0.4 0.3	0.8 - 0.0	3.2 - 0.3	6.9 0.1 0.7	-	0.0 0.4	-	2.4 0.0 0.4	0.8 - 0.1	1.2 0.0 0.2	2.1 0.0 0.4	-	5.1 - 5.3	-	0.6 - 0.6		8.9 31.2
Furniture & Computer equipment Inventory	0.1 0.0	0.0	1.8 2.7	-	-	-	-	-	-	-	-	-	-	0.6 0.4	0.5 0.2	-	-	0.6 0.5	0.0	0.2 0.2	0.9 0.6	(0.0)	0.8 0.2	-	0.3 0.1	0.2 0.2	0.1 0.1	0.3	-	1.5 2.0	-	1.1 0.5		15.8 9.7
Receivables Tax assets	0.0 1.0	0.0 0.6	5.2 22.6	-	0.0 1.8	-	9.2	0.3 4.5	0.1	0.0	0.1 0.1	0.1	-	12.2 1.1	0.7 0.2	0.0	0.0	(0.5) 0.3	0.1 0.1	0.1 1.3	0.3 1.9	0.0	0.1 12.5	(0.0) 0.1	0.0 3.2	0.1 0.6	0.0 1.1	0.0 3.1	0.0	1.2 3.5	-	2.5 0.9		48.4 111.4
Other assets Cash & cash equivalents	0.1	0.0	11.9 8.2	-	0.0	-	0.0	0.0	0.0	0.0	0.0	0.0		0.1 12.0	0.7	0.1	0.0	0.2	0.0	0.0 0.4	0.0 0.2	0.0	0.0 0.1	0.0	0.0	0.0	0.2)	0.0 0.4	0.0	0.2	-	1.0		47.2 82.7
Total assets Liabilities PCE Notes and PDS	5.1	1.1	336.4	-	1.8	0.1	9.2	4.8	0.1	0.0	0.2	27.3	0.2	72.8	26.4	0.1	0.0	8.3	2.4	6.1	56.7	4.7	57.0	4.3	8.3	8.5	6.8	17.5	1.7	117.4	-	10.9	-	1,408.5
RCF, Notes and PDS Local debt Employee liabilities	- -	-	(26.0)	-	-	- - -	- - -	-	-	-	-	-	- - -	(24.0)	(19.7) -	-	-	(0.0)	-	(0.5)	-	-	-	-	- - -	- - -	-	-	-	(2.3)	- -	-		(863.9) (83.1)
Tax liabilites Leases	(0.0) (2.7)	(0.0) (0.7)	(34.7) (36.9)	-	-	-	(0.0)	-	-	-	-	(0.0)	-	(3.1) (4.0)	0.0 (0.2)	-	-	(0.1)	(0.0)	(0.3)	(7.7) (2.9)	(1.4)	(15.8) (5.8)	(0.1)	(4.1) (0.5)	(2.0) (0.3)	(1.9) (0.4)	(4.1) (1.8)	(0.5) (0.0)	(0.7) (52.8)	-	0.4 (0.1)		(110.0) (191.1)
Trade payables Provisions and accruals	(0.7) (0.3)	(0.1) (0.0)	(11.8)	-	(0.0)	-	0.0	(0.0)	0.0	(0.0)	(0.1) (2.7)	(0.0)	-	(4.6) (0.2)	(1.9) (0.5)	0.0	(0.0)	(4.1) 0.2	(0.3) (0.0)	(1.7) (0.1)	(1.7) (1.2)	(0.0) (0.0)	(1.2) (0.7)	(0.0) (0.0)	(0.4)	(0.6) (0.2)	(0.3)	(0.8) (0.2)	(0.0)	(6.1) (1.0)	(0.0)	(2.7) (0.3)		(82.9) (26.8)
Other liabilities Total liabilities	(1.0) (4.7)	0.2 (0.6)	(34.3) (147.0)	-	(4.4) (4.5)	-	(6.9) (6.9)	(8.8) (8.8)	(0.5) (0.5)	- (0.0)	(0.6) (3.4)	(0.4) (0.4)	-	(2.9) (38.7)	(0.9) (23.2)	(0.0) 0.0	- (0.0)	(2.9) (6.9)	(1.4) (1.7)	(0.3) (2.8)	(6.4) (19.9)	(0.1) (1.5)	(4.6) (28.1)	0.5 0.4	(2.1) (7.3)	(1.6) (4.7)	(1.0) (3.7)	(2.1) (9.0)	(0.0) (0.5)	(6.6) (69.6)	- (0.0)	(0.4) (3.1)	_	(214.5) (1,572.5) (164.0)
Net assets	0.4	0.5	189.5	-	(2.6)	0.1	2.3	(4.0)	(0.4)	0.0	(3.3)	26.9	0.2	34.2	3.2	0.1	(0.0)	1.4	0.7	3.2	36.9	3.2	28.9	4.7	1.0	3.8	3.2	8.5	1.2	47.8	(0.0)	7.9		(164.0)

Source: Management information

Carmine - Intercompany Matrix	2005 11111	LUVO ONEW	W OFISH OFISH	UK 05 10	OID A OMOT	1400	OIAIO TIAIO	OLAT	NIDL COLO	OAME C	2011115	0450 5	VED OA	VA 046	20. 441	0404	041/4	4041 04	NA 401	A ADEV	4047	4015 4		DAL ORIE	D 101/14	0010	ODON	IMOLL M	UOLL DET	20.0005	BODE	ADDL	WOA 00	VO IDMO	0 0 00	AAOT	NAD AD	DA AMUD
CODE LUX1	0.0 (0.0)	- 1.1 - 0.3		UK SEJO (GIBA OMSE	0.0	0.0	CLAI	NIDI COLO	CAMEC	CHILE	(0.7)	VER GA	· ·	O AANI	CASA	CAVA	AGAL CA	NA ACM	IA APEX	ACAT	ACLE A	CAN A	- 1.1	3 JPVM	CGIR	0.0	JMQU M	0.1 -	S CDSE	KORE	APRI I	- ((0.0)	Q CLOG	AASI C	CAAR AP	RA AMUR
LUX2 CNEW	(1.1) (0.3)	(0.3)		(10.8)	(3.5)	(0.1)	- 0.0 (226.5) (549.2)	-	6.5 83.3	1.4		(63.0) (29	90.2) (((0.0)	.8) 1.7	2.0	- 0.8	(0.0)	0.2 (0	.2) 0.3	0.1	0.2		0.3 0.2	(0.1)	0.0	(0.4)	0.0	(0.0) 0.	0 (0.3)	- 0.0	0.2	0.0	- 0.0	.0 0.0	(0.0)	0.2	0.2
CFI2L CFI2UK	- 0.1	(0.0) (510.7	7)		: :	-	(277.1)	- 1			:	-					-	-			-		-		- '		-			-	-					-		
SEJO GIBA	: :	- 10.8	3	-	- (8.4) (1.5)	(0.8) 1.5	: :	:	: :	:	:	:		: :	:	:	:	-		-	:	:	:	: :	-	:	:	:	: :	:	:	:			:	-		
OMSE IMSS	(0.0)	- 3.5 - 0.1		8.4 0.8	1.5 (1.5) 0.3	(0.3)	<u>:</u> :	:	: :		:	5.5	: :	: :		:	:	-		-		:	:	: :	- :		(2.6)	:	: :			:				:		
CINT CIN2	(0.0)	- 226.5 (0.0) 549.2	2 277.1 -	:	: :		277.0)	0.0	(18.2)	:		:	: :	: :	- :	0.0	:		: :		:	:	:	: :	- :	:	:	:	: :	:	:			: :	:			
CLAT NIDI	: :	- 113.4 - (6.5		-	: :	-	- (0.0) - 18.2	-	<u> </u>	(0.0)			: :	: :				-		-				: :	-				: :					: :		-		
COLO CAME	: :	(83.3	3) 4)		: :	:	: :	:	0.0	-	(0.0)	:	0.0	: :		:	:	:	: :	:		:		: :				:	: :	:	:	:		: :				
CCHILE CAES FVER	0.7 -	- 63.0			(5.5)		: :		: :	- (0.0)			- (2		i.4) (8.8 i.0)	(0.9)	(0.7)	0.5	0.0 0	.2 0.1	0.1	0.0	0.0	(0.0) 17.2	45.7	(0.0)	(1.3)	0.1		0.0	-	0.0	- ((0.0)	01	0.0	0.0	0.0) 0.0
GAVA OACO		- 0.0								(0.0)		29.3 18.4	- 0.0 (.0)	0.0	(6.7)	(1.1)	(0.0)	4) (1.8)	(1.5)	(1.7)	(1.4)	- 0.1	(8.3)	(0.0)	(0.0)	(1.3)	(2.0) 0.	(5.5)	-	(1.1)	- ((0.0)	-	(0.0)	(1.5)	(2.3)
AAND CASA		- (1.7	7) -			-	(0.0)						- (0.0 1	.7		(0.1)	(0.5)	0.0 -	- (1.0)	(1.5)	- 0.0	(1.4)	- 0.2	(0.1)		(0.2) 24.5		(0.0) (0.	(0.2)	(0.0)	(1.1)	(0.0)	- 0.1	.1 -	- 0.0	(1.5)	
CAVA AGAL		- (0.8	3) 	-	: :			-	: :			0.7		- 6	.7 -	0.1 0.5	0.0	(0.0)		-			:	- (6.1 - 0.1	(6.5)	-	0.1	:		(0.2)		:	(===)			-		
CANA ACMA	: :	- (0.2 - 0.2	2) 2	-	: :	:	: :	:	: :		:	(0.0)	- (0.0 1	.9 (0.0	0.0	-	:		. :		:	:	(0.0) (0.1	(0.6) (1.6)	-	(0.0) (0.1)	:	: :	(0.0)		:				:	- :	
APEX ACAT		- (0.3 - (0.1	3) 1)		: :	-	: :	:	: :	:	:	(0.1) (0.1)	: :	- 1 - 1	.8 - .5 -	(0.0)	:	-	: :			:	:	- (0.2 - 0.0	2) 1.2 (0.2)	-	(0.1) (0.1)	:	: :		:	:				-	:	
ACLE ACAN		- (0.2 - (0.2	2) 2)		: :	-	: :	:	: :	:	:	(0.0) (0.0)	: :	- 1 - 1	.7 - .4 -	(0.0)	:	-		-	- 1			- 0.0 - (0.0			(0.1) (0.0)	:	: :		:	:				-	:	
ABAL OPIB	(1.1)	- (0.3 - (0.2	3) 2)	-	: :	-	: :	-	: :	:	:	0.0 (17.2)	(0.2)	- 1 (0.1) (0	.3 - (0.2	0.2	6.1	(0.1)		.1) 0.2	(0.0)	(0.0)	0.0	(0.0)	0.6	0.1	(0.1) (7.3)	(0.0)	(0.1) (0.	1) (0.7)	(0.6)	(0.0)	(8.1)	0.7 0.2	2 (2.6)	0.1	0.0	 1.5 (0.0)
JPVM CGIR		- 0.1 - (0.0)) -	-	: :	:	: :	-	: :	:	:	-	0.0	8.3 (36	.4) 0.1	20.2	(5.6)			.6 (1.2)	0.2	- 1	-	(0.6) 27.9 - (0.1) (1.1)	1.1	(0.0)	(1.7)	7.7 (0.	5) 8.2	(0.1)	0.3	2.6	(0.0) 0.9	9 0.2	(1.8)	0.2	0.0) 0.3
CDON JMQU	(0.0)	- 0.4 - (0.0))	-	- 2.6	:	: :	-	: :		:	(0.1)	1.3	0.0 (0	.0) 0.2	(24.5)	(0.1)	(0.7)	0.0 0	.1 0.1	0.1	0.1	0.0	0.1 7.3	1.7		(0.0)	0.0	(0.0) 0.	0 0.0	0.0	0.0	0.0	0.0 0.0	0 0.2	0.0	0.1	0.1
MISU BETS	(0.1)	- 0.0 - (0.0)))	-	: :	-	: :	-	: :			-	2.0 (0.1)	- 0	.0 -	0.0	-	-		-				- 0.1	0.5		(0.0)		1.7	7) (0.0)			0.1	: :		-		
CDSE ROBE	: :	- (0.0	3		: :	:	: :	:	: :	:		(0.0)	(0.0)	:	0.2	(0.0)	-	:	0.0 -	:		:		- 0.7	0.1		(0.0)	:	0.0 -			- :	0.1	: :				
APRI MIGA		- (0.2	2)))		: :	:	: :	:	: :	:		-	(0.0)	- 1 	.1 -	0.0	:	:	: :	:		:		- 0.0	(2.6)	-	(0.0)	(0.0)	(0.1)	(0.1)				<u> </u>	-			
COYO IPMQ CLOG	0.0 -	(0.0))		: :	:	: :		: :			-	0.0	0.0 -	(0.1) -			: :	-	-		-	- (0.7 - (0.2 - 2.6	(0.9) (0.9)		(0.0)	:	: :		:	(0.0)				- :		
AAST CAAR		- 0.0)	-		-						(0.0)	(0.1)	0.0 0	.6 -	(0.0)	-	-					-	- (0.1	1.8	-	(0.2)					(0.0)						
APRA AMUR		(0.2	2) -			-						0.0			.3	(0.0)		-		-				- (1.5	5) (0.2) 5) 0.0 1 (0.3)		(0.1)											
CITALI OBIN	(0.3)	- 0.5	; ;))	-	: :		62.6		: :							0.0	(0.0)	-		-		:	:	- 0.0			()	:	0.0			:				-		
NEWJ GAPG	: :				: :		: :	:	: :		:	:		: :	:	:	:	:			:	:	:	: :	- :	:	:	:	: :		:	:		: :	:	:		
GARE CTEC	: :			-	: :	-	: :	-	: :	:	:	:	: :	: :		:	:	-	: :	-	:	:	:	(0.0)) -	:	:	:	: :	:	:	:	:	: :	:	-		
SCMM SEVE	: :	: :	: :		: :	:	: :	:	: :		:	:		: :		:	:	:		:	:	:	:	: :	- :	:	:	:	: :	:	:	:		: :	:	:	-	
CMAT SEBI	: :	: :	: :		: :	-	: :	:	: :	:		:	: :	: :	- :	:	:	-	: :	-		:		: :	- :	:		:	: :	:	:	:		: :	:	-		
KISL RETE				-	: :	-	(0.0)					:	: :					-		-				(0.0	-			:	: :							-		
SCOM CMEX	(0.0) (1.0)	- 263.2 - 6.6	?	-	: :	-	- 208.6 - 0.4	2.6	: :	(0.0)		-	: :	: :	- :			:		:			-	: :	-		-		: :					: :		-		
RMAR LFOR CANT		- 0.1	,		- 6.1		: :	0.4	: :			0.0	: :					-	: :	-			:	: :	-			:	: :							-		
OEDS PMEX		- 0.4										0.0					-	-		- :										:								
MIOG AMHI	(0.1)	- 0.0	,)		: :		0.1	:	: :			0.0					:				:	:	:	: :	-			:	: :	:								
HENT SORT				-	: :	:		-	: :			-	: :		-		:	:		:	-	:	:	: :	:	:	-	:	: :				-			:		
HELA EVIR	: :	: :	: :	-	: :	:	: :	-	: :	:	:	:	: :	: :	:	:	:	:	: :	:	:	:	:	: :	:	:	:	:	: :	:	:	:	:	: :	:	:	:	
ENTR PREM	: :	: :	: :	-	: :	:	: :	:	: :	:	:	:	: :	: :	-	:	:	:	: :	:	:	:	:	: :	:	:	:	:	: :	:	:	:	:	: :	:	:		
RCOM SAHI	: :	: :	: :	-	: :	:	: :	:	: :	:	:	:	: :	: :		:	:	:	: :	:	:	:	:	: :	:	:	:	:	: :	:	:	:	-	: :	:	:	-	
ICEA CELA		: :	: :	-	: :	:	: :	-	: :	:	:		: :	: :	- :	:	:	:	: :	:	:	:	:	: :	:	:	:	:	: :	:	:	:		: :	:	:		
HRIU CANO	(0.3) - 0.3 -	- 0.1 - 1.1			: :				: :				: :	: :		:	:	:		:				: :				:	: :		:	:	-	: :		:	-	
CURU CLCO		- 0.0				-		9.3	- 8.5	-		-									-	-		: :				:	: :				-	: :		:	-	-
CCOL INTS	(0.1))	-		-	- 5.6 	-		-	:					(0.9)	:		: :		-	-	-	: :			-		: :				-	: :			-	
BGCO IBAR ITPO	(2.4)	- 0.5 - 2.1		-		-		-	0.3 8.7		-										-		-	: :				-	: :		-							
ITBA CARG		- 0.8	 	-		-		-										:	:							-			: :		-							
BPLA ITMB		- 0.3	 3 2	-				-									-				-	-	-		-		-				-							
BOES INTE			2					-									:	:	: :		:	:	:	: :			:	:	: :			:	:			:		
SJAI ACOR	(0.6)							-									-			:		:	:		:		:	:		:	:	:	:		:	:		
REPA HIPA	(0.0)					-		-		(3.9)						-		-																				
EPM Receivables	1.0 0.1	- 1,564.1	787.8 -	9.1	1.5 9.8	1.5	339.6 250.5	17.2	6.8 100.4	1.4		66.1	41.5	8.4 50	.3 2.2	23.1	7.1	7.0	0.9 1	.9 0.7	0.5	0.4	0.3	0.4 66.8	94.5	1.2	25.4	0.1	9.4 0.	1 8.2	0.0	0.5	2.8	0.7 1.2	2 0.5	0.1	0.5	1.5 0.5
EPM Payables	(7.1) (0.3)	(0.3) (608.4	ı) (U.1) -	(10.8)	(1.5) (18.9)	(1.1) (∠∠6.5) (1,103.3)	(113.4) ((18.2)	(3.9)	(0.0)	(127.6) (29	90.5) (2	. ა .ხ) (57	.0) (10.8	(51.4)	(13.2)	(2.5) ((1.9) (0	.7) (3.0)	(1.6)	(2.0)	(2.1)	(2.0) (9.3	90.6)	(0.0)	(42.0)	(3.0)	(2.3) (2.	3) (6.9)	(0.7)	(1.1)	(8.1) ((0.0) (0.0	.u) (2.6)	(2.4)	(1.5) (u.u) (2.3)

Carmine =	Intercompany	Matri

CITALI OBIN	NEWJ GA	PG GARE	CTEC S	SCMM S	EVE CMA	T SEBI	KISL_	RETE S	SCOM CM	IEX RMA	R LFOR	CANT	OEDS F	PMEX MI	OG AMH	I HENT	SORT HE	ELA EV <u>IR</u>	ENTR	PREM RCO	M ŞAHI	ICEA C	ELA HRIU	CANO	CURU CL	co <u>cco</u> ı	INTS	BGCO_	IBAR I	TPO ITE	BA CARG	BPLA	ITMB B	BOES IN	ITE SJAI	I ACOR REF
0.3 -	- 1	: :	:	:	: :	:	:	:	0.0	1.0 -	:	:	:	:	- 0.1 	- :	:	: :	:	: :	:	:	- 0.3	(0.3)	-	0.1	- :	1	2.4	: :	:	:	:	: :	: :	0.6 -
(0.5) 0.0	:	: :	:	:	: :	- :	- :	- 1	(263.2) ((6.6) (0.		(1.4)	(0.4)	(2.0)	(0.0) (0.1) -	:	: :	:	: :	:	:	(0.1)	(1.1)	(0.0)	(0.3	(0.0)	(0.5)	(2.1)	- (0).8)	(0.3)	(0.2)	(0.2)	(0.3)	(18.9)
	-		-	-	: :	-	-	-					-	-			-		-		-	-			-		-		-	: :		- 1	-			
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Notes: (1) This analysis is subject to our limitations and assumptions Source: Management information

odwill	CODE	LUX1	LUX2	CNEW	CFI2L	CFI2UK	SEJO -	GIBA -	OMSE	IMSS	CINT	CIN2	CLAT	NIDI -	COLO	CAME	CCHILE	Total	Book Value 0.0
ble assets irrent financial assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.6 0.0
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ure & Computer equipment ory		-	-	0.0	-	-	-	-	0.0	0.0	:				-		-	0.0	0.3
vables usets		0.0	0.0	- 1	0.0	-	0.0	-	-	0.0	-	-	-	0.0	-	-	-	0.0	0.1 3.5
assets ve liabilities	0.1	:	-	3.5	0.6	:	0.0	:		-	:	-	:	:	-	0.0	-	4.2	11.5
& cash equivalents	0.3	0.0	0.0	8.0	0.0	-	0.7	0.0	0.5 4.7	0.0	0.0	0.2	0.2	0.0	1.9 8.9	0.0	0.0	11.9 285.5	29.0
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hird Party mpany	0.9	0.0	0.0	207.3	0.6	-	0.7	0.0	5.2	0.1	13.7	54.6	124.6	1.9	20.1	0.0	0.0	429.7	1,186.0
eivables (EPM) stments		0.0	-	0.5	-	-				-	-	-	-	-	-	-	-	0.5	2,092.0
ntercompany	-	0.0	-	0.5	-	-	-	-	-	-	-	-	-	-	-	-	-	0.5	2,092.0
Assets	0.9	0.0	0.0	207.8	0.6	-	0.7	0.0	5.2	0.1	13.7	54.6	124.6	1.9	20.1	0.0	0.0	430.2	3,277.9
Insolvency ble to Creditors	(0.1)	(0.0)	(0.0)	(3.8)	(0.1)	•	(0.1)	(0.0)	(0.3)	(0.1)	(0.6)	(2.3) 52.3	(0.4) 124.2	(0.1)	(0.5) 19.5	(0.0)	(0.0)	(8.6) 421.6	
e Debt																			
lers Loan	(0.8)		-	(196.1) (3.1)	(0.5)	-	-	-	-	- 1	(12.1)	(52.3)	(124.2)	(1.8)	(19.5)		-	(407.2) (3.1)	(945.9) (3.1)
l Debt Facilities	•	-	-	-	-	-	-	-	(0.5)	-	- (4.0)	-	- (0.0)	-	-	-	-	(2.0)	(83.2)
ential 1 ste (exc. interest)	No prefs	No prefs	No prefs	(2.4) 100%	No prefs	No prefs	No prefs	0%	(0.5) 100%	0%	(1.0) 100%	No prefs	(0.0) 100%	No prefs	No prefs	No prefs	No prefs ((3.9) linc. interest)	(4.5)
ured (e.g. trade) ivi Rate (exc. interest)	(0.0) 0%	- 0%	- 0%	(2.4) 10%	(0.0) 0%	- 0%	(0.0) 100%	- 0%	(4.4) 67%	- 0%	(0.0) 1%	(0.0) 6%	(0.0) 1%	- 0%	(0.0) 1%	- 0%	- 0%	(6.8) linc. interest)	(36.9)
vi Rate (exc. interest)	0%	0%	0%	10%	0% N	lo trade, I/C	100%	0%	67%	0%	1%	6%	1% N	trade, I/C	1%	0%	0% (inc. interest)	
nird Party	(0.8)	-	-	(204.0)	(0.5)	-	(0.0)	•	(4.9)	-	(13.1)	(52.3)	(124.2)	(1.8)	(19.5)	-	-	(421.1)	
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ple for Equity	(0.0)	-	-	(7.0)	(0.0)	-	(0.0)		(4.5)	-	(13.1)	(==.0)	(124.2)		(18.0)			(421.0)	
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CODE	LUX1	LUX2	CNEW - 0.8	CFI2L (CFI2UK	SEJO	GIBA	OMSE 0.1	IMSS	CINT	CIN2	CLAT	NIDI	COLO	CAME CCH	IILE CA	ES FVI	ER GAV - 0.	VA OAC	O AAND - 0 0.0	CASA - 0.2	CAVA	AGAL - 0.0	CANA A - 0.0	CMA AF - 0.0	EX ACA 	T ACLE 0 0.0	ACAN - 0.0	ABAL 0.0	OPIB . .33.1		CDON I 0.0	JMQU - 0.0	MISU - 0.0	BETS 2.8	CDSE R - 0.1	DBE AP 0.9 0.	PRI MIGA - 0.0 0.1	A COYO	IPMQ - 0.2	CLOG - 1.8	AAST - 0.0
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0.3	0.0	0.0	8.0	0.0		0.7	0.0	0.5	0.0	0.0	0.2	0.2	0.0	1.9	0.0	0.0	.4 (1.1 0.	.3 0.0	0.3	0.0	0.2	0.0	0.4	0.1	0.0		0.0	0.0	3.9	5.2 0.7	7 2.6	0.0	0.1	0.6	0.0	0.6 0.	0.0 0.2	2 2.6		0.3	
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Notes: (1) This analysis is subject to our limitations and assumptions Source: Management information

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roas rencompany
Total Creditors (inc. Interest)
Available for Equity
Intra (EPM) Group
Thad Party Owner
Balance
Notes: (1) This analysis is abject to out limitations and assumptions
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SECTION VII: TRANSACTION DOCUMENTS PART A: EXISTING NOTES AMENDED GLOBAL NOTES

CODERE FINANCE 2 (LUXEMBOURG) S.A. CODERE FINANCE 2 (UK) LIMITED

\$262,465,000

ISIN Number XS1513776614 / COMMON CODE 151377661

No. 1

THIS NOTE IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE AND IS REGISTERED IN THE NAME OF THE DEPOSITARY OR A NOMINEE OF THE DEPOSITARY OR A SUCCESSOR DEPOSITARY. THIS NOTE IS NOT EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITARY OR ITS NOMINEE EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS NOTE (OTHER THAN A TRANSFER OF THIS NOTE AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY) MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

THIS GLOBAL NOTE AND ANY RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THIS GLOBAL NOTE TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALE OR TRANSFER OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS GLOBAL NOTE SHALL BE DEEMED, BY THE ACCEPTANCE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT.

THIS SECURITY (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND THIS SECURITY REPRESENTED BY THIS GLOBAL CERTIFICATE MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM AND UNLESS IN ACCORDANCE WITH THE INDENTURE REFERRED TO HEREINAFTER, COPIES OF WHICH ARE AVAILABLE AT THE CORPORATE TRUST OFFICE OF THE TRUSTEE. EACH PURCHASER OF THE SECURITIES REPRESENTED HEREBY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A (TOGETHER WITH ANY SUCCESSOR PROVISION, AND AS SUCH RULE MAY THEREAFTER BE AMENDED FROM TIME TO TIME, "RULE 144A"). THE HOLDER OF THIS SECURITY AGREES FOR THE BENEFIT OF THE ISSUERS THAT (A) THIS SECURITY MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED, PRIOR TO THE DATE THAT IS ONE YEAR (OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY RULE 144A OR ANY SUCCESSOR PROVISION THEREUNDER) AFTER THE COMMENCEMENT OF THE OFFERING, ONLY (I) IN THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (II) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (III) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE) OR (IV) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH OF CASES (I) THROUGH (IV) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ALL OTHER APPLICABLE JURISDICTIONS, AND (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS SECURITY FROM IT OF THE RESALE RESTRICTIONS REFERRED TO IN (A) ABOVE. THIS LEGEND WILL BE REMOVED ONLY AT THE OPTION OF THE ISSUERS.

10.375% CASH / 11.625% PIK SENIOR SECURED NOTE DUE 2023

Codere Finance 2 (Luxembourg) S.A., a Luxembourg société anonyme, Codere Finance 2 (UK) Limited and each of its successors and assigns, for value received promises to pay to Bank of America GSS Nominees Limited, as nominee for the Common Depository for Euroclear and Clearstream or registered assigns the principal sum \$262,465,000 as listed on the Schedule of Principal Amount attached hereto on November 1, 2023.

From October [•], 2020, or from the most recent interest payment date to which interest has been paid or provided for, cash interest on this Note shall accrue at 10.375% cash/11.625% PIK, as described in paragraph 1 of this Note, payable semi-annually in arrears on October 31 and April 30 of each year, beginning on October 31, 2020, to the Person in whose name this Note (or any predecessor Note) is registered at the close of business on the preceding October 15 or April 15, as the case may be.

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICT OF LAW RULES THEREOF. FOR THE AVOIDANCE OF DOUBT, ARTICLES 470-1 TO 470-19 OF THE LUXEMBOURG AMENDED COMPANIES LAW DATED AUGUST 10, 1915 DO NOT APPLY.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature of an authorized signatory, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof and to the provisions of the Indenture, which provisions shall for all purposes have the same effect as if set forth at this place.

IN WITNESS WHEREOF, each of Codere Finance 2 (Luxembourg) S.A. and Codere Finance 2 (UK) Limited has caused this Note to be signed manually or by facsimile by its duly authorized signatory.

Dated: [•]	
	CODERE FINANCE 2 (LUXEMBOURG) S.A.
	By: Name: Title:
	CODERE FINANCE 2 (UK) LIMITED
	By: Name:
	Title:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

GLAS TRUST CORPORATION LIMITED,
as Trustee, certifies that this is one of the Notes referred to in the Indenture.
By:
Authorized Officer

1. Interest

Codere Finance 2 (Luxembourg) S.A., a Luxembourg *société anonyme* (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "<u>Issuer</u>") and Codere Finance 2 (UK) Limited (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "<u>Co-Issuer</u>" and, together with the Issuer, the "<u>Issuers</u>"), for value received promises to pay interest on the principal amount of this Note.

On each Interest Payment Date, interest on the principal amount of this Note shall be paid at a rate equal to 4.50% *per annum* in cash interest *plus*, either, at the sole discretion of the Issuers (a) 5.875% *per annum* in cash interest or (b) 7.125% in kind interest (any such portion, "PIK Dollar Interest") by increasing the outstanding principal amount of such Note or, with respect to Notes represented by certificated notes, issuing additional Notes under the Indenture on the same terms and conditions as the Notes offered hereby in a principal amount equal to such interest (the "PIK Dollar Notes"). Interest shall be computed on the basis of a 360-day year of twelve 30-day months. The Issuers shall pay interest on overdue principal at the interest rate borne by the Notes compounded semi-annually, and it shall pay interest on overdue installments of interest at the same rate compounded semi-annually to the extent lawful. Any interest paid on this Note shall be increased to the extent necessary to pay Additional Amounts as set forth in this Note.

2. Additional Amounts

- All payments in respect of the Notes, made by or on behalf of the Issuer, the Co-Issuer, a Guarantor or any successor person to the Issuer, the Co-Issuer or any Guarantor (each a "Successor Person") (each a "Payer"), shall be made free and clear without withholding or deduction for, or on account of, any present or future taxes, duties, levies, imposts, assessments or other governmental charges (including, without limitation, penalties, interest and other similar liabilities related thereto) of whatever nature, (collectively, "Taxes") imposed or levied by or on behalf of any jurisdiction or any political subdivision or governmental authority thereof or therein having the power to tax where such Payer is incorporated, organized or otherwise resident for tax purposes or from or through which the Payer makes a payment on the Notes or its Guarantee or by the Kingdom of Spain (and any subdivision or governmental authority thereof or therein) (each, a "Relevant Taxing Jurisdiction"), unless the withholding or deduction of such Taxes is then required by law. If the Payer is required to withhold or deduct any amount for, or on account of, Taxes imposed or levied on behalf of a Relevant Taxing Jurisdiction from any payment made under or with respect to the Notes, the Payer shall pay such additional amounts ("Additional Amounts") as may be necessary to ensure that the net amount received by each holder of the Notes (including Additional Amounts) after such withholding or deduction has been made shall be not less than the amount the holder would have received if such Taxes had not been required to be withheld or deducted.
- (b) The Payer shall not be required to make any payment of Additional Amounts for or on account of
 - (i) any Taxes that are imposed or levied by a Relevant Taxing Jurisdiction by reason of (A) the holder's or a beneficial owner's present or

former connection with such Relevant Taxing Jurisdiction (other than the mere acquisition or holding of Notes or by reason of the receipt of payments in respect thereunder or the exercise or enforcement of any rights under the Notes, the Indenture, or any Guarantee (including a connection between a fiduciary, settlor, beneficiary, member, partner or shareholder of, or possessor of power over, the relevant holder or beneficial owner, if the relevant holder or beneficial owner is an estate, nominee, trust, partnership or corporation, and the Relevant Taxing Jurisdiction), or (B) the presentation of a Note (where presentation is required) for payment on a date more than 30 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later, except to the extent that the beneficial owner or holder thereof would have been entitled to Additional Amounts had the Notes been presented for payment on any day during such 30 day period;

- (ii) any estate, inheritance, gift, sales, excise, transfer, personal property or similar Tax;
- (iii) any Tax which is payable otherwise than by withholding or deduction from payments made under or with respect to the Notes;
- (iv) any Taxes that are imposed or withheld by reason of the failure by the holder or the beneficial owner of the Notes, following the Issuers' written request addressed to the holder or otherwise provided to the holder or beneficial owner (and made at a time that would enable the holder or beneficial owner acting reasonably to comply with that request) to provide certification, information, documents or other evidence concerning the nationality, residence or identity of the holder or such beneficial owner or to make any valid or timely declaration or similar claim or satisfy any other reporting requirements relating to such matters, whether required or imposed by statute, treaty, regulation or administrative practice of the Relevant Taxing Jurisdiction, as a precondition to exemption from, or reduction in the rate of withholding or deduction of, Taxes imposed by the Relevant Taxing Jurisdiction, including, for the avoidance of doubt, any Taxes that are imposed or withheld under Spanish law by reason of the Payer not receiving (either directly or through its agent) such information from a holder or beneficial owner as may be necessary to allow payments on the Notes to be made free and clear of Spanish withholding tax or deduction on account of Spanish taxes, pursuant to Law 10/2014 of June 26, Royal Decree 1065/2007 of July 27, as amended by Royal Decree 1145/2011 of July 29, and any implementing legislation or regulation;
- (v) any Tax that is imposed on or with respect to a Note presented for payment (where presentation is required) on behalf of a holder or beneficial owner who would have been able to avoid such withholding or deduction by presenting the Note to another Paying Agent in a Member State of the European Union;
- (vi) any Tax that would not have been imposed but for a failure by the holder or beneficial owner (or any financial institution through which the holder or beneficial owner holds any Note through which payment on the Note

is made) to comply with any certification, information, identification, documentation or other reporting requirements (including entering into and complying with an agreement with the U.S. Internal Revenue Service) imposed pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (or any intergovernmental agreement, or legislation enacted pursuant thereto, to implement such provisions) as in effect on the date of issuance of the Notes or any successor or amended version of these provisions, to the extent such successor or amended version is not materially more onerous than these provisions as enacted on such date; or

- (vii) any combination of Taxes referred to in clauses (i) to (vi) above.
- (c) Additional Amounts shall not be paid with respect to any payment made under or with respect to the Notes or any Guarantee in the case of a holder who is a fiduciary, a partnership or other than the sole beneficial owner of such payment, to the extent that such payment is required by the laws of the Relevant Taxing Jurisdiction to be included in the income, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, a member of that partnership or a beneficial owner and such person would not have been entitled to the Additional Amounts had it been the holder of the Note or Guarantee.
- (d) The Payer shall (i) make such withholding or deduction required by applicable law and (ii) remit the full amount withheld or deducted to the relevant taxing authority in accordance with applicable law.
- (e) At least 30 calendar days prior to each date on which any payment under or with respect to the Notes is due and payable, if the Payer shall be obligated to pay Additional Amounts with respect to such payment (unless such obligation to pay Additional Amounts arises after the 30th day prior to the date on which payment under or with respect to the Notes is due and payable, in which case it shall be promptly thereafter), the Issuers shall deliver to the Trustee an Officer's Certificate stating that such Additional Amounts shall be payable and the amounts so payable and shall set forth such other information necessary to enable the Paying Agent to pay such Additional Amounts to holders on the relevant payment date. The Trustee shall, without further enquiry, be entitled to rely absolutely on each such Officer's Certificate as conclusive proof that such payments are necessary. The Issuers shall promptly publish a notice in accordance with Section 14.02 of the Indenture stating that such Additional Amounts shall be payable and describing the obligation to pay such amounts.
- (f) Upon request, within a reasonable time the Payer shall provide the Trustee, to provide to the holders, certified copies of tax receipts evidencing the payment by the Payer of any Taxes imposed or levied by a Relevant Taxing Jurisdiction in such form as provided in the normal course by the taxing authority imposing such Taxes and as is reasonably available to the Payer. If, notwithstanding the reasonable efforts of the Payer to obtain such receipts, the same are not obtainable, the Payer shall provide the Trustee a copy of the return reporting such payment or with other evidence reasonably satisfactory to the Trustee of such payments by the Payer.
- (g) In addition, the Parent Guarantor undertakes to indemnify, pay and maintain all holders of the Notes or the Guarantees harmless for all Taxes that are imposed under Spanish law on the payments received or income derived from the Notes or the Guarantees that (i) are not compensated by the payment of Additional Amounts under the first paragraph

of this "Additional Amounts" section; and that (ii) are not excluded under clauses (i) through (ii) and (iv) through (vii) of Section 4.16(b) of the Indenture, or any combination thereof. Furthermore, the Issuers shall pay any present or future stamp, issue, registration, court documentation, excise, or property taxes, or other similar Taxes imposed by or in any Relevant Taxing Jurisdiction, including any political jurisdiction thereof, in respect of the execution, issue, delivery or registration of the Notes, the Indenture, or the Guarantees, or any other document or instrument referred to thereunder and any such Taxes imposed by any jurisdiction as a result of, or in connection with, the enforcement of the Notes, the Guarantees, or any other such document or instrument following, and relating to, the occurrence of any Event of Default with respect to the Notes or the receipt of any payments with respect thereto (other than with respect to a transfer of the Notes following the initial sale of the Notes by the Initial Purchasers and limited, solely in the case of Taxes attributable to the receipt of any payments with respect thereto, to any such Taxes imposed in a Relevant Tax Jurisdiction that are not excluded under clauses (i) through (ii) and (iv) through (vii) of Section 4.16(b) of the Indenture, or any combination thereof).

(h) Whenever the Indenture refers to, in any context, the payment of principal, premium, if any, interest or any other amount payable under or with respect to any Note (including payments thereof made pursuant to any Guarantee or in connection with a redemption of the Notes), such reference includes the payment of Additional Amounts, if applicable.

Provisions (a)-(h) above shall survive any termination, defeasance or discharge of the Indenture.

3. Method of Payment

The Issuers shall pay interest on this Note (except defaulted interest) to the persons who are registered Holders of this Note at the close of business on the Record Date for the next Interest Payment Date even if this Note is cancelled after the Record Date and on or before the Interest Payment Date. The Issuers shall pay principal and interest in U.S. Dollars in immediately available funds that at the time of payment is legal tender for payment of public and private debts; *provided*, that payment of interest may be made at the option of the Issuers by check mailed to the Holder.

The amount of payments in respect of interest on each Interest Payment Date shall correspond to the aggregate principal amount of Notes represented by the Regulation S Global Note and the Restricted Global Note, as established by the Registrar at the close of business on the relevant Record Date. Payments of principal shall be made upon surrender of the Regulation S Global Note and the Restricted Global Note to the Paying Agent.

PIK Dollar Interest shall be payable (a) with respect to Notes represented by one or more Global Notes registered in the name of, or held by, the Common Depositary on the relevant Record Date, by increasing the principal amount of the outstanding Global Note by an amount equal to the amount of the PIK Dollar Interest for the applicable interest period (rounded up to the nearest whole U.S. dollar) (it being understood that subsequent interest payments on the Notes shall be calculated on such increased principal amount) and (b) with respect to Notes represented by certificated Notes, by issuing PIK Dollar Notes in certificated form to the Holders of the underlying Notes in an aggregate principal amount equal to the amount of interest for the applicable interest period (rounded up to the nearest whole U.S. dollar). The Trustee shall authenticate and deliver such PIK Dollar Notes in certificated form

for original issuance to the Holders thereof on the relevant Record Date, as shown by the records of the register of such Holders. Following an increase in the principal amount of the outstanding Global Notes as a result of any PIK Dollar Interest, the Global Notes shall bear interest on such increased principal amount from and after the interest payment date in respect of which such PIK Dollar Interest was made. Any PIK Dollar Notes issued in certificated form shall be dated as of the applicable interest payment date, bear interest from and after such date and be issued with the description "PIK" on the face of such PIK Note.

Cash interest and PIK Dollar Interest shall be paid to Holders *pro rata* in accordance with their interests in this Note. Following an increase in the principal amount of this Note as a result of a payment as PIK Dollar Interest, this Note will bear interest on such increased principal amount from and after the date of such payment. Any PIK Dollar Notes issued in certificated form will be dated as of the applicable interest payment date and will bear interest from and after such date. All PIK Dollar Notes will mature on November 1, 2023.

Not less than ten Business Days prior to each interest payment date, the Issuers shall notify the Trustee in writing of the amount of cash interest and PIK Dollar Interest, respectively, to be made for such interest payment date, in each case in accordance with the terms of the Indenture. In the event the Issuers fail to timely deliver such notice (or in the case of acceleration or other prepayment of the Notes, if interest is due and owing on a date other than an interest payment date), the Issuers shall be deemed to have elected to pay PIK Dollar Interest for such interest payment date.

4. Paying Agent

The Issuers will make all payments, including principal of, premium, if any, and interest on the Notes, through an agent that it will maintain for these purposes. Initially that agent will be Global Loan Agency Services Limited.

5. Indenture

The Issuers issued the Notes under an indenture dated as of November 8, 2016, as supplemented or amended from time to time (the "<u>Indenture</u>") among the Issuer, the Co-Issuer, the Parent Guarantor, the Subsidiary Guarantors, GLAS Trust Corporation Limited, as trustee and security agent (the "<u>Trustee</u>"), the Paying Agent and the other parties thereto. Terms defined in the Indenture and not defined herein have the meanings ascribed thereto in the Indenture. The Notes are subject to such terms of, and Holders are referred to, the Indenture for a statement of those terms.

The Notes are general obligations of the Issuers and are issued under the Indenture in an initial aggregate principal amount at maturity of \$300,000,000. The Indenture imposes certain limitations on the Issuers, the Parent Guarantor and the Subsidiary Guarantors and affiliates, including, without limitation, limitations on the incurrence of indebtedness and issuance of stock, the payment of dividends and other payment restrictions affecting the Parent Guarantor and Restricted Group Members, the sale of assets, transactions with and among affiliates of the Parent Guarantor and the Restricted Group Members, change of control and Liens.

6. Optional Redemption

(a) [Reserved].

(b) At any time prior to October 31, 2018, upon not less than 10 nor more than 60 days' prior notice (except as otherwise provided under Section 3.03 of the Indenture), the Issuers may redeem all or a part of the Dollar Notes, at a redemption price equal to 100% of the Dollar Notes to be redeemed plus the Applicable Premium (as defined below) as of, and accrued and unpaid interest and Additional Amounts, if any, to, the date of redemption (subject to the right of holders of record on the relevant record date to receive interest due on any interest payment date occurring on or prior to the redemption date).

"<u>Applicable Premium</u>" means, with respect to a Dollar Note on any Redemption Date, as calculated by the Issuers, the greater of:

- (a) 1.0% of the principal amount of the Dollar Note; and
- (b) the excess of:
 - (i) the present value at such Redemption Date of (i) the redemption price of the note at October 31, 2018 (such redemption price being set forth in the Notes) plus (ii) all required interest payments due on the Dollar Note through October 31, 2018 (excluding accrued but unpaid interest to the Redemption Date), computed using a discount rate equal to the U.S. Treasury Rate as of such Redemption Date plus 50 basis points; over
 - (ii) the outstanding principal amount of such Dollar Note.

Any redemption and notice may, in the Issuers' discretion, be subject to the satisfaction of one or more conditions precedent.

- "U.S. Treasury Rate" means the yield to maturity at the time of computation of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) which has become publicly available at least two Business Days (but not more than five Business Days) prior to the redemption date (or, if such statistical release is not so published or available, any publicly available source of similar market data selected by the Issuers in good faith)) most nearly equal to the period from the redemption date to October 31, 2021; provided, however, that if the period from the redemption date to October 31, 2021 is not equal to the constant maturity of a United States Treasury security for which a weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given, except that if the period from the redemption date to such applicable date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.
- (c) At any time on or after October 31, 2018, upon not less than 10 nor more than 60 days' prior notice (except as otherwise provided under Section 3.03 of the Indenture), the Issuers may redeem all or a part of the Dollar Notes at the redemption prices (expressed as percentages of their principal amount at maturity) set forth below plus accrued and unpaid interest and Additional Amounts, if any, on the Dollar Notes redeemed, to the applicable redemption date, if redeemed during the twelve-month period beginning on October 31 of the years indicated below:

<u>Year</u>	Redemption Price for		
	the Dollar Notes		
2018	103.813%		
2019	101.907%		
2020 and thereafter	100.000%		

Any redemption and notice may, in the Issuers' discretion, be subject to the satisfaction of one or more conditions precedent.

7. Redemption Upon Changes in Withholding Tax

- (a) The Issuers may, at their option, redeem the Dollar Notes, in whole, but not in part, at any time upon giving not less than 10 nor more than 60 days' prior notice (except as otherwise provided under Section 3.03 of the Indenture) to the holders at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest thereon, if any, to the redemption date, premium, if any, and Additional Amounts, if any, then due and which will become due on the date of redemption as a result of the redemption or otherwise, if the Issuers determine in good faith that the Payer is, or on the next date on which any amount would be payable in respect of the Notes, would be, obligated to pay Additional Amounts (as defined above) in respect of the Notes or a Guarantee pursuant to the terms and conditions thereof (but in the case of a Payer that is a Guarantor, only if the payment giving rise to such requirement cannot be made by the Issuer, the Co-Issuer or another Guarantor without the obligation to pay Additional Amounts), which the Payer cannot avoid by the use of reasonable measures available to it (including making payment through a paying agent located in another jurisdiction) as a result of:
 - (A) any change in, or amendment to, the laws or any regulations or rulings promulgated thereunder of any Relevant Taxing Jurisdiction (as defined above) affecting taxation which becomes effective and is first publicly announced on or after the date of the Indenture or, if a Relevant Taxing Jurisdiction was not a Relevant Taxing Jurisdiction on the date of the Indenture, the date on which the then current Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction under the Indenture (or, in the case of a Successor Person, after the date the Successor Person becomes a Successor Person under the Indenture); or
 - (B) any change in the official application, administration, or interpretation of the laws, regulations or rulings of any Relevant Taxing Jurisdiction, (including a holding, judgment, or order by a court of competent jurisdiction), on or after the date of the Indenture or, if a Relevant Taxing Jurisdiction was not a Relevant Taxing Jurisdiction on the date of the Indenture, the date on which the Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction under the Indenture (each of the foregoing clauses (A) and (B), a "Change in Tax Law").
- (b) Notwithstanding the foregoing, the Issuers may not redeem the Notes under this provision if (i) a Relevant Taxing Jurisdiction was not a Relevant Taxing Jurisdiction on

the date of the Indenture, and (ii) the Payer is obligated to pay Additional Amounts as a result of a Change in Tax Law of such new Relevant Taxing Jurisdiction which change, at the time the latter became a Relevant Taxing Jurisdiction under the Indenture, was officially announced.

- (c) Notwithstanding the foregoing, no such notice of redemption shall be given (a) earlier than 90 days prior to the earliest date on which the Payer would be obliged to make a payment of Additional Amounts or withholding if a payment in respect of the Notes or Guarantee, as the case may be, were then due and (b) unless at the time such notice is given, the obligation to pay Additional Amounts or withhold remains in effect.
- (d) Prior to the publication or where relevant, mailing of any notice of redemption pursuant to the foregoing, the Issuers shall deliver to the Trustee:
 - (i) an Officer's Certificate stating that the Issuers are entitled to effect such redemption and setting forth a statement of facts showing the conditions precedent to the right of the Issuers so to redeem have occurred (including that such obligation to pay such Additional Amounts cannot be avoided by the Payer taking reasonable measures available to it); and
 - (ii) an opinion of independent tax advisors of recognized standing qualified under the laws of the Relevant Taxing Jurisdiction and reasonably satisfactory to the Trustee to the effect that the Payer is or would be obligated to pay such Additional Amounts as the case may be, as a result of a Change in Tax Law.

The Trustee shall, without further investigation, be entitled to rely on such Officer's Certificate and opinion of tax advisors as conclusive proof that the conditions precedent to the right of the Issuers so to redeem have occurred.

Any redemption and notice may, in the Issuers' discretion, be subject to the satisfaction of one or more conditions precedent.

8. Notice of Redemption

The Issuers shall publish a notice of any optional redemption of the Notes described above in accordance with the provisions described under Section 3.04 of the Indenture. If the Notes are listed at such time on the Irish Stock Exchange, the Issuers shall inform the Irish Stock Exchange of the principal amount of the Notes that have not been redeemed in connection with any optional redemption. If less than all of the Notes are to be redeemed at any time, the Trustee shall select the Notes to be redeemed as follows: (i) if the Notes are listed on any securities exchange, in compliance with the requirements of the principal securities exchange on which the Notes are listed or (ii) if the Notes are not listed on any securities exchange, on a pro rata basis, by lot or by such method as the Trustee deems fair and appropriate and in accordance with Euroclear or Clearstream procedures, *provided*, *however*, that no such partial redemption shall reduce the portion of the principal amount of a Note not redeemed to less than \$2,000.

9. Repurchase at the Option of Holders

If a Change of Control occurs, each holder of Notes shall have the right to require the Issuers (or the Parent Guarantor, if the Parent Guarantor makes the purchase offer referred to below) to repurchase all or any part (equal to \$200,000 or any integral multiple of \$1 in excess thereof) of that holder's Notes pursuant to an offer (a "Change of Control Offer") on the terms set forth in the Indenture. In the Change of Control Offer, the Issuers or the Parent Guarantor shall offer a payment in cash equal to 101% of the aggregate principal amount of Notes repurchased plus accrued and unpaid interest and Additional Amounts, if any, on the Notes repurchased, to the date of purchase (a "Change of Control Payment"). Within ten days following any Change of Control, the Issuers or the Parent Guarantor will (i) cause the Change of Control Offer to be published through (A) the newswire service of Bloomberg, or if Bloomberg does not then operate, any similar agency; and (B) if at the time of such notice the Notes are listed on the Irish Stock Exchange and the rules of the Irish Stock Exchange so require, in the Irish Times (or another leading newspaper of general circulation in Ireland); and (ii) mail the Change of Control Offer to each registered holder. The Change of Control Offer will describe the transaction or transactions that constitute the Change of Control and will offer to repurchase the applicable series of Notes on the date (the "Change of Control Payment Date") specified therein, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed, pursuant to the procedures required by the Indenture and described in such notice. The Issuers and the Parent Guarantor will comply with the requirements of any securities laws and the regulations thereunder (including Rule 14e-1 under the Exchange Act) to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the Indenture, the Issuers and the Parent Guarantor will comply with the applicable securities laws and regulations and will not be deemed to have breached their obligations under the Change of Control provisions of the Indenture by virtue of such conflict.

10. Denominations

The Dollar Notes are in denominations of \$200,000 or any integral multiple of \$1 in excess thereof of principal amount at maturity. The transfer of Notes may be registered, and Notes may be exchanged, as provided in the Indenture. The Registrar may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture.

11. <u>Unclaimed Money</u>

All moneys paid by the Issuer, the Co-Issuer or any Guarantor to the Trustee or a Paying Agent for the payment of the principal of, or premium, if any, or interest on, any Notes that remain unclaimed at the end of two years after such principal, premium or interest has become due and payable may be repaid to the Issuer, the Co-Issuer or any Guarantor, subject to applicable law, and the Holder of such Note thereafter may look only to the Issuer, the Co-Issuer or any Guarantor for payment thereof.

12. <u>Discharge and Defeasance</u>

Subject to certain conditions, the Issuers at any time may terminate some or all of its obligations and the obligations of the Guarantors under the Notes, the Guarantees and the Indenture if the Issuers irrevocably deposits with the Trustee U.S. Dollars or U.S.

Government Obligations for the payment of principal and interest on the Notes to redemption or maturity, as the case may be.

13. Amendment, Supplement and Waiver

- (a) Without the consent of any holder of Notes, the Guarantors, the Issuer, the Co-Issuer, the Trustee and the other parties thereto (if applicable) may amend or supplement the Indenture or the Notes:
 - (i) to cure any ambiguity, defect or inconsistency;
 - (ii) to provide for uncertificated Notes in addition to or in place of certificated Notes;
 - (iii) to provide for the assumption of the Parent Guarantor's, the Issuer's or the Co-Issuer's obligations to holders of Notes in the case of a merger, consolidation or sale of all or substantially all of the Parent Guarantor's assets;
 - (iv) to release any Guarantor in accordance with and if permitted by the terms and limitations set forth in the Indenture and to add a Guarantor under the Indenture;
 - (v) to make such changes as are necessary to provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture:
 - (vi) to make any change that would provide any additional rights or benefits to the holders of Notes or additional covenants or other obligations of the Issuer, the Co-Issuer or any Guarantor or that does not adversely affect the legal rights under the Indenture of any such holder in any material respect;

(vii) [Reserved];

- (viii) to evidence and provide for the acceptance and appointment under the Indenture of a successor Trustee thereunder pursuant to the requirements thereof; or
- (ix) to provide for the issuance of Additional Notes in accordance with the terms of the Indenture;
- (x) waive any existing Default or compliance with, or amend the terms of, Section 4.30 of this Indenture to the extent that holders of the Super Senior Secured Notes have waived any existing Default or compliance with, or amended the terms of, Section 4.30 of the indenture governing the Super Senior Secured Notes.

The Subsidiary Guarantors (other than the relevant new Subsidiary Guarantor in the case of clause (iv) above) need not be a party to any amendment to the Indenture referred to in this paragraph.

For the avoidance of doubt, Articles 470-1 to 470-19 of the Luxembourg amended companies law dated August 10, 1915 do not apply and no noteholders' meetings need to be convened to collect any necessary consent.

- (b) Except as provided in Section 9.02(b) of the Indenture, the Indenture, the Notes or the Guarantees may be modified, amended or supplemented with the consent of the Holders of at least a majority in principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes) and any existing Default or compliance with any provision of the Indenture or the Notes may be waived with the consent of the Holders of a majority in principal amount of the then outstanding Notes (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes). Without the consent of the Holders of 90% of each series of then outstanding Notes, an amendment, modification or waiver may not (with respect to any such series of Notes held by a non-consenting holder):
 - (i) reduce the principal amount of Notes whose holders must consent to an amendment, supplement or waiver of provisions of the Indenture;
 - (ii) reduce the principal (or Additional Amounts or premium, if any) of or change the Stated Maturity of the principal of, or any installment of Additional Amounts or premium, if any, or interest on, any Note or alter the provisions with respect to the redemption of the Notes (other than provisions relating to Article Three of the Indenture);
 - (iii) reduce the rate of or change the time for payment of interest on any Note;
 - (iv) waive a Default or Event of Default in the payment of principal of, or interest or premium, or Additional Amounts, if any, on the Notes (except a rescission of acceleration of the Notes by the holders of at least a majority in aggregate principal amount of the Notes and a waiver of the payment default that resulted from such acceleration);
 - (v) modify the right to institute suit for the enforcement of any payment of any Note in accordance with the provisions of such Note and the Indenture;
 - (vi) make any Note payable in money other than that stated in the Notes;
 - (vii) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of holders of Notes to receive payments of principal of, or interest or premium or Additional Amounts, if any, on the Notes:
 - (viii) waive a redemption payment with respect to any Note (other than a payment required by Section 4.15 of the Indenture);

- (ix) release the Issuer, the Co-Issuer or any Guarantor from any of its obligations under the Notes, the Guarantees or the Indenture, except in accordance with the terms of the Indenture; or
- (xi) make any change in the preceding amendment and waiver provisions.

The consent of the Holders is not necessary to approve the particular form of any proposed amendment, modification, supplement or waiver. It is sufficient if such consent approves the substance of the proposed amendment, modification, supplement or waiver.

For the avoidance of doubt, Articles 470-1 to 470-19 of the Luxembourg amended companies law dated August 10, 1915 do not apply and no noteholders' meetings need to be convened to collect any necessary consent.

14. Defaults and Remedies

In the case of an Event of Default under Section 6.01(a)(viii) and (ix) of the Indenture, all outstanding Notes shall become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the holders of at least 25% in principal amount of the then outstanding Notes may, and the Trustee, upon the request of such holders, shall declare all the Notes to be due and payable immediately.

Holders of the Notes may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to certain limitations, holders of a majority in principal amount of the then outstanding Notes may direct the Trustee in its exercise of any trust or power.

15. <u>Intercreditor Agreement</u>

Each Holder by accepting this Note agrees that the Indenture, including the Guarantees, is subject to the limitations on enforcement and other terms of the Intercreditor Agreement and that such Holder may not take any Enforcement Action in respect of the Subsidiary Guarantees other than through the Trustee in accordance with the Indenture.

16. Trustee Dealings with the Issuers

Subject to certain limitations, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with and collect obligations owed to it by the Issuers, any Guarantor or any of their Affiliates with the same rights it would have if it were not Trustee. Any Paying Agent, Registrar, co-Registrar or co-Paying Agent may do the same with like rights.

17. No Recourse Against Others

No director, officer, employee, incorporator or stockholder of the Issuers or any Guarantor, as such, shall have any personal liability for any obligations of the Issuers or such Guarantor under the Notes, the Indenture, the Intercreditor Agreement, the Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

18. <u>Authentication</u>

This Note shall not be valid until an authorized officer of the Trustee (or an authenticating agent) manually signs the certificate of authentication on the other side of this Note.

19. Governing Law

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICT OF LAW RULES THEREOF. FOR THE AVOIDANCE OF DOUBT, ARTICLES 470-1 TO 470-19 OF THE LUXEMBOURG AMENDED COMPANIES LAW DATED AUGUST 10, 1915 DO NOT APPLY.

The Issuers or any Guarantor shall furnish to any Holder upon written request and without charge to the Holder a copy of the Indenture. Requests may be made to:

Codere, S.A. Avenida de Bruselas, 26 28108 Alcobendas Madrid, Spain

Attention: Chief Financial Officer Facsimile: +34 91 354 2893

ASSIGNMENT FORM

To assign	n and tran	sfer this Note, fill in the form below:					
(I) or (the Issuers) assign and transfer this Note to							
(Insert assignee's social security or tax I.D. no.)							
(Print or	type assig	gnee's name, address and postal code)					
and irrevocably appoint agent to transfer this Note on the books of the Issuers. The agent may substitute another to act for him.							
Your Sig	nature: _	(G',, 4)					
		(Sign exactly as your name appears on the other side of this Note)					
Signature	e Guarant	ree:					
(Participant in a recognized signature guarantee medallion program)							
Date:							
Certifyin	g Signatu	ire:					
CHECK	ONE BO	X BELOW					
(1) (2)		to the Issuers, or pursuant to and in compliance with Rule 144A under the U.S. Securities Act of 1933; or					
(3)		pursuant to and in compliance with Regulation S under the U.S.					
(4)		Securities Act of 1933; or pursuant to another available exemption from the registration					
(5)		requirements of the U.S. Securities Act of 1933; or pursuant to an effective registration statement under the U.S. Securities Act of 1933.					

Unless one of the boxes is checked, the Trustee shall refuse to register any of the Notes evidenced by this certificate in the name of any person other than the registered Holder thereof; *provided*, *however*, that if box (2) is checked, by executing this form, the Transferor is deemed to have certified that such Notes are being transferred to a person it reasonably believes is a "qualified institutional buyer" as defined in Rule 144A under the U.S. Securities Act of 1933 who has received notice that such transfer is being made in reliance on Rule 144A; if box (3) is checked, by executing this form, the Transferor is deemed to have certified that such transfer is made pursuant to an offer and sale that occurred outside the United States in compliance with Regulation S under the U.S. Securities Act; and if box (4) is checked, the Trustee may require, prior to registering any such transfer of the Notes, such legal opinions, certifications and other information as the Issuers reasonably request to confirm that such transfer is being made pursuant to an exemption from or in a transaction not subject to, the registration requirements of the U.S. Securities Act of 1933.

Signature:	_
Signature Guarantee:	
(Participant in a recognized signature guaran	_ ntee medallion program)
Certifying Signature:	_ Date:
Signature Guarantee:	ntee medallion program)

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Note or a portion thereof repurchased pursuant to Section 4.11 or 4.15 of the Indenture, check the box:

If the purchase is in part, indicate the portion (in denominations of \$200,000 or an integral multiple of \$1 in excess thereof) to be purchased:

Your signature: (Sign exactly as y	your name appears on the other side of this Note)
Date:	
Certifying Signat	nire:

SCHEDULE A

SCHEDULE OF PRINCIPAL AMOUNT

The initial principal amount of this Security is \$262,465,000. The following decreases/increases in the principal amount of this Security have been made:

-	_		Principal Amount	
Date of	Decrease in	Increase in	Following such	Notation Made
Decrease/	Principal	Principal	Decrease/	by or on Behalf
Increase	Amount	Amount	<u>Increase</u>	of Registrar
		-	-	-
		·	·	
		·	·	
	-	-	-	
			·	
		-	-	
			·	

CODERE FINANCE 2 (LUXEMBOURG) S.A. CODERE FINANCE 2 (UK) LIMITED

\$37,535,000

ISIN Number XS1513776374 / COMMON CODE 151377637

No.

THIS NOTE IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE AND IS REGISTERED IN THE NAME OF THE DEPOSITARY OR A NOMINEE OF THE DEPOSITARY OR A SUCCESSOR DEPOSITARY. THIS NOTE IS NOT EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITARY OR ITS NOMINEE EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS NOTE (OTHER THAN A TRANSFER OF THIS NOTE AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY) MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

THIS GLOBAL NOTE AND ANY RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THIS GLOBAL NOTE TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALE OR TRANSFER OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS GLOBAL NOTE SHALL BE DEEMED, BY THE ACCEPTANCE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT.

THIS SECURITY (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION ORIGINALLY EXEMPT FROM REGISTRATION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE TRANSFERRED IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON EXCEPT PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ALL APPLICABLE STATE SECURITIES LAWS. TERMS USED ABOVE HAVE THE MEANINGS GIVEN TO THEM IN REGULATION S UNDER THE SECURITIES ACT.

UNTIL 40 DAYS AFTER THE COMMENCEMENT OF THE OFFERING, AN OFFER OR SALE OF SECURITIES WITHIN THE UNITED STATES BY A DEALER (AS DEFINED IN THE U.S. SECURITIES ACT) MAY VIOLATE THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT IF SUCH OFFER OR SALE IS MADE OTHERWISE THAN IN ACCORDANCE WITH RULE 144A UNDER THE U.S. SECURITIES ACT.

10.375% CASH / 11.625% PIK SENIOR SECURED NOTE DUE 2023

Codere Finance 2 (Luxembourg) S.A., a Luxembourg société anonyme, Codere Finance 2 (UK) Limited and each of its successors and assigns, for value received promises to pay to Bank of America GSS Nominees Limited, as nominee for the Common Depository for Euroclear and Clearstream or registered assigns the principal sum \$37,535,000 as listed on the Schedule of Principal Amount attached hereto on November 1, 2023.

From October [•], 2020, or from the most recent interest payment date to which interest has been paid or provided for, cash interest on this Note shall accrue at 10.375% cash/11.625% PIK, as described in paragraph 1 of this Note, payable semi-annually in arrears on October 31 and April 30 of each year, beginning on October 31, 2020, to the Person in whose name this Note (or any predecessor Note) is registered at the close of business on the preceding October 15 or April 15, as the case may be.

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICT OF LAW RULES THEREOF. FOR THE AVOIDANCE OF DOUBT, ARTICLES 470-1 TO 470-19 OF THE LUXEMBOURG AMENDED COMPANIES LAW DATED AUGUST 10, 1915 DO NOT APPLY.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature of an authorized signatory, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof and to the provisions of the Indenture, which provisions shall for all purposes have the same effect as if set forth at this place.

IN WITNESS WHEREOF, each of Codere Finance 2 (Luxembourg) S.A. and Codere Finance 2 (UK) Limited has caused this Note to be signed manually or by facsimile by its duly authorized signatory.

Dated: [•]	
	CODERE FINANCE 2 (LUXEMBOURG) S.A.
	By: Name: Title:
	CODERE FINANCE 2 (UK) LIMITED
	By: Name:
	Title:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

GLAS TRUST CORPORATION LIMITED,
as Trustee, certifies that this is one of the Notes referred to in the Indenture.
By:
Authorized Officer

1. Interest

Codere Finance 2 (Luxembourg) S.A., a Luxembourg *société anonyme* (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "<u>Issuer</u>") and Codere Finance 2 (UK) Limited (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "<u>Co-Issuer</u>" and, together with the Issuer, the "<u>Issuers</u>"), for value received promises to pay interest on the principal amount of this Note.

On each Interest Payment Date, interest on the principal amount of this Note shall be paid at a rate equal to 4.50% *per annum* in cash interest *plus*, either, at the sole discretion of the Issuers (a) 5.875% *per annum* in cash interest or (b) 7.125% in kind interest (any such portion, "PIK Dollar Interest") by increasing the outstanding principal amount of such Note or, with respect to Notes represented by certificated notes, issuing additional Notes under the Indenture on the same terms and conditions as the Notes offered hereby in a principal amount equal to such interest (the "PIK Dollar Notes"). Interest shall be computed on the basis of a 360-day year of twelve 30-day months. The Issuers shall pay interest on overdue principal at the interest rate borne by the Notes compounded semi-annually, and it shall pay interest on overdue installments of interest at the same rate compounded semi-annually to the extent lawful. Any interest paid on this Note shall be increased to the extent necessary to pay Additional Amounts as set forth in this Note.

2. Additional Amounts

- All payments in respect of the Notes, made by or on behalf of the Issuer, the Co-Issuer, a Guarantor or any successor person to the Issuer, the Co-Issuer or any Guarantor (each a "Successor Person") (each a "Payer"), shall be made free and clear without withholding or deduction for, or on account of, any present or future taxes, duties, levies, imposts, assessments or other governmental charges (including, without limitation, penalties, interest and other similar liabilities related thereto) of whatever nature, (collectively, "Taxes") imposed or levied by or on behalf of any jurisdiction or any political subdivision or governmental authority thereof or therein having the power to tax where such Payer is incorporated, organized or otherwise resident for tax purposes or from or through which the Payer makes a payment on the Notes or its Guarantee or by the Kingdom of Spain (and any subdivision or governmental authority thereof or therein) (each, a "Relevant Taxing Jurisdiction"), unless the withholding or deduction of such Taxes is then required by law. If the Payer is required to withhold or deduct any amount for, or on account of, Taxes imposed or levied on behalf of a Relevant Taxing Jurisdiction from any payment made under or with respect to the Notes, the Payer shall pay such additional amounts ("Additional Amounts") as may be necessary to ensure that the net amount received by each holder of the Notes (including Additional Amounts) after such withholding or deduction has been made shall be not less than the amount the holder would have received if such Taxes had not been required to be withheld or deducted.
- (b) The Payer shall not be required to make any payment of Additional Amounts for or on account of
 - (i) any Taxes that are imposed or levied by a Relevant Taxing Jurisdiction by reason of (A) the holder's or a beneficial owner's present or

former connection with such Relevant Taxing Jurisdiction (other than the mere acquisition or holding of Notes or by reason of the receipt of payments in respect thereunder or the exercise or enforcement of any rights under the Notes, the Indenture, or any Guarantee (including a connection between a fiduciary, settlor, beneficiary, member, partner or shareholder of, or possessor of power over, the relevant holder or beneficial owner, if the relevant holder or beneficial owner is an estate, nominee, trust, partnership or corporation, and the Relevant Taxing Jurisdiction), or (B) the presentation of a Note (where presentation is required) for payment on a date more than 30 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later, except to the extent that the beneficial owner or holder thereof would have been entitled to Additional Amounts had the Notes been presented for payment on any day during such 30 day period;

- (ii) any estate, inheritance, gift, sales, excise, transfer, personal property or similar Tax;
- (iii) any Tax which is payable otherwise than by withholding or deduction from payments made under or with respect to the Notes;
- (iv) any Taxes that are imposed or withheld by reason of the failure by the holder or the beneficial owner of the Notes, following the Issuers' written request addressed to the holder or otherwise provided to the holder or beneficial owner (and made at a time that would enable the holder or beneficial owner acting reasonably to comply with that request) to provide certification, information, documents or other evidence concerning the nationality, residence or identity of the holder or such beneficial owner or to make any valid or timely declaration or similar claim or satisfy any other reporting requirements relating to such matters, whether required or imposed by statute, treaty, regulation or administrative practice of the Relevant Taxing Jurisdiction, as a precondition to exemption from, or reduction in the rate of withholding or deduction of, Taxes imposed by the Relevant Taxing Jurisdiction, including, for the avoidance of doubt, any Taxes that are imposed or withheld under Spanish law by reason of the Payer not receiving (either directly or through its agent) such information from a holder or beneficial owner as may be necessary to allow payments on the Notes to be made free and clear of Spanish withholding tax or deduction on account of Spanish taxes, pursuant to Law 10/2014 of June 26, Royal Decree 1065/2007 of July 27, as amended by Royal Decree 1145/2011 of July 29, and any implementing legislation or regulation;
- (v) any Tax that is imposed on or with respect to a Note presented for payment (where presentation is required) on behalf of a holder or beneficial owner who would have been able to avoid such withholding or deduction by presenting the Note to another Paying Agent in a Member State of the European Union;
- (vi) any Tax that would not have been imposed but for a failure by the holder or beneficial owner (or any financial institution through which the holder or beneficial owner holds any Note through which payment on the Note

is made) to comply with any certification, information, identification, documentation or other reporting requirements (including entering into and complying with an agreement with the U.S. Internal Revenue Service) imposed pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (or any intergovernmental agreement, or legislation enacted pursuant thereto, to implement such provisions) as in effect on the date of issuance of the Notes or any successor or amended version of these provisions, to the extent such successor or amended version is not materially more onerous than these provisions as enacted on such date; or

- (vii) any combination of Taxes referred to in clauses (i) to (vi) above.
- (c) Additional Amounts shall not be paid with respect to any payment made under or with respect to the Notes or any Guarantee in the case of a holder who is a fiduciary, a partnership or other than the sole beneficial owner of such payment, to the extent that such payment is required by the laws of the Relevant Taxing Jurisdiction to be included in the income, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, a member of that partnership or a beneficial owner and such person would not have been entitled to the Additional Amounts had it been the holder of the Note or Guarantee.
- (d) The Payer shall (i) make such withholding or deduction required by applicable law and (ii) remit the full amount withheld or deducted to the relevant taxing authority in accordance with applicable law.
- (e) At least 30 calendar days prior to each date on which any payment under or with respect to the Notes is due and payable, if the Payer shall be obligated to pay Additional Amounts with respect to such payment (unless such obligation to pay Additional Amounts arises after the 30th day prior to the date on which payment under or with respect to the Notes is due and payable, in which case it shall be promptly thereafter), the Issuers shall deliver to the Trustee an Officer's Certificate stating that such Additional Amounts shall be payable and the amounts so payable and shall set forth such other information necessary to enable the Paying Agent to pay such Additional Amounts to holders on the relevant payment date. The Trustee shall, without further enquiry, be entitled to rely absolutely on each such Officer's Certificate as conclusive proof that such payments are necessary. The Issuers shall promptly publish a notice in accordance with Section 14.02 of the Indenture stating that such Additional Amounts shall be payable and describing the obligation to pay such amounts.
- (f) Upon request, within a reasonable time the Payer shall provide the Trustee, to provide to the holders, certified copies of tax receipts evidencing the payment by the Payer of any Taxes imposed or levied by a Relevant Taxing Jurisdiction in such form as provided in the normal course by the taxing authority imposing such Taxes and as is reasonably available to the Payer. If, notwithstanding the reasonable efforts of the Payer to obtain such receipts, the same are not obtainable, the Payer shall provide the Trustee a copy of the return reporting such payment or with other evidence reasonably satisfactory to the Trustee of such payments by the Payer.
- (g) In addition, the Parent Guarantor undertakes to indemnify, pay and maintain all holders of the Notes or the Guarantees harmless for all Taxes that are imposed under Spanish law on the payments received or income derived from the Notes or the Guarantees that (i) are not compensated by the payment of Additional Amounts under the first paragraph

of this "Additional Amounts" section; and that (ii) are not excluded under clauses (i) through (ii) and (iv) through (vii) of Section 4.16(b) of the Indenture, or any combination thereof. Furthermore, the Issuers shall pay any present or future stamp, issue, registration, court documentation, excise, or property taxes, or other similar Taxes imposed by or in any Relevant Taxing Jurisdiction, including any political jurisdiction thereof, in respect of the execution, issue, delivery or registration of the Notes, the Indenture, or the Guarantees, or any other document or instrument referred to thereunder and any such Taxes imposed by any jurisdiction as a result of, or in connection with, the enforcement of the Notes, the Guarantees, or any other such document or instrument following, and relating to, the occurrence of any Event of Default with respect to the Notes or the receipt of any payments with respect thereto (other than with respect to a transfer of the Notes following the initial sale of the Notes by the Initial Purchasers and limited, solely in the case of Taxes attributable to the receipt of any payments with respect thereto, to any such Taxes imposed in a Relevant Tax Jurisdiction that are not excluded under clauses (i) through (ii) and (iv) through (vii) of Section 4.16(b) of the Indenture, or any combination thereof).

(h) Whenever the Indenture refers to, in any context, the payment of principal, premium, if any, interest or any other amount payable under or with respect to any Note (including payments thereof made pursuant to any Guarantee or in connection with a redemption of the Notes), such reference includes the payment of Additional Amounts, if applicable.

Provisions (a)-(h) above shall survive any termination, defeasance or discharge of the Indenture.

3. Method of Payment

The Issuers shall pay interest on this Note (except defaulted interest) to the persons who are registered Holders of this Note at the close of business on the Record Date for the next Interest Payment Date even if this Note is cancelled after the Record Date and on or before the Interest Payment Date. The Issuers shall pay principal and interest in U.S. Dollars in immediately available funds that at the time of payment is legal tender for payment of public and private debts; *provided*, that payment of interest may be made at the option of the Issuers by check mailed to the Holder.

The amount of payments in respect of interest on each Interest Payment Date shall correspond to the aggregate principal amount of Notes represented by the Regulation S Global Note and the Restricted Global Note, as established by the Registrar at the close of business on the relevant Record Date. Payments of principal shall be made upon surrender of the Regulation S Global Note and the Restricted Global Note to the Paying Agent.

PIK Dollar Interest shall be payable (a) with respect to Notes represented by one or more Global Notes registered in the name of, or held by, the Common Depositary on the relevant Record Date, by increasing the principal amount of the outstanding Global Note by an amount equal to the amount of the PIK Dollar Interest for the applicable interest period (rounded up to the nearest whole U.S. dollar) (it being understood that subsequent interest payments on the Notes shall be calculated on such increased principal amount) and (b) with respect to Notes represented by certificated Notes, by issuing PIK Dollar Notes in certificated form to the Holders of the underlying Notes in an aggregate principal amount equal to the amount of interest for the applicable interest period (rounded up to the nearest whole U.S. dollar). The Trustee shall authenticate and deliver such PIK Dollar Notes in certificated form

for original issuance to the Holders thereof on the relevant Record Date, as shown by the records of the register of such Holders. Following an increase in the principal amount of the outstanding Global Notes as a result of any PIK Dollar Interest, the Global Notes shall bear interest on such increased principal amount from and after the interest payment date in respect of which such PIK Dollar Interest was made. Any PIK Dollar Notes issued in certificated form shall be dated as of the applicable interest payment date, bear interest from and after such date and be issued with the description "PIK" on the face of such PIK Note.

Cash interest and PIK Dollar Interest shall be paid to Holders *pro rata* in accordance with their interests in this Note. Following an increase in the principal amount of this Note as a result of a payment as PIK Dollar Interest, this Note will bear interest on such increased principal amount from and after the date of such payment. Any PIK Dollar Notes issued in certificated form will be dated as of the applicable interest payment date and will bear interest from and after such date. All PIK Dollar Notes will mature on November 1, 2023.

Not less than ten Business Days prior to each interest payment date, the Issuers shall notify the Trustee in writing of the amount of cash interest and PIK Dollar Interest, respectively, to be made for such interest payment date, in each case in accordance with the terms of the Indenture. In the event the Issuers fail to timely deliver such notice (or in the case of acceleration or other prepayment of the Notes, if interest is due and owing on a date other than an interest payment date), the Issuers shall be deemed to have elected to pay PIK Dollar Interest for such interest payment date.

4. Paying Agent

The Issuers will make all payments, including principal of, premium, if any, and interest on the Notes, through an agent that it will maintain for these purposes. Initially that agent will be Global Loan Agency Services Limited.

5. Indenture

The Issuers issued the Notes under an indenture dated as of November 8, 2016, as supplemented or amended from time to time (the "<u>Indenture</u>") among the Issuer, the Co-Issuer, the Parent Guarantor, the Subsidiary Guarantors, GLAS Trust Corporation Limited, as trustee and security agent (the "<u>Trustee</u>"), the Paying Agent and the other parties thereto. Terms defined in the Indenture and not defined herein have the meanings ascribed thereto in the Indenture. The Notes are subject to such terms of, and Holders are referred to, the Indenture for a statement of those terms.

The Notes are general obligations of the Issuers and are issued under the Indenture in an initial aggregate principal amount at maturity of \$300,000,000. The Indenture imposes certain limitations on the Issuers, the Parent Guarantor and the Subsidiary Guarantors and affiliates, including, without limitation, limitations on the incurrence of indebtedness and issuance of stock, the payment of dividends and other payment restrictions affecting the Parent Guarantor and Restricted Group Members, the sale of assets, transactions with and among affiliates of the Parent Guarantor and the Restricted Group Members, change of control and Liens.

6. Optional Redemption

(a) [Reserved].

(b) At any time prior to October 31, 2018, upon not less than 10 nor more than 60 days' prior notice (except as otherwise provided under Section 3.03 of the Indenture), the Issuers may redeem all or a part of the Dollar Notes, at a redemption price equal to 100% of the Dollar Notes to be redeemed plus the Applicable Premium (as defined below) as of, and accrued and unpaid interest and Additional Amounts, if any, to, the date of redemption (subject to the right of holders of record on the relevant record date to receive interest due on any interest payment date occurring on or prior to the redemption date).

"<u>Applicable Premium</u>" means, with respect to a Dollar Note on any Redemption Date, as calculated by the Issuers, the greater of:

- (a) 1.0% of the principal amount of the Dollar Note; and
- (b) the excess of:
 - (i) the present value at such Redemption Date of (i) the redemption price of the note at October 31, 2018 (such redemption price being set forth in the Notes) plus (ii) all required interest payments due on the Dollar Note through October 31, 2018 (excluding accrued but unpaid interest to the Redemption Date), computed using a discount rate equal to the U.S. Treasury Rate as of such Redemption Date plus 50 basis points; over
 - (ii) the outstanding principal amount of such Dollar Note.

Any redemption and notice may, in the Issuers' discretion, be subject to the satisfaction of one or more conditions precedent.

- "U.S. Treasury Rate" means the yield to maturity at the time of computation of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) which has become publicly available at least two Business Days (but not more than five Business Days) prior to the redemption date (or, if such statistical release is not so published or available, any publicly available source of similar market data selected by the Issuers in good faith)) most nearly equal to the period from the redemption date to October 31, 2021; provided, however, that if the period from the redemption date to October 31, 2021 is not equal to the constant maturity of a United States Treasury security for which a weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given, except that if the period from the redemption date to such applicable date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.
- (c) At any time on or after October 31, 2018, upon not less than 10 nor more than 60 days' prior notice (except as otherwise provided under Section 3.03 of the Indenture), the Issuers may redeem all or a part of the Dollar Notes at the redemption prices (expressed as percentages of their principal amount at maturity) set forth below plus accrued and unpaid interest and Additional Amounts, if any, on the Dollar Notes redeemed, to the applicable redemption date, if redeemed during the twelve-month period beginning on October 31 of the years indicated below:

Year Redemption Price for

the Dollar Notes

2018	103.813%
2019	101.907%
2020 and thereafter	100.000%

Any redemption and notice may, in the Issuers' discretion, be subject to the satisfaction of one or more conditions precedent.

7. Redemption Upon Changes in Withholding Tax

- (a) The Issuers may, at their option, redeem the Dollar Notes, in whole, but not in part, at any time upon giving not less than 10 nor more than 60 days' prior notice (except as otherwise provided under Section 3.03 of the Indenture) to the holders at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest thereon, if any, to the redemption date, premium, if any, and Additional Amounts, if any, then due and which will become due on the date of redemption as a result of the redemption or otherwise, if the Issuers determine in good faith that the Payer is, or on the next date on which any amount would be payable in respect of the Notes, would be, obligated to pay Additional Amounts (as defined above) in respect of the Notes or a Guarantee pursuant to the terms and conditions thereof (but in the case of a Payer that is a Guarantor, only if the payment giving rise to such requirement cannot be made by the Issuer, the Co-Issuer or another Guarantor without the obligation to pay Additional Amounts), which the Payer cannot avoid by the use of reasonable measures available to it (including making payment through a paying agent located in another jurisdiction) as a result of:
 - (A) any change in, or amendment to, the laws or any regulations or rulings promulgated thereunder of any Relevant Taxing Jurisdiction (as defined above) affecting taxation which becomes effective and is first publicly announced on or after the date of the Indenture or, if a Relevant Taxing Jurisdiction was not a Relevant Taxing Jurisdiction on the date of the Indenture, the date on which the then current Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction under the Indenture (or, in the case of a Successor Person, after the date the Successor Person becomes a Successor Person under the Indenture); or
 - (B) any change in the official application, administration, or interpretation of the laws, regulations or rulings of any Relevant Taxing Jurisdiction, (including a holding, judgment, or order by a court of competent jurisdiction), on or after the date of the Indenture or, if a Relevant Taxing Jurisdiction was not a Relevant Taxing Jurisdiction on the date of the Indenture, the date on which the Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction under the Indenture (each of the foregoing clauses (A) and (B), a "Change in Tax Law").
- (b) Notwithstanding the foregoing, the Issuers may not redeem the Notes under this provision if (i) a Relevant Taxing Jurisdiction was not a Relevant Taxing Jurisdiction on the date of the Indenture, and (ii) the Payer is obligated to pay Additional Amounts as a result

of a Change in Tax Law of such new Relevant Taxing Jurisdiction which change, at the time the latter became a Relevant Taxing Jurisdiction under the Indenture, was officially announced.

- (c) Notwithstanding the foregoing, no such notice of redemption shall be given (a) earlier than 90 days prior to the earliest date on which the Payer would be obliged to make a payment of Additional Amounts or withholding if a payment in respect of the Notes or Guarantee, as the case may be, were then due and (b) unless at the time such notice is given, the obligation to pay Additional Amounts or withhold remains in effect.
- (d) Prior to the publication or where relevant, mailing of any notice of redemption pursuant to the foregoing, the Issuers shall deliver to the Trustee:
 - (i) an Officer's Certificate stating that the Issuers are entitled to effect such redemption and setting forth a statement of facts showing the conditions precedent to the right of the Issuers so to redeem have occurred (including that such obligation to pay such Additional Amounts cannot be avoided by the Payer taking reasonable measures available to it); and
 - (ii) an opinion of independent tax advisors of recognized standing qualified under the laws of the Relevant Taxing Jurisdiction and reasonably satisfactory to the Trustee to the effect that the Payer is or would be obligated to pay such Additional Amounts as the case may be, as a result of a Change in Tax Law.

The Trustee shall, without further investigation, be entitled to rely on such Officer's Certificate and opinion of tax advisors as conclusive proof that the conditions precedent to the right of the Issuers so to redeem have occurred.

Any redemption and notice may, in the Issuers' discretion, be subject to the satisfaction of one or more conditions precedent.

8. Notice of Redemption

The Issuers shall publish a notice of any optional redemption of the Notes described above in accordance with the provisions described under Section 3.04 of the Indenture. If the Notes are listed at such time on the Irish Stock Exchange, the Issuers shall inform the Irish Stock Exchange of the principal amount of the Notes that have not been redeemed in connection with any optional redemption. If less than all of the Notes are to be redeemed at any time, the Trustee shall select the Notes to be redeemed as follows: (i) if the Notes are listed on any securities exchange, in compliance with the requirements of the principal securities exchange on which the Notes are listed or (ii) if the Notes are not listed on any securities exchange, on a pro rata basis, by lot or by such method as the Trustee deems fair and appropriate and in accordance with Euroclear or Clearstream procedures, *provided*, *however*, that no such partial redemption shall reduce the portion of the principal amount of a Note not redeemed to less than \$2,000.

9. Repurchase at the Option of Holders

If a Change of Control occurs, each holder of Notes shall have the right to require the Issuers (or the Parent Guarantor, if the Parent Guarantor makes the purchase offer referred to

below) to repurchase all or any part (equal to \$200,000 or any integral multiple of \$1 in excess thereof) of that holder's Notes pursuant to an offer (a "Change of Control Offer") on the terms set forth in the Indenture. In the Change of Control Offer, the Issuers or the Parent Guarantor shall offer a payment in cash equal to 101% of the aggregate principal amount of Notes repurchased plus accrued and unpaid interest and Additional Amounts, if any, on the Notes repurchased, to the date of purchase (a "Change of Control Payment"). Within ten days following any Change of Control, the Issuers or the Parent Guarantor will (i) cause the Change of Control Offer to be published through (A) the newswire service of Bloomberg, or if Bloomberg does not then operate, any similar agency; and (B) if at the time of such notice the Notes are listed on the Irish Stock Exchange and the rules of the Irish Stock Exchange so require, in the Irish Times (or another leading newspaper of general circulation in Ireland); and (ii) mail the Change of Control Offer to each registered holder. The Change of Control Offer will describe the transaction or transactions that constitute the Change of Control and will offer to repurchase the applicable series of Notes on the date (the "Change of Control Payment Date") specified therein, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed, pursuant to the procedures required by the Indenture and described in such notice. The Issuers and the Parent Guarantor will comply with the requirements of any securities laws and the regulations thereunder (including Rule 14e-1 under the Exchange Act) to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the Indenture, the Issuers and the Parent Guarantor will comply with the applicable securities laws and regulations and will not be deemed to have breached their obligations under the Change of Control provisions of the Indenture by virtue of such conflict.

10. Denominations

The Dollar Notes are in denominations of \$200,000 or any integral multiple of \$1 in excess thereof of principal amount at maturity. The transfer of Notes may be registered, and Notes may be exchanged, as provided in the Indenture. The Registrar may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture.

11. <u>Unclaimed Money</u>

All moneys paid by the Issuer, the Co-Issuer or any Guarantor to the Trustee or a Paying Agent for the payment of the principal of, or premium, if any, or interest on, any Notes that remain unclaimed at the end of two years after such principal, premium or interest has become due and payable may be repaid to the Issuer, the Co-Issuer or any Guarantor, subject to applicable law, and the Holder of such Note thereafter may look only to the Issuer, the Co-Issuer or any Guarantor for payment thereof.

12. <u>Discharge and Defeasance</u>

Subject to certain conditions, the Issuers at any time may terminate some or all of its obligations and the obligations of the Guarantors under the Notes, the Guarantees and the Indenture if the Issuers irrevocably deposits with the Trustee U.S. Dollars or U.S. Government Obligations for the payment of principal and interest on the Notes to redemption or maturity, as the case may be.

13. Amendment, Supplement and Waiver

- (a) Without the consent of any holder of Notes, the Guarantors, the Issuer, the Co-Issuer, the Trustee and the other parties thereto (if applicable) may amend or supplement the Indenture or the Notes:
 - (i) to cure any ambiguity, defect or inconsistency;
 - (ii) to provide for uncertificated Notes in addition to or in place of certificated Notes;
 - (iii) to provide for the assumption of the Parent Guarantor's, the Issuer's or the Co-Issuer's obligations to holders of Notes in the case of a merger, consolidation or sale of all or substantially all of the Parent Guarantor's assets;
 - (iv) to release any Guarantor in accordance with and if permitted by the terms and limitations set forth in the Indenture and to add a Guarantor under the Indenture:
 - (v) to make such changes as are necessary to provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture;
 - (vi) to make any change that would provide any additional rights or benefits to the holders of Notes or additional covenants or other obligations of the Issuer, the Co-Issuer or any Guarantor or that does not adversely affect the legal rights under the Indenture of any such holder in any material respect;

(vii) [Reserved];

- (viii) to evidence and provide for the acceptance and appointment under the Indenture of a successor Trustee thereunder pursuant to the requirements thereof; or
- (ix) to provide for the issuance of Additional Notes in accordance with the terms of the Indenture;
- (x) waive any existing Default or compliance with, or amend the terms of, Section 4.30 of this Indenture to the extent that holders of the Super Senior Secured Notes have waived any existing Default or compliance with, or amended the terms of, Section 4.30 of the indenture governing the Super Senior Secured Notes.

The Subsidiary Guarantors (other than the relevant new Subsidiary Guarantor in the case of clause (iv) above) need not be a party to any amendment to the Indenture referred to in this paragraph.

For the avoidance of doubt, Articles 470-1 to 470-19 of the Luxembourg amended companies law dated August 10, 1915 do not apply and no noteholders' meetings need to be convened to collect any necessary consent.

- (b) Except as provided in Section 9.02(b) of the Indenture, the Indenture, the Notes or the Guarantees may be modified, amended or supplemented with the consent of the Holders of at least a majority in principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes) and any existing Default or compliance with any provision of the Indenture or the Notes may be waived with the consent of the Holders of a majority in principal amount of the then outstanding Notes (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes). Without the consent of the Holders of 90% of each series of then outstanding Notes, an amendment, modification or waiver may not (with respect to any such series of Notes held by a non-consenting holder):
 - (i) reduce the principal amount of Notes whose holders must consent to an amendment, supplement or waiver of provisions of the Indenture;
 - (ii) reduce the principal (or Additional Amounts or premium, if any) of or change the Stated Maturity of the principal of, or any installment of Additional Amounts or premium, if any, or interest on, any Note or alter the provisions with respect to the redemption of the Notes (other than provisions relating to Article Three of the Indenture);
 - (iii) reduce the rate of or change the time for payment of interest on any Note;
 - (iv) waive a Default or Event of Default in the payment of principal of, or interest or premium, or Additional Amounts, if any, on the Notes (except a rescission of acceleration of the Notes by the holders of at least a majority in aggregate principal amount of the Notes and a waiver of the payment default that resulted from such acceleration);
 - (v) modify the right to institute suit for the enforcement of any payment of any Note in accordance with the provisions of such Note and the Indenture;
 - (vi) make any Note payable in money other than that stated in the Notes;
 - (vii) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of holders of Notes to receive payments of principal of, or interest or premium or Additional Amounts, if any, on the Notes;
 - (viii) waive a redemption payment with respect to any Note (other than a payment required by Section 4.15 of the Indenture);
 - (ix) release the Issuer, the Co-Issuer or any Guarantor from any of its obligations under the Notes, the Guarantees or the Indenture, except in accordance with the terms of the Indenture; or

(xi) make any change in the preceding amendment and waiver provisions.

The consent of the Holders is not necessary to approve the particular form of any proposed amendment, modification, supplement or waiver. It is sufficient if such consent approves the substance of the proposed amendment, modification, supplement or waiver.

For the avoidance of doubt, Articles 470-1 to 470-19 of the Luxembourg amended companies law dated August 10, 1915 do not apply and no noteholders' meetings need to be convened to collect any necessary consent.

14. Defaults and Remedies

In the case of an Event of Default under Section 6.01(a)(viii) and (ix) of the Indenture, all outstanding Notes shall become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the holders of at least 25% in principal amount of the then outstanding Notes may, and the Trustee, upon the request of such holders, shall declare all the Notes to be due and payable immediately.

Holders of the Notes may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to certain limitations, holders of a majority in principal amount of the then outstanding Notes may direct the Trustee in its exercise of any trust or power.

15. <u>Intercreditor Agreement</u>

Each Holder by accepting this Note agrees that the Indenture, including the Guarantees, is subject to the limitations on enforcement and other terms of the Intercreditor Agreement and that such Holder may not take any Enforcement Action in respect of the Subsidiary Guarantees other than through the Trustee in accordance with the Indenture.

16. <u>Trustee Dealings with the Issuers</u>

Subject to certain limitations, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with and collect obligations owed to it by the Issuers, any Guarantor or any of their Affiliates with the same rights it would have if it were not Trustee. Any Paying Agent, Registrar, co-Registrar or co-Paying Agent may do the same with like rights.

17. No Recourse Against Others

No director, officer, employee, incorporator or stockholder of the Issuers or any Guarantor, as such, shall have any personal liability for any obligations of the Issuers or such Guarantor under the Notes, the Indenture, the Intercreditor Agreement, the Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

18. Authentication

This Note shall not be valid until an authorized officer of the Trustee (or an authenticating agent) manually signs the certificate of authentication on the other side of this Note.

19. Governing Law

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICT OF LAW RULES THEREOF. FOR THE AVOIDANCE OF DOUBT, ARTICLES 470-1 TO 470-19 OF THE LUXEMBOURG AMENDED COMPANIES LAW DATED AUGUST 10, 1915 DO NOT APPLY.

The Issuers or any Guarantor shall furnish to any Holder upon written request and without charge to the Holder a copy of the Indenture. Requests may be made to:

Codere, S.A. Avenida de Bruselas, 26 28108 Alcobendas Madrid, Spain

Attention: Chief Financial Officer Facsimile: +34 91 354 2893

ASSIGNMENT FORM

To assign and transfer this Note, fill in the form below:				
(I) or (the Issuers) assign and transfer this Note to				
(Insert assignee's social security or tax I.D. no.)				
(Print or t	type assig	gnee's name, address and postal code)		
and irrevocably appoint agent to transfer this Note on the books of the Issuers. The agent may substitute another to act for him.				
Your Signature:				
		(Sign exactly as your name appears on the other side of this Note)		
Signature	Guarant	ee:		
(Participant in a recognized signature guarantee medallion program)				
Date:				
Certifying	g Signatu	re:		
CHECK ONE BOX BELOW				
(1) (2)		to the Issuers, or pursuant to and in compliance with Rule 144A under the U.S. Securities Act of 1933; or		
(3)		pursuant to and in compliance with Regulation S under the U.S.		
(4)		Securities Act of 1933; or pursuant to another available exemption from the registration		
(5)		requirements of the U.S. Securities Act of 1933; or pursuant to an effective registration statement under the U.S. Securities Act of 1933.		

Unless one of the boxes is checked, the Trustee shall refuse to register any of the Notes evidenced by this certificate in the name of any person other than the registered Holder thereof; *provided*, *however*, that if box (2) is checked, by executing this form, the Transferor is deemed to have certified that such Notes are being transferred to a person it reasonably believes is a "qualified institutional buyer" as defined in Rule 144A under the U.S. Securities Act of 1933 who has received notice that such transfer is being made in reliance on Rule 144A; if box (3) is checked, by executing this form, the Transferor is deemed to have certified that such transfer is made pursuant to an offer and sale that occurred outside the United States in compliance with Regulation S under the U.S. Securities Act; and if box (4) is checked, the Trustee may require, prior to registering any such transfer of the Notes, such legal opinions, certifications and other information as the Issuers reasonably request to confirm that such transfer is being made pursuant to an exemption from or in a transaction not subject to, the registration requirements of the U.S. Securities Act of 1933.

Signature:	<u> </u>
Signature Guarantee:	
(Participant in a recognized signature guara	 antee medallion program)
Certifying Signature:	Date:
Signature Guarantee:(Participant in a recognized signature guarantee)	antee medallion program)

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Note or a portion thereof repurchased pursuant to Section 4.11 or 4.15 of the Indenture, check the box:

If the purchase is in part, indicate the portion (in denominations of \$200,000 or an integral multiple of \$1 in excess thereof) to be purchased:

Your signature: (Sign exactly as y	your name appears on the other side of this Note)
Date:	
Certifying Signat	ure:

SCHEDULE A

SCHEDULE OF PRINCIPAL AMOUNT

The initial principal amount of this Security is \$37,535,000. The following decreases/increases in the principal amount of this Security have been made:

Date of Decrease/ <u>Increase</u>	Decrease in Principal Amount	Increase in Principal Amount	Principal Amount Following such Decrease/ Increase	Notation Made by or on Behalf of Registrar

CODERE FINANCE 2 (LUXEMBOURG) S.A. CODERE FINANCE 2 (UK) LIMITED

€60,736,000

ISIN Number XS1513772621 / COMMON CODE 151377262

No. 1

THIS NOTE IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE AND IS REGISTERED IN THE NAME OF THE DEPOSITARY OR A NOMINEE OF THE DEPOSITARY OR A SUCCESSOR DEPOSITARY. THIS NOTE IS NOT EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITARY OR ITS NOMINEE EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS NOTE (OTHER THAN A TRANSFER OF THIS NOTE AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY) MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

THIS GLOBAL NOTE AND ANY RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THIS GLOBAL NOTE TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALE OR TRANSFER OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS GLOBAL NOTE SHALL BE DEEMED, BY THE ACCEPTANCE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT.

THIS SECURITY (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND THIS SECURITY REPRESENTED BY THIS GLOBAL CERTIFICATE MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM AND UNLESS IN ACCORDANCE WITH THE INDENTURE REFERRED TO HEREINAFTER, COPIES OF WHICH ARE AVAILABLE AT THE CORPORATE TRUST OFFICE OF THE TRUSTEE. EACH PURCHASER OF THE SECURITIES REPRESENTED HEREBY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A (TOGETHER WITH ANY SUCCESSOR PROVISION, AND AS SUCH RULE MAY THEREAFTER BE AMENDED FROM TIME TO TIME, "RULE 144A"). THE HOLDER OF THIS SECURITY AGREES FOR THE BENEFIT OF THE ISSUERS THAT (A) THIS SECURITY MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED, PRIOR TO THE DATE THAT IS ONE YEAR (OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY RULE 144A OR ANY SUCCESSOR PROVISION THEREUNDER) AFTER THE COMMENCEMENT OF THE OFFERING, ONLY (I) IN THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (II) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (III) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE) OR (IV) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH OF CASES (I) THROUGH (IV) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ALL OTHER APPLICABLE JURISDICTIONS, AND (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS SECURITY FROM IT OF THE RESALE RESTRICTIONS REFERRED TO IN (A) ABOVE. THIS LEGEND WILL BE REMOVED ONLY AT THE OPTION OF THE ISSUERS.

9.500% CASH / 10.750% PIK SENIOR SECURED NOTE DUE 2023

Codere Finance 2 (Luxembourg) S.A., a Luxembourg société anonyme and Codere Finance 2 (UK) Limited and each of their successors and assigns, for value received promises to pay to Bank of America GSS Nominees Limited, as nominee for the Common Depository for Euroclear and Clearstream or registered assigns the principal sum €60,736,000 as listed on the Schedule of Principal Amount attached hereto on November 1, 2023.

From October [•], 2020, or from the most recent interest payment date to which interest has been paid or provided for, cash interest on this Note shall accrue at 9.500% cash/10.750% PIK, as described in paragraph 1 of this Note, payable semi-annually in arrears on October 31 and April 30 of each year, beginning on October 31, 2020, to the Person in whose name this Note (or any predecessor Note) is registered at the close of business on the preceding October 15 or April 15, as the case may be.

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICT OF LAW RULES THEREOF. FOR THE AVOIDANCE OF DOUBT, ARTICLES 470-1 TO 470-19 OF THE LUXEMBOURG AMENDED COMPANIES LAW DATED AUGUST 10, 1915 DO NOT APPLY.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature of an authorized signatory, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof and to the provisions of the Indenture, which provisions shall for all purposes have the same effect as if set forth at this place.

IN WITNESS WHEREOF, each of Codere Finance 2 (Luxembourg) S.A. and Codere Finance 2 (UK) Limited has caused this Note to be signed manually or by facsimile by its duly authorized signatory.

Dated: [•]	
	CODERE FINANCE 2 (LUXEMBOURG) S.A.
	By: Name: Title:
	CODERE FINANCE 2 (UK) LIMITED
	By: Name:
	Title:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

SLAS TRUST CORPORATION LIMITED, s Trustee, certifies that this is one of the Notes referred to in the Indenture.	
By:Authorized Officer	

1. <u>Interest</u>

Codere Finance 2 (Luxembourg) S.A., a Luxembourg *société anonyme* (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "<u>Issuer</u>") and Codere Finance 2 (UK) Limited (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "<u>Co-Issuer</u>" and, together with the Issuer, the "<u>Issuers</u>"), for value received promises to pay interest on the principal amount of this Note.

On each Interest Payment Date, interest on the principal amount of this Note shall be paid at a rate equal to 4.500% per annum in cash interest plus, either, at the sole discretion of the Issuers (a) 5.000% per annum in cash interest or (b) 6.250% in kind interest (any such portion, "PIK Euro Interest") by increasing the outstanding principal amount of such Note or, with respect to Notes represented by certificated notes, issuing additional Notes under the Indenture on the same terms and conditions as the Notes offered hereby in a principal amount equal to such interest (the "PIK Euro Notes"). Interest shall be computed on the basis of a 360-day year of twelve 30-day months. The Issuers shall pay interest on overdue principal at the interest rate borne by the Notes compounded semi-annually, and it shall pay interest on overdue installments of interest at the same rate compounded semi-annually to the extent lawful. Any interest paid on this Note shall be increased to the extent necessary to pay Additional Amounts as set forth in this Note.

2. Additional Amounts

All payments in respect of the Notes, made by or on behalf of the Issuer, the Co-Issuer, a Guarantor or any successor person to the Issuer, the Co-Issuer or any Guarantor (each a "Successor Person") (each a "Payer"), shall be made free and clear without withholding or deduction for, or on account of, any present or future taxes, duties, levies, imposts, assessments or other governmental charges (including, without limitation, penalties, interest and other similar liabilities related thereto) of whatever nature, (collectively, "Taxes") imposed or levied by or on behalf of any jurisdiction or any political subdivision or governmental authority thereof or therein having the power to tax where such Payer is incorporated, organized or otherwise resident for tax purposes or from or through which the Payer makes a payment on the Notes or its Guarantee or by the Kingdom of Spain (and any subdivision or governmental authority thereof or therein) (each, a "Relevant Taxing Jurisdiction"), unless the withholding or deduction of such Taxes is then required by law. If the Payer is required to withhold or deduct any amount for, or on account of, Taxes imposed or levied on behalf of a Relevant Taxing Jurisdiction from any payment made under or with respect to the Notes, the Payer shall pay such additional amounts ("Additional Amounts") as may be necessary to ensure that the net amount received by each holder of the Notes (including Additional Amounts) after such withholding or deduction has been made shall be not less than the amount the holder would have received if such Taxes had not been required to be withheld or deducted.

- (b) The Payer shall not be required to make any payment of Additional Amounts for or on account of
 - (i) any Taxes that are imposed or levied by a Relevant Taxing Jurisdiction by reason of (A) the holder's or a beneficial owner's present or former connection with such Relevant Taxing Jurisdiction (other than the mere acquisition or holding of Notes or by reason of the receipt of payments in respect thereunder or the exercise or enforcement of any rights under the Notes, the Indenture, or any Guarantee (including a connection between a fiduciary, settlor, beneficiary, member, partner or shareholder of, or possessor of power over, the relevant holder or beneficial owner, if the relevant holder or beneficial owner is an estate, nominee, trust, partnership or corporation, and the Relevant Taxing Jurisdiction), or (B) the presentation of a Note (where presentation is required) for payment on a date more than 30 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later, except to the extent that the beneficial owner or holder thereof would have been entitled to Additional Amounts had the Notes been presented for payment on any day during such 30 day period;
 - (ii) any estate, inheritance, gift, sales, excise, transfer, personal property or similar Tax;
 - (iii) any Tax which is payable otherwise than by withholding or deduction from payments made under or with respect to the Notes;
 - any Taxes that are imposed or withheld by reason of the failure by the holder or the beneficial owner of the Notes, following the Issuers' written request addressed to the holder or otherwise provided to the holder or beneficial owner (and made at a time that would enable the holder or beneficial owner acting reasonably to comply with that request) to provide certification, information, documents or other evidence concerning the nationality, residence or identity of the holder or such beneficial owner or to make any valid or timely declaration or similar claim or satisfy any other reporting requirements relating to such matters, whether required or imposed by statute, treaty, regulation or administrative practice of the Relevant Taxing Jurisdiction, as a precondition to exemption from, or reduction in the rate of withholding or deduction of, Taxes imposed by the Relevant Taxing Jurisdiction, including, for the avoidance of doubt, any Taxes that are imposed or withheld under Spanish law by reason of the Payer not receiving (either directly or through its agent) such information from a holder or beneficial owner as may be necessary to allow payments on the Notes to be made free and clear of Spanish withholding tax or deduction on account of Spanish taxes, pursuant to Law 10/2014 of June 26, Royal Decree 1065/2007 of July 27, as amended by Royal Decree 1145/2011 of July 29, and any implementing legislation or regulation;
 - (v) any Tax that is imposed on or with respect to a Note presented for payment (where presentation is required) on behalf of a holder or beneficial

owner who would have been able to avoid such withholding or deduction by presenting the Note to another Paying Agent in a Member State of the European Union;

- (vi) any Tax that would not have been imposed but for a failure by the holder or beneficial owner (or any financial institution through which the holder or beneficial owner holds any Note through which payment on the Note is made) to comply with any certification, information, identification, documentation or other reporting requirements (including entering into and complying with an agreement with the U.S. Internal Revenue Service) imposed pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (or any intergovernmental agreement, or legislation enacted pursuant thereto, to implement such provisions) as in effect on the date of issuance of the Notes or any successor or amended version of these provisions, to the extent such successor or amended version is not materially more onerous than these provisions as enacted on such date; or
 - (vii) any combination of Taxes referred to in clauses (i) to (vi) above.
- (c) Additional Amounts shall not be paid with respect to any payment made under or with respect to the Notes or any Guarantee in the case of a holder who is a fiduciary, a partnership or other than the sole beneficial owner of such payment, to the extent that such payment is required by the laws of the Relevant Taxing Jurisdiction to be included in the income, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, a member of that partnership or a beneficial owner and such person would not have been entitled to the Additional Amounts had it been the holder of the Note or Guarantee.
- (d) The Payer shall (i) make such withholding or deduction required by applicable law and (ii) remit the full amount withheld or deducted to the relevant taxing authority in accordance with applicable law.
- (e) At least 30 calendar days prior to each date on which any payment under or with respect to the Notes is due and payable, if the Payer shall be obligated to pay Additional Amounts with respect to such payment (unless such obligation to pay Additional Amounts arises after the 30th day prior to the date on which payment under or with respect to the Notes is due and payable, in which case it shall be promptly thereafter), the Issuers shall deliver to the Trustee an Officer's Certificate stating that such Additional Amounts shall be payable and the amounts so payable and shall set forth such other information necessary to enable the Paying Agent to pay such Additional Amounts to holders on the relevant payment date. The Trustee shall, without further enquiry, be entitled to rely absolutely on each such Officer's Certificate as conclusive proof that such payments are necessary. The Issuers shall promptly publish a notice in accordance with Section 14.02 of the Indenture stating that such Additional Amounts shall be payable and describing the obligation to pay such amounts.
- (f) Upon request, within a reasonable time the Payer shall provide the Trustee, to provide to the holders, certified copies of tax receipts evidencing the payment by the Payer of any Taxes imposed or levied by a Relevant Taxing Jurisdiction in such form as provided in the

normal course by the taxing authority imposing such Taxes and as is reasonably available to the Payer. If, notwithstanding the reasonable efforts of the Payer to obtain such receipts, the same are not obtainable, the Payer shall provide the Trustee a copy of the return reporting such payment or with other evidence reasonably satisfactory to the Trustee of such payments by the Payer.

- In addition, the Parent Guarantor undertakes to indemnify, pay and maintain all (g) holders of the Notes or the Guarantees harmless for all Taxes that are imposed under Spanish law on the payments received or income derived from the Notes or the Guarantees that (i) are not compensated by the payment of Additional Amounts under the first paragraph of this "Additional Amounts" section; and that (ii) are not excluded under clauses (i) through (ii) and (iv) through (vii) of Section 4.16(b) of the Indenture, or any combination thereof. Furthermore, the Issuers shall pay any present or future stamp, issue, registration, court documentation, excise, or property taxes, or other similar Taxes imposed by or in any Relevant Taxing Jurisdiction, including any political jurisdiction thereof, in respect of the execution, issue, delivery or registration of the Notes, the Indenture, or the Guarantees, or any other document or instrument referred to thereunder and any such Taxes imposed by any jurisdiction as a result of, or in connection with, the enforcement of the Notes, the Guarantees, or any other such document or instrument following, and relating to, the occurrence of any Event of Default with respect to the Notes or the receipt of any payments with respect thereto (other than with respect to a transfer of the Notes following the initial sale of the Notes by the Initial Purchasers and limited, solely in the case of Taxes attributable to the receipt of any payments with respect thereto, to any such Taxes imposed in a Relevant Tax Jurisdiction that are not excluded under clauses (i) through (ii) and (iv) through (vii) of Section 4.16(b) of the Indenture, or any combination thereof), and other than (i) any stamp duty, registration or other similar Taxes payable on or by reference to or in consequence of the transfer or assignment of the whole or any part of the rights of a holder of the Notes and (ii) any Luxembourg registration duties (droits d'enregistrement) payable due to registration, submission or filing of any finance document when such registration, submission or filing is or was not required to maintain or preserve the rights of any party under that finance document).
- (h) Whenever the Indenture refers to, in any context, the payment of principal, premium, if any, interest or any other amount payable under or with respect to any Note (including payments thereof made pursuant to any Guarantee or in connection with a redemption of the Notes), such reference includes the payment of Additional Amounts, if applicable.

Provisions (a)-(h) above shall survive any termination, defeasance or discharge of the Indenture.

3. Method of Payment

The Issuers shall pay interest on this Note (except defaulted interest) to the persons who are registered Holders of this Note at the close of business on the Record Date for the next Interest Payment Date even if this Note is cancelled after the Record Date and on or before the Interest Payment Date. The Issuers shall pay principal and interest in Euros in immediately available funds that at the time of payment is legal tender for payment of public and private debts;

provided, that payment of interest may be made at the option of the Issuers by check mailed to the Holder.

The amount of payments in respect of interest on each Interest Payment Date shall correspond to the aggregate principal amount of Notes represented by the Regulation S Global Note and the Restricted Global Note, as established by the Registrar at the close of business on the relevant Record Date. Payments of principal shall be made upon surrender of the Regulation S Global Note and the Restricted Global Note to the Paying Agent.

PIK Euro Interest shall be payable (a) with respect to Notes represented by one or more Global Notes registered in the name of, or held by, the Common Depositary on the relevant Record Date, by increasing the principal amount of the outstanding Global Note by an amount equal to the amount of the PIK Euro Interest for the applicable interest period (rounded up to the nearest whole euro) (it being understood that subsequent interest payments on the Notes shall be calculated on such increased principal amount) and (b) with respect to Notes represented by certificated Notes, by issuing PIK Euro Notes in certificated form to the Holders of the underlying Notes in an aggregate principal amount equal to the amount of interest for the applicable interest period (rounded up to the nearest whole euro). The Trustee shall authenticate and deliver such PIK Euro Notes in certificated form for original issuance to the Holders thereof on the relevant Record Date, as shown by the records of the register of such Holders. Following an increase in the principal amount of the outstanding Global Notes as a result of any PIK Euro Interest, the Global Notes shall bear interest on such increased principal amount from and after the interest payment date in respect of which such PIK Euro Interest was made. Any PIK Euro Notes issued in certificated form shall be dated as of the applicable interest payment date, bear interest from and after such date and be issued with the description "PIK" on the face of such PIK Euro Note.

Cash interest and PIK Euro Interest shall be paid to Holders pro rata in accordance with their interests in this Note. Following an increase in the principal amount of this Note as a result of a payment as PIK Euro Interest, this Note will bear interest on such increased principal amount from and after the date of such payment. Any PIK Euro Notes issued in certificated form will be dated as of the applicable interest payment date and will bear interest from and after such date. All PIK Euro Notes will mature on November 1, 2023.

Not less than ten Business Days prior to each interest payment date, the Issuers shall notify the Trustee in writing of the amount of cash interest and PIK Euro Interest, respectively, to be made for such interest payment date, in each case in accordance with the terms of the Indenture. In the event the Issuers fail to timely deliver such notice (or in the case of acceleration or other prepayment of the Notes, if interest is due and owing on a date other than an interest payment date), the Issuers shall be deemed to have elected to pay PIK Euro Interest for such interest payment date.

4. Paying Agent

The Issuers will make all payments, including principal of, premium, if any, and interest on the Notes, through an agent that it will maintain for these purposes. Initially that agent will be Global Loan Agency Services Limited.

5. Indenture

The Issuers issued the Notes under an indenture dated as of November 8, 2016, as supplemented or amended from time to time (the "<u>Indenture</u>") among the Issuer, the Co-Issuer, the Parent Guarantor, the Subsidiary Guarantors, GLAS Trust Company Limited, as trustee and security agent (the "<u>Trustee</u>"), the Paying Agent and the other parties thereto. Terms defined in the Indenture and not defined herein have the meanings ascribed thereto in the Indenture. The Notes are subject to such terms of, and Holders are referred to, the Indenture for a statement of those terms.

The Notes are general obligations of the Issuers and are issued under the Indenture in an initial aggregate principal amount at maturity of €500,000,000. The Indenture imposes certain limitations on the Issuer, the Co-Issuer, the Parent Guarantor and the Subsidiary Guarantors and affiliates, including, without limitation, limitations on the incurrence of indebtedness and issuance of stock, the payment of dividends and other payment restrictions affecting the Parent Guarantor and Restricted Group Members, the sale of assets, transactions with and among affiliates of the Parent Guarantor and the Restricted Group Members, change of control and Liens.

6. Optional Redemption

- (a) [Reserved].
- (b) At any time prior to October 31, 2018, upon not less than 10 nor more than 60 days' prior notice (except as otherwise provided under Section 3.03 of the Indenture), the Issuers may redeem all or a part of the Euro Notes, at a redemption price equal to 100% of the Euro Notes to be redeemed plus the Applicable Premium (as defined below) as of, and accrued and unpaid interest and Additional Amounts, if any, to, the date of redemption (subject to the right of holders of record on the relevant record date to receive interest due on any interest payment date occurring on or prior to the redemption date).

"Applicable Premium" means, with respect to a Euro Note on any Redemption Date, as calculated by the Issuers, the greater of:

- (a) 1.0% of the principal amount of the Euro Note; and
- (b) the excess of:
 - (i) the present value at such Redemption Date of (i) the redemption price of the note at October 30, 2018 (such redemption price being set forth in the Notes) plus (ii) all required interest payments due on the Euro Note through October 30, 2018 (excluding accrued but unpaid interest to the Redemption Date), computed using a discount rate equal to the Bund Rate as of such Redemption Date plus 50 basis points; over
 - (ii) the outstanding principal amount of such Euro Note.

Any redemption and notice may, in the Issuers' discretion, be subject to the satisfaction of one or more conditions precedent.

"Bund Rate" means, with respect to any redemption date, the rate per annum equal to the equivalent yield to maturity as of such redemption date of the Comparable German Bund issue, assuming a price for the Comparable German Bund issue (expressed as a percentage of its principal amount) equal to the Comparable German Bund Price for such redemption date, where:

- (I) "Comparable German Bund Issues" means the German Bundesanleihe security selected by any Reference German Bund Dealer as having a fixed maturity most nearly equal to the period from such redemption date to January 4, 2022, and that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of euro denominated corporate debt securities in a principal amount approximately equal to the then outstanding principal amount of the Euro Notes and of a maturity most nearly equal to January 4, 2022; provided that if the period from such redemption date to January 4, 2022 is less than one year, a fixed maturity of one year shall be used:
- (II) "<u>Comparable German Bund Price</u>" means, with respect to any redemption date, the average of the Reference German Bund Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference German Bund Dealer Quotations, or if the Issuers obtain fewer than four such Reference German Bund Dealer Quotations, the average of all such quotations;
- (III) "<u>Reference German Bund Dealer</u>" means any dealer of German Bundesanleihe securities appointed by the Issuers (and notified to the Trustee); and
- (IV) "Reference German Bund Dealer Quotations" means, with respect to each Reference German Bund Dealer and any redemption date, the average as determined by the Issuers of the bid and offered prices for the Comparable German Bund Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Issuers by such Reference German Bund Dealer at 3:30 p.m. Frankfurt, Germany time on the third business day preceding such redemption date.
- (c) At any time on or after October 31, 2018, upon not less than 10 nor more than 60 days' prior notice (except as otherwise provided under Section 3.03 of the Indenture), the Issuers may redeem all or a part of the Euro Notes at the redemption prices (expressed as percentages of their principal amount at maturity) set forth below plus accrued and unpaid interest and Additional Amounts, if any, on the Euro Notes redeemed, to the applicable redemption date, if redeemed during the twelve-month period beginning on October 31 of the years indicated below:

<u>Year</u>	Redemption Price for
	the Euro Notes
2018	103.375%
2019	101.688%
2020 and thereafter	100.000%

Any redemption and notice may, in the Issuers' discretion, be subject to the satisfaction of one or more conditions precedent.

7. Redemption Upon Changes in Withholding Tax

- (a) The Issuers may, at its option, redeem the Euro Notes, in whole, but not in part, at any time upon giving not less than 10 nor more than 60 days' prior notice (except as otherwise provided under Section 3.03 of the Indenture) to the holders at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest thereon, if any, to the redemption date, premium, if any, and Additional Amounts, if any, then due and which will become due on the date of redemption as a result of the redemption or otherwise, if the Issuers determines in good faith that the Payer is, or on the next date on which any amount would be payable in respect of the Notes, would be, obligated to pay Additional Amounts (as defined above) in respect of the Notes or a Guarantee pursuant to the terms and conditions thereof (but in the case of a Payer that is a Guarantor, only if the payment giving rise to such requirement cannot be made by the Issuers or another Guarantor without the obligation to pay Additional Amounts), which the Payer cannot avoid by the use of reasonable measures available to it (including making payment through a paying agent located in another jurisdiction) as a result of:
 - (A) any change in, or amendment to, the laws or any regulations or rulings promulgated thereunder of any Relevant Taxing Jurisdiction (as defined above) affecting taxation which becomes effective and is first publicly announced on or after the date of the Indenture or, if a Relevant Taxing Jurisdiction was not a Relevant Taxing Jurisdiction on the date of the Indenture, the date on which the then current Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction under the Indenture (or, in the case of a Successor Person, after the date the Successor Person becomes a Successor Person under the Indenture); or
 - (B) any change in the official application, administration, or interpretation of the laws, regulations or rulings of any Relevant Taxing Jurisdiction, (including a holding, judgment, or order by a court of competent jurisdiction), on or after the date of the Indenture or, if a Relevant Taxing Jurisdiction was not a Relevant Taxing Jurisdiction on the date of the Indenture, the date on which the Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction under the Indenture (each of the foregoing clauses (A) and (B), a "Change in Tax Law").
- (b) Notwithstanding the foregoing, the Issuers may not redeem the Notes under this provision if (i) a Relevant Taxing Jurisdiction was not a Relevant Taxing Jurisdiction on the date of the Indenture, and (ii) the Payer is obligated to pay Additional Amounts as a result of a Change in Tax Law of such new Relevant Taxing Jurisdiction which change, at the time the latter became a Relevant Taxing Jurisdiction under the Indenture, was officially announced.

- (c) Notwithstanding the foregoing, no such notice of redemption shall be given (a) earlier than 90 days prior to the earliest date on which the Payer would be obliged to make a payment of Additional Amounts or withholding if a payment in respect of the Notes or Guarantee, as the case may be, were then due and (b) unless at the time such notice is given, the obligation to pay Additional Amounts or withhold remains in effect.
- (d) Prior to the publication or where relevant, mailing of any notice of redemption pursuant to the foregoing, the Issuers shall deliver to the Trustee:
 - (i) an Officer's Certificate stating that the Issuers are entitled to effect such redemption and setting forth a statement of facts showing the conditions precedent to the right of the Issuers so to redeem have occurred (including that such obligation to pay such Additional Amounts cannot be avoided by the Payer taking reasonable measures available to it); and
 - (ii) an opinion of independent tax advisors of recognized standing qualified under the laws of the Relevant Taxing Jurisdiction and reasonably satisfactory to the Trustee to the effect that the Payer is or would be obligated to pay such Additional Amounts as the case may be, as a result of a Change in Tax Law.

The Trustee shall, without further investigation, be entitled to rely on such Officer's Certificate and opinion of tax advisors as conclusive proof that the conditions precedent to the right of the Issuers so to redeem have occurred.

Any redemption and notice may, in the Issuers' discretion, be subject to the satisfaction of one or more conditions precedent.

8. Notice of Redemption

The Issuers shall publish a notice of any optional redemption of the Notes described above in accordance with the provisions described under Section 3.04 of the Indenture. If the Notes are listed at such time on the Irish Stock Exchange, the Issuers shall inform the Irish Stock Exchange of the principal amount of the Notes that have not been redeemed in connection with any optional redemption. If less than all of the Notes are to be redeemed at any time, the Trustee shall select the Notes to be redeemed as follows: (i) if the Notes are listed on any securities exchange, in compliance with the requirements of the principal securities exchange on which the Notes are listed or (ii) if the Notes are not listed on any securities exchange, on a pro rata basis, by lot or by such method as the Trustee deems fair and appropriate and in accordance with Euroclear or Clearstream procedures, *provided*, *however*, that no such partial redemption shall reduce the portion of the principal amount of a Note not redeemed to less than €2,000.

9. Repurchase at the Option of Holders

If a Change of Control occurs, each holder of Notes shall have the right to require the Issuers (or the Parent Guarantor, if the Parent Guarantor makes the purchase offer referred to below) to repurchase all or any part (equal to €100,000 or any integral multiple of €1 in excess thereof) of that holder's Notes pursuant to an offer (a "Change of Control Offer") on the terms set forth in

the Indenture. In the Change of Control Offer, the Issuer or the Parent Guarantor shall offer a payment in cash equal to 101% of the aggregate principal amount of Notes repurchased plus accrued and unpaid interest and Additional Amounts, if any, on the Notes repurchased, to the date of purchase (a "Change of Control Payment"). Within ten days following any Change of Control, the Issuers or the Parent Guarantor will (i) cause the Change of Control Offer to be published through (A) the newswire service of Bloomberg, or if Bloomberg does not then operate, any similar agency; and (B) if at the time of such notice the Notes are listed on the Irish Stock Exchange and the rules of the Irish Stock Exchange so require, in the Irish Times (or another leading newspaper of general circulation in Ireland); and (ii) mail the Change of Control Offer to each registered holder. The Change of Control Offer will describe the transaction or transactions that constitute the Change of Control and will offer to repurchase the applicable series of Notes on the date (the "Change of Control Payment Date") specified therein, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed, pursuant to the procedures required by the Indenture and described in such notice. The Issuers and the Parent Guarantor will comply with the requirements of any securities laws and the regulations thereunder (including Rule 14e-1 under the Exchange Act) to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the Indenture, the Issuers and the Parent Guarantor will comply with the applicable securities laws and regulations and will not be deemed to have breached their obligations under the Change of Control provisions of the Indenture by virtue of such conflict.

10. Denominations

The Euro Notes are in denominations of €100,000 or any integral multiple of €1 in excess thereof of principal amount at maturity. The transfer of Notes may be registered, and Notes may be exchanged, as provided in the Indenture. The Registrar may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture.

11. Unclaimed Money

All moneys paid by the Issuers or any Guarantor to the Trustee or a Paying Agent for the payment of the principal of, or premium, if any, or interest on, any Notes that remain unclaimed at the end of two years after such principal, premium or interest has become due and payable may be repaid to the Issuers or any Guarantor, subject to applicable law, and the Holder of such Note thereafter may look only to the Issuers or any Guarantor for payment thereof.

12. <u>Discharge and Defeasance</u>

Subject to certain conditions, the Issuers at any time may terminate some or all of its obligations and the obligations of the Guarantors under the Notes, the Guarantees and the Indenture if the Issuers irrevocably deposits with the Trustee in Euros or European Government Obligations for the payment of principal and interest on the Notes to redemption or maturity, as the case may be.

13. Amendment, Supplement and Waiver

- (a) Without the consent of any holder of Notes, the Guarantors, the Issuer, the Co-Issuer, the Trustee and the other parties thereto (if applicable) may amend or supplement the Indenture or the Notes:
 - (i) to cure any ambiguity, defect or inconsistency;
 - (ii) to provide for uncertificated Notes in addition to or in place of certificated Notes;
 - (iii) to provide for the assumption of the Parent Guarantor's or the Issuers' obligations to holders of Notes in the case of a merger, consolidation or sale of all or substantially all of the Parent Guarantor's assets;
 - (iv) to release any Guarantor in accordance with and if permitted by the terms and limitations set forth in the Indenture and to add a Guarantor under the Indenture;
 - (v) to make such changes as are necessary to provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture;
 - (vi) to make any change that would provide any additional rights or benefits to the holders of Notes or additional covenants or other obligations of the Issuer, the Co-Issuer or any Guarantor or that does not adversely affect the legal rights under the Indenture of any such holder in any material respect;
 - (vii) [Reserved];
 - (viii) to evidence and provide for the acceptance and appointment under the Indenture of a successor Trustee thereunder pursuant to the requirements thereof;
 - (ix) to provide for the issuance of Additional Notes in accordance with the terms of the Indenture; or
 - (x) waive any existing Default or compliance with, or amend the terms of, Section 4.30 of this Indenture to the extent that holders of the Super Senior Secured Notes have waived any existing Default or compliance with, or amended the terms of, Section 4.30 of the indenture governing the Super Senior Secured Notes.

The Subsidiary Guarantors (other than the relevant new Subsidiary Guarantor in the case of clause (iv) above) need not be a party to any amendment to the Indenture referred to in this paragraph.

For the avoidance of doubt, Articles 470-1 to 470-19 of the Luxembourg amended companies law dated August 10, 1915 do not apply and no noteholders' meetings need to be convened to collect any necessary consent.

- (b) Except as provided in Section 9.02(b) of the Indenture, the Indenture, the Notes or the Guarantees may be modified, amended or supplemented with the consent of the Holders of at least a majority in principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes) and any existing Default or compliance with any provision of the Indenture or the Notes may be waived with the consent of the Holders of a majority in principal amount of the then outstanding Notes (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes). Without the consent of the Holders of 90% of each series of then outstanding Notes, an amendment, modification or waiver may not (with respect to any such series of Notes held by a non-consenting holder):
 - (i) reduce the principal amount of Notes whose holders must consent to an amendment, supplement or waiver of provisions of the Indenture;
 - (ii) reduce the principal (or Additional Amounts or premium, if any) of or change the Stated Maturity of the principal of, or any installment of Additional Amounts or premium, if any, or interest on, any Note or alter the provisions with respect to the redemption of the Notes (other than provisions relating to Article Three of the Indenture);
 - (iii) reduce the rate of or change the time for payment of interest on any Note;
 - (iv) waive a Default or Event of Default in the payment of principal of, or interest or premium, or Additional Amounts, if any, on the Notes (except a rescission of acceleration of the Notes by the holders of at least a majority in aggregate principal amount of the Notes and a waiver of the payment default that resulted from such acceleration);
 - (v) modify the right to institute suit for the enforcement of any payment of any Note in accordance with the provisions of such Note and the Indenture;
 - (vi) make any Note payable in money other than that stated in the Notes;
 - (vii) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of holders of Notes to receive payments of principal of, or interest or premium or Additional Amounts, if any, on the Notes;
 - (viii) waive a redemption payment with respect to any Note (other than a payment required by Section 4.15 of the Indenture);
 - (ix) release the Issuer, the Co-Issuer or any Guarantor from any of its obligations under the Notes, the Guarantees or the Indenture, except in accordance with the terms of the Indenture; or

(xi) make any change in the preceding amendment and waiver provisions.

The consent of the Holders is not necessary to approve the particular form of any proposed amendment, modification, supplement or waiver. It is sufficient if such consent approves the substance of the proposed amendment, modification, supplement or waiver.

For the avoidance of doubt, Articles 470-1 to 470-19 of the Luxembourg amended companies law dated August 10, 1915 do not apply and no noteholders' meetings need to be convened to collect any necessary consent.

14. <u>Defaults and Remedies</u>

In the case of an Event of Default under Section 6.01(a)(viii) and (ix) of the Indenture, all outstanding Notes shall become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the holders of at least 25% in principal amount of the then outstanding Notes may, and the Trustee, upon the request of such holders, shall declare all the Notes to be due and payable immediately.

Holders of the Notes may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to certain limitations, holders of a majority in principal amount of the then outstanding Notes may direct the Trustee in its exercise of any trust or power.

15. Intercreditor Agreement

Each Holder by accepting this Note agrees that the Indenture, including the Guarantees, is subject to the limitations on enforcement and other terms of the Intercreditor Agreement and that such Holder may not take any Enforcement Action in respect of the Subsidiary Guarantees other than through the Trustee in accordance with the Indenture.

16. Trustee Dealings with the Issuers

Subject to certain limitations, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with and collect obligations owed to it by the Issuers, any Guarantor or any of their Affiliates with the same rights it would have if it were not Trustee. Any Paying Agent, Registrar, co-Registrar or co-Paying Agent may do the same with like rights.

17. No Recourse Against Others

No director, officer, employee, incorporator or stockholder of the Issuers or any Guarantor, as such, shall have any personal liability for any obligations of the Issuers or such Guarantor under the Notes, the Indenture, the Intercreditor Agreement, the Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

18. Authentication

This Note shall not be valid until an authorized officer of the Trustee (or an authenticating agent) manually signs the certificate of authentication on the other side of this Note.

19. Governing Law

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICT OF LAW RULES THEREOF. FOR THE AVOIDANCE OF DOUBT, ARTICLES 470-1 TO 470-19 OF THE LUXEMBOURG AMENDED COMPANIES LAW DATED AUGUST 10, 1915 DO NOT APPLY.

The Issuers or any Guarantor shall furnish to any Holder upon written request and without charge to the Holder a copy of the Indenture. Requests may be made to:

Codere, S.A.
Avenida de Bruselas, 26
28108 Alcobendas
Madrid, Spain

Attention: Chief Financial Officer Facsimile: +34 91 354 2893

ASSIGNMENT FORM

To assig	gn and tran	sfer this Note, fill in the form below:
(I) or (the	he Issuer) a	assign and transfer this Note to
(Insert a	assignee's	social security or tax I.D. no.)
(Print o	r type assiş	gnee's name, address and postal code)
and irre	evocably an the books	agent to transfer this of the Issuers. The agent may substitute another to act for him.
Your Si	ignature: _	(Sign exactly as your name appears on the other side of this Note)
Signatu	re Guarant	ee:
(Partici	pant in a re	ecognized signature guarantee medallion program)
Date: _		
Certifyi	ng Signatu	ire:
CHECK	X ONE BO	X BELOW
(1) (2)		to the Issuers, or pursuant to and in compliance with Rule 144A under the U.S. Securities Act of 1933; or
(3)		pursuant to and in compliance with Regulation S under the U.S. Securities Act of 1933; or
(4)		pursuant to another available exemption from the registration requirements of the U.S. Securities Act of 1933; or
(5)		pursuant to an effective registration statement under the U.S. Securities Act of 1933.

Unless one of the boxes is checked, the Trustee shall refuse to register any of the Notes evidenced by this certificate in the name of any person other than the registered Holder thereof; provided, however, that if box (2) is checked, by executing this form, the Transferor is deemed to have certified that such Notes are being transferred to a person it reasonably believes is a "qualified institutional buyer" as defined in Rule 144A under the U.S. Securities Act of 1933 who has received notice that such transfer is being made in reliance on Rule 144A; if box (3) is checked, by executing this form, the Transferor is deemed to have certified that such transfer is made pursuant to an offer and sale that occurred outside the United States in compliance with Regulation S under the U.S. Securities Act; and if box (4) is checked, the Trustee may require, prior to registering any such transfer of the Notes, such legal opinions, certifications and other information as the Issuers reasonably request to confirm that such transfer is being made pursuant to an exemption from or in a transaction not subject to, the registration requirements of the U.S. Securities Act of 1933.

Signature:	
Signature Guarantee:	
(Participant in a recognized signature gu	narantee medallion program)
Certifying Signature:	Date:
Signature Guarantee:(Participant in a recognized signature gu	uarantee medallion program)

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Note or a portion thereof repurchased pursuant to Section 4.11 or 4.15 of the Indenture, check the box:

If the purchase is in part, indicate the portion (in denominations of €100,000 or an integral multiple of €1 in excess thereof) to be purchased:

Your signature:

(Sign exactly as your name appears on the other side of this Note)

Certifying Signature:

Date:

SCHEDULE A

SCHEDULE OF PRINCIPAL AMOUNT

The initial principal amount of this Security is €60,736,000. The following decreases/increases in the principal amount of this Security have been made:

Date of Decrease/ Increase	Decrease in Principal Amount	Increase in Principal Amount	Principal Amount Following such Decrease/ Increase	Notation Made by or on Behalf of Registrar

CODERE FINANCE 2 (LUXEMBOURG) S.A. CODERE FINANCE 2 (UK) LIMITED

€439,264,000

ISIN Number XS1513765922 / COMMON CODE 151376592

No. 1

THIS NOTE IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE AND IS REGISTERED IN THE NAME OF THE DEPOSITARY OR A NOMINEE OF THE DEPOSITARY OR A SUCCESSOR DEPOSITARY. THIS NOTE IS NOT EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITARY OR ITS NOMINEE EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS NOTE (OTHER THAN A TRANSFER OF THIS NOTE AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY) MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE RINDENTURE.

THIS GLOBAL NOTE AND ANY RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THIS GLOBAL NOTE TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALE OR TRANSFER OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS GLOBAL NOTE SHALL BE DEEMED, BY THE ACCEPTANCE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT.

THIS SECURITY (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION ORIGINALLY EXEMPT FROM REGISTRATION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE TRANSFERRED IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON EXCEPT PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ALL APPLICABLE STATE SECURITIES LAWS. TERMS USED ABOVE HAVE THE MEANINGS GIVEN TO THEM IN REGULATION S UNDER THE SECURITIES ACT.

UNTIL 40 DAYS AFTER THE COMMENCEMENT OF THE OFFERING, AN OFFER OR SALE OF SECURITIES WITHIN THE UNITED STATES BY A DEALER (AS DEFINED IN THE U.S. SECURITIES ACT) MAY VIOLATE THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT IF SUCH OFFER OR SALE IS MADE OTHERWISE THAN IN ACCORDANCE WITH RULE 144A UNDER THE U.S. SECURITIES ACT.

9.500% CASH / 10.750% PIK SENIOR SECURED NOTE DUE 2023

Codere Finance 2 (Luxembourg) S.A., a Luxembourg *société anonyme* and Codere Finance 2 (UK) Limited and each of their successors and assigns, for value received promises to pay to Bank of America GSS Nominees Limited, as nominee for the Common Depository for Euroclear and Clearstream or registered assigns the principal sum € 439,264,000 as listed on the Schedule of Principal Amount attached hereto on November 1, 2023.

From October [•], 2020, or from the most recent interest payment date to which interest has been paid or provided for, cash interest on this Note shall accrue at 9.500% cash/10.750% PIK, as described in paragraph 1 of this Note, payable semi-annually in arrears on October 31 and April 30 of each year, beginning on October 31, 2020, to the Person in whose name this Note (or any predecessor Note) is registered at the close of business on the preceding October 15 or April 15, as the case may be.

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICT OF LAW RULES THEREOF. FOR THE AVOIDANCE OF DOUBT, ARTICLES 470-1 TO 470-19 OF THE LUXEMBOURG AMENDED COMPANIES LAW DATED AUGUST 10, 1915 DO NOT APPLY.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature of an authorized signatory, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof and to the provisions of the Indenture, which provisions shall for all purposes have the same effect as if set forth at this place.

IN WITNESS WHEREOF, each of Codere Finance 2 (Luxembourg) S.A. and Codere Finance 2 (UK) Limited has caused this Note to be signed manually or by facsimile by its duly authorized signatory.

Dated: [•]	
	CODERE FINANCE 2 (LUXEMBOURG) S.A.
	By: Name: Title:
	CODERE FINANCE 2 (UK) LIMITED
	By: Name: Title:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

GLAS TRUST CORPORATION LIMITED, s Trustee, certifies that this is one of the Notes referred to in the Indenture.	
By:Authorized Officer	

1. <u>Interest</u>

Codere Finance 2 (Luxembourg) S.A., a Luxembourg *société anonyme* (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "<u>Issuer</u>") and Codere Finance 2 (UK) Limited (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "<u>Co-Issuer</u>" and, together with the Issuer, the "<u>Issuers</u>"), for value received promises to pay interest on the principal amount of this Note.

On each Interest Payment Date, interest on the principal amount of this Note shall be paid at a rate equal to 4.500% *per annum* in cash interest *plus*, either, at the sole discretion of the Issuers (a) 5.000% *per annum* in cash interest or (b) 6.250% in kind interest (any such portion, "PIK Euro Interest") by increasing the outstanding principal amount of such Note or, with respect to Notes represented by certificated notes, issuing additional Notes under the Indenture on the same terms and conditions as the Notes offered hereby in a principal amount equal to such interest (the "PIK Euro Notes"). Interest shall be computed on the basis of a 360-day year of twelve 30-day months. The Issuers shall pay interest on overdue principal at the interest rate borne by the Notes compounded semi-annually, and it shall pay interest on overdue installments of interest at the same rate compounded semi-annually to the extent lawful. Any interest paid on this Note shall be increased to the extent necessary to pay Additional Amounts as set forth in this Note.

2. Additional Amounts

All payments in respect of the Notes, made by or on behalf of the Issuer, the Co-Issuer, a Guarantor or any successor person to the Issuer, the Co-Issuer or any Guarantor (each a "Successor Person") (each a "Payer"), shall be made free and clear without withholding or deduction for, or on account of, any present or future taxes, duties, levies, imposts, assessments or other governmental charges (including, without limitation, penalties, interest and other similar liabilities related thereto) of whatever nature, (collectively, "Taxes") imposed or levied by or on behalf of any jurisdiction or any political subdivision or governmental authority thereof or therein having the power to tax where such Payer is incorporated, organized or otherwise resident for tax purposes or from or through which the Payer makes a payment on the Notes or its Guarantee or by the Kingdom of Spain (and any subdivision or governmental authority thereof or therein) (each, a "Relevant Taxing Jurisdiction"), unless the withholding or deduction of such Taxes is then required by law. If the Payer is required to withhold or deduct any amount for, or on account of, Taxes imposed or levied on behalf of a Relevant Taxing Jurisdiction from any payment made under or with respect to the Notes, the Payer shall pay such additional amounts ("Additional Amounts") as may be necessary to ensure that the net amount received by each holder of the Notes (including Additional Amounts) after such withholding or deduction has been made shall be not less than the amount the holder would have received if such Taxes had not been required to be withheld or deducted.

- (b) The Payer shall not be required to make any payment of Additional Amounts for or on account of
 - (i) any Taxes that are imposed or levied by a Relevant Taxing Jurisdiction by reason of (A) the holder's or a beneficial owner's present or former connection with such Relevant Taxing Jurisdiction (other than the mere acquisition or holding of Notes or by reason of the receipt of payments in respect thereunder or the exercise or enforcement of any rights under the Notes, the Indenture, or any Guarantee (including a connection between a fiduciary, settlor, beneficiary, member, partner or shareholder of, or possessor of power over, the relevant holder or beneficial owner, if the relevant holder or beneficial owner is an estate, nominee, trust, partnership or corporation, and the Relevant Taxing Jurisdiction), or (B) the presentation of a Note (where presentation is required) for payment on a date more than 30 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later, except to the extent that the beneficial owner or holder thereof would have been entitled to Additional Amounts had the Notes been presented for payment on any day during such 30 day period;
 - (ii) any estate, inheritance, gift, sales, excise, transfer, personal property or similar Tax;
 - (iii) any Tax which is payable otherwise than by withholding or deduction from payments made under or with respect to the Notes;
 - any Taxes that are imposed or withheld by reason of the failure by the holder or the beneficial owner of the Notes, following the Issuers' written request addressed to the holder or otherwise provided to the holder or beneficial owner (and made at a time that would enable the holder or beneficial owner acting reasonably to comply with that request) to provide certification, information, documents or other evidence concerning the nationality, residence or identity of the holder or such beneficial owner or to make any valid or timely declaration or similar claim or satisfy any other reporting requirements relating to such matters, whether required or imposed by statute, treaty, regulation or administrative practice of the Relevant Taxing Jurisdiction, as a precondition to exemption from, or reduction in the rate of withholding or deduction of, Taxes imposed by the Relevant Taxing Jurisdiction, including, for the avoidance of doubt, any Taxes that are imposed or withheld under Spanish law by reason of the Payer not receiving (either directly or through its agent) such information from a holder or beneficial owner as may be necessary to allow payments on the Notes to be made free and clear of Spanish withholding tax or deduction on account of Spanish taxes, pursuant to Law 10/2014 of June 26, Royal Decree 1065/2007 of July 27, as amended by Royal Decree 1145/2011 of July 29, and any implementing legislation or regulation;
 - (v) any Tax that is imposed on or with respect to a Note presented for payment (where presentation is required) on behalf of a holder or beneficial

owner who would have been able to avoid such withholding or deduction by presenting the Note to another Paying Agent in a Member State of the European Union;

- (vi) any Tax that would not have been imposed but for a failure by the holder or beneficial owner (or any financial institution through which the holder or beneficial owner holds any Note through which payment on the Note is made) to comply with any certification, information, identification, documentation or other reporting requirements (including entering into and complying with an agreement with the U.S. Internal Revenue Service) imposed pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (or any intergovernmental agreement, or legislation enacted pursuant thereto, to implement such provisions) as in effect on the date of issuance of the Notes or any successor or amended version of these provisions, to the extent such successor or amended version is not materially more onerous than these provisions as enacted on such date; or
 - (vii) any combination of Taxes referred to in clauses (i) to (vi) above.
- (c) Additional Amounts shall not be paid with respect to any payment made under or with respect to the Notes or any Guarantee in the case of a holder who is a fiduciary, a partnership or other than the sole beneficial owner of such payment, to the extent that such payment is required by the laws of the Relevant Taxing Jurisdiction to be included in the income, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, a member of that partnership or a beneficial owner and such person would not have been entitled to the Additional Amounts had it been the holder of the Note or Guarantee.
- (d) The Payer shall (i) make such withholding or deduction required by applicable law and (ii) remit the full amount withheld or deducted to the relevant taxing authority in accordance with applicable law.
- (e) At least 30 calendar days prior to each date on which any payment under or with respect to the Notes is due and payable, if the Payer shall be obligated to pay Additional Amounts with respect to such payment (unless such obligation to pay Additional Amounts arises after the 30th day prior to the date on which payment under or with respect to the Notes is due and payable, in which case it shall be promptly thereafter), the Issuers shall deliver to the Trustee an Officer's Certificate stating that such Additional Amounts shall be payable and the amounts so payable and shall set forth such other information necessary to enable the Paying Agent to pay such Additional Amounts to holders on the relevant payment date. The Trustee shall, without further enquiry, be entitled to rely absolutely on each such Officer's Certificate as conclusive proof that such payments are necessary. The Issuers shall promptly publish a notice in accordance with Section 14.02 of the Indenture stating that such Additional Amounts shall be payable and describing the obligation to pay such amounts.
- (f) Upon request, within a reasonable time the Payer shall provide the Trustee, to provide to the holders, certified copies of tax receipts evidencing the payment by the Payer of any Taxes imposed or levied by a Relevant Taxing Jurisdiction in such form as provided in the

normal course by the taxing authority imposing such Taxes and as is reasonably available to the Payer. If, notwithstanding the reasonable efforts of the Payer to obtain such receipts, the same are not obtainable, the Payer shall provide the Trustee a copy of the return reporting such payment or with other evidence reasonably satisfactory to the Trustee of such payments by the Payer.

- In addition, the Parent Guarantor undertakes to indemnify, pay and maintain all (g) holders of the Notes or the Guarantees harmless for all Taxes that are imposed under Spanish law on the payments received or income derived from the Notes or the Guarantees that (i) are not compensated by the payment of Additional Amounts under the first paragraph of this "Additional Amounts" section; and that (ii) are not excluded under clauses (i) through (ii) and (iv) through (vii) of Section 4.16(b) of the Indenture, or any combination thereof. Furthermore, the Issuers shall pay any present or future stamp, issue, registration, court documentation, excise, or property taxes, or other similar Taxes imposed by or in any Relevant Taxing Jurisdiction, including any political jurisdiction thereof, in respect of the execution, issue, delivery or registration of the Notes, the Indenture, or the Guarantees, or any other document or instrument referred to thereunder and any such Taxes imposed by any jurisdiction as a result of, or in connection with, the enforcement of the Notes, the Guarantees, or any other such document or instrument following, and relating to, the occurrence of any Event of Default with respect to the Notes or the receipt of any payments with respect thereto (other than with respect to a transfer of the Notes following the initial sale of the Notes by the Initial Purchasers and limited, solely in the case of Taxes attributable to the receipt of any payments with respect thereto, to any such Taxes imposed in a Relevant Tax Jurisdiction that are not excluded under clauses (i) through (ii) and (iv) through (vii) of Section 4.16(b) of the Indenture, or any combination thereof), and other than (i) any stamp duty, registration or other similar Taxes payable on or by reference to or in consequence of the transfer or assignment of the whole or any part of the rights of a holder of the Notes and (ii) any Luxembourg registration duties (droits d'enregistrement) payable due to registration, submission or filing of any finance document when such registration, submission or filing is or was not required to maintain or preserve the rights of any party under that finance document).
- (h) Whenever the Indenture refers to, in any context, the payment of principal, premium, if any, interest or any other amount payable under or with respect to any Note (including payments thereof made pursuant to any Guarantee or in connection with a redemption of the Notes), such reference includes the payment of Additional Amounts, if applicable.

Provisions (a)-(h) above shall survive any termination, defeasance or discharge of the Indenture.

3. <u>Method of Payment</u>

The Issuers shall pay interest on this Note (except defaulted interest) to the persons who are registered Holders of this Note at the close of business on the Record Date for the next Interest Payment Date even if this Note is cancelled after the Record Date and on or before the Interest Payment Date. The Issuers shall pay principal and interest in Euros in immediately available funds that at the time of payment is legal tender for payment of public and private debts;

provided, that payment of interest may be made at the option of the Issuers by check mailed to the Holder.

The amount of payments in respect of interest on each Interest Payment Date shall correspond to the aggregate principal amount of Notes represented by the Regulation S Global Note and the Restricted Global Note, as established by the Registrar at the close of business on the relevant Record Date. Payments of principal shall be made upon surrender of the Regulation S Global Note and the Restricted Global Note to the Paying Agent.

PIK Euro Interest shall be payable (a) with respect to Notes represented by one or more Global Notes registered in the name of, or held by, the Common Depositary on the relevant Record Date, by increasing the principal amount of the outstanding Global Note by an amount equal to the amount of the PIK Euro Interest for the applicable interest period (rounded up to the nearest whole euro) (it being understood that subsequent interest payments on the Notes shall be calculated on such increased principal amount) and (b) with respect to Notes represented by certificated Notes, by issuing PIK Euro Notes in certificated form to the Holders of the underlying Notes in an aggregate principal amount equal to the amount of interest for the applicable interest period (rounded up to the nearest whole euro). The Trustee shall authenticate and deliver such PIK Euro Notes in certificated form for original issuance to the Holders thereof on the relevant Record Date, as shown by the records of the register of such Holders. Following an increase in the principal amount of the outstanding Global Notes as a result of any PIK Euro Interest, the Global Notes shall bear interest on such increased principal amount from and after the interest payment date in respect of which such PIK Euro Interest was made. Any PIK Euro Notes issued in certificated form shall be dated as of the applicable interest payment date, bear interest from and after such date and be issued with the description "PIK" on the face of such PIK Euro Note.

Cash interest and PIK Euro Interest shall be paid to Holders pro rata in accordance with their interests in this Note. Following an increase in the principal amount of this Note as a result of a payment as PIK Euro Interest, this Note will bear interest on such increased principal amount from and after the date of such payment. Any PIK Euro Notes issued in certificated form will be dated as of the applicable interest payment date and will bear interest from and after such date. All PIK Euro Notes will mature on November 1, 2023.

Not less than ten Business Days prior to each interest payment date, the Issuers shall notify the Trustee in writing of the amount of cash interest and PIK Euro Interest, respectively, to be made for such interest payment date, in each case in accordance with the terms of the Indenture. In the event the Issuers fail to timely deliver such notice (or in the case of acceleration or other prepayment of the Notes, if interest is due and owing on a date other than an interest payment date), the Issuers shall be deemed to have elected to pay PIK Euro Interest for such interest payment date.

4. Paying Agent

The Issuers will make all payments, including principal of, premium, if any, and interest on the Notes, through an agent that it will maintain for these purposes. Initially that agent will be Global Loan Agency Services Limited.

5. Indenture

The Issuers issued the Notes under an indenture dated as of November 8, 2016, as supplemented or amended from time to time (the "<u>Indenture</u>") among the Issuer, the Co-Issuer, the Parent Guarantor, the Subsidiary Guarantors, GLAS Trust Company Limited, as trustee and security agent (the "<u>Trustee</u>"), the Paying Agent and the other parties thereto. Terms defined in the Indenture and not defined herein have the meanings ascribed thereto in the Indenture. The Notes are subject to such terms of, and Holders are referred to, the Indenture for a statement of those terms.

The Notes are general obligations of the Issuers and are issued under the Indenture in an initial aggregate principal amount at maturity of €500,000,000. The Indenture imposes certain limitations on the Issuer, the Co-Issuer, the Parent Guarantor and the Subsidiary Guarantors and affiliates, including, without limitation, limitations on the incurrence of indebtedness and issuance of stock, the payment of dividends and other payment restrictions affecting the Parent Guarantor and Restricted Group Members, the sale of assets, transactions with and among affiliates of the Parent Guarantor and the Restricted Group Members, change of control and Liens.

6. Optional Redemption

- (a) [Reserved].
- (b) At any time prior to October 31, 2018, upon not less than 10 nor more than 60 days' prior notice (except as otherwise provided under Section 3.03 of the Indenture), the Issuers may redeem all or a part of the Euro Notes, at a redemption price equal to 100% of the Euro Notes to be redeemed plus the Applicable Premium (as defined below) as of, and accrued and unpaid interest and Additional Amounts, if any, to, the date of redemption (subject to the right of holders of record on the relevant record date to receive interest due on any interest payment date occurring on or prior to the redemption date).

"Applicable Premium" means, with respect to a Euro Note on any Redemption Date, as calculated by the Issuers, the greater of:

- (a) 1.0% of the principal amount of the Euro Note; and
- (b) the excess of:
 - (i) the present value at such Redemption Date of (i) the redemption price of the note at October 30, 2018 (such redemption price being set forth in the Notes) plus (ii) all required interest payments due on the Euro Note through October 30, 2018 (excluding accrued but unpaid interest to the Redemption Date), computed using a discount rate equal to the Bund Rate as of such Redemption Date plus 50 basis points; over
 - (ii) the outstanding principal amount of such Euro Note.

Any redemption and notice may, in the Issuers' discretion, be subject to the satisfaction of one or more conditions precedent.

"Bund Rate" means, with respect to any redemption date, the rate per annum equal to the equivalent yield to maturity as of such redemption date of the Comparable German Bund issue, assuming a price for the Comparable German Bund issue (expressed as a percentage of its principal amount) equal to the Comparable German Bund Price for such redemption date, where:

- (I) "Comparable German Bund Issues" means the German Bundesanleihe security selected by any Reference German Bund Dealer as having a fixed maturity most nearly equal to the period from such redemption date to January 4, 2022, and that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of euro denominated corporate debt securities in a principal amount approximately equal to the then outstanding principal amount of the Euro Notes and of a maturity most nearly equal to January 4, 2022; provided that if the period from such redemption date to January 4, 2022 is less than one year, a fixed maturity of one year shall be used:
- (II) "<u>Comparable German Bund Price</u>" means, with respect to any redemption date, the average of the Reference German Bund Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference German Bund Dealer Quotations, or if the Issuers obtain fewer than four such Reference German Bund Dealer Quotations, the average of all such quotations;
- (III) "<u>Reference German Bund Dealer</u>" means any dealer of German Bundesanleihe securities appointed by the Issuers (and notified to the Trustee); and
- (IV) "Reference German Bund Dealer Quotations" means, with respect to each Reference German Bund Dealer and any redemption date, the average as determined by the Issuers of the bid and offered prices for the Comparable German Bund Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Issuers by such Reference German Bund Dealer at 3:30 p.m. Frankfurt, Germany time on the third business day preceding such redemption date.
- (c) At any time on or after October 31, 2018, upon not less than 10 nor more than 60 days' prior notice (except as otherwise provided under Section 3.03 of the Indenture), the Issuers may redeem all or a part of the Euro Notes at the redemption prices (expressed as percentages of their principal amount at maturity) set forth below plus accrued and unpaid interest and Additional Amounts, if any, on the Euro Notes redeemed, to the applicable redemption date, if redeemed during the twelve-month period beginning on October 31 of the years indicated below:

<u>Year</u>	Redemption Price for
	the Euro Notes
2018	103.375%
2019	101.688%
2020 and thereafter	100.000%

Any redemption and notice may, in the Issuers' discretion, be subject to the satisfaction of one or more conditions precedent.

7. Redemption Upon Changes in Withholding Tax

- (a) The Issuers may, at its option, redeem the Euro Notes, in whole, but not in part, at any time upon giving not less than 10 nor more than 60 days' prior notice (except as otherwise provided under Section 3.03 of the Indenture) to the holders at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest thereon, if any, to the redemption date, premium, if any, and Additional Amounts, if any, then due and which will become due on the date of redemption as a result of the redemption or otherwise, if the Issuers determines in good faith that the Payer is, or on the next date on which any amount would be payable in respect of the Notes, would be, obligated to pay Additional Amounts (as defined above) in respect of the Notes or a Guarantee pursuant to the terms and conditions thereof (but in the case of a Payer that is a Guarantor, only if the payment giving rise to such requirement cannot be made by the Issuers or another Guarantor without the obligation to pay Additional Amounts), which the Payer cannot avoid by the use of reasonable measures available to it (including making payment through a paying agent located in another jurisdiction) as a result of:
 - (A) any change in, or amendment to, the laws or any regulations or rulings promulgated thereunder of any Relevant Taxing Jurisdiction (as defined above) affecting taxation which becomes effective and is first publicly announced on or after the date of the Indenture or, if a Relevant Taxing Jurisdiction was not a Relevant Taxing Jurisdiction on the date of the Indenture, the date on which the then current Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction under the Indenture (or, in the case of a Successor Person, after the date the Successor Person becomes a Successor Person under the Indenture); or
 - (B) any change in the official application, administration, or interpretation of the laws, regulations or rulings of any Relevant Taxing Jurisdiction, (including a holding, judgment, or order by a court of competent jurisdiction), on or after the date of the Indenture or, if a Relevant Taxing Jurisdiction was not a Relevant Taxing Jurisdiction on the date of the Indenture, the date on which the Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction under the Indenture (each of the foregoing clauses (A) and (B), a "Change in Tax Law").
- (b) Notwithstanding the foregoing, the Issuers may not redeem the Notes under this provision if (i) a Relevant Taxing Jurisdiction was not a Relevant Taxing Jurisdiction on the date of the Indenture, and (ii) the Payer is obligated to pay Additional Amounts as a result of a Change in Tax Law of such new Relevant Taxing Jurisdiction which change, at the time the latter became a Relevant Taxing Jurisdiction under the Indenture, was officially announced.

- (c) Notwithstanding the foregoing, no such notice of redemption shall be given (a) earlier than 90 days prior to the earliest date on which the Payer would be obliged to make a payment of Additional Amounts or withholding if a payment in respect of the Notes or Guarantee, as the case may be, were then due and (b) unless at the time such notice is given, the obligation to pay Additional Amounts or withhold remains in effect.
- (d) Prior to the publication or where relevant, mailing of any notice of redemption pursuant to the foregoing, the Issuers shall deliver to the Trustee:
 - (i) an Officer's Certificate stating that the Issuers are entitled to effect such redemption and setting forth a statement of facts showing the conditions precedent to the right of the Issuers so to redeem have occurred (including that such obligation to pay such Additional Amounts cannot be avoided by the Payer taking reasonable measures available to it); and
 - (ii) an opinion of independent tax advisors of recognized standing qualified under the laws of the Relevant Taxing Jurisdiction and reasonably satisfactory to the Trustee to the effect that the Payer is or would be obligated to pay such Additional Amounts as the case may be, as a result of a Change in Tax Law.

The Trustee shall, without further investigation, be entitled to rely on such Officer's Certificate and opinion of tax advisors as conclusive proof that the conditions precedent to the right of the Issuers so to redeem have occurred.

Any redemption and notice may, in the Issuers' discretion, be subject to the satisfaction of one or more conditions precedent.

8. Notice of Redemption

The Issuers shall publish a notice of any optional redemption of the Notes described above in accordance with the provisions described under Section 3.04 of the Indenture. If the Notes are listed at such time on the Irish Stock Exchange, the Issuers shall inform the Irish Stock Exchange of the principal amount of the Notes that have not been redeemed in connection with any optional redemption. If less than all of the Notes are to be redeemed at any time, the Trustee shall select the Notes to be redeemed as follows: (i) if the Notes are listed on any securities exchange, in compliance with the requirements of the principal securities exchange on which the Notes are listed or (ii) if the Notes are not listed on any securities exchange, on a pro rata basis, by lot or by such method as the Trustee deems fair and appropriate and in accordance with Euroclear or Clearstream procedures, *provided*, *however*, that no such partial redemption shall reduce the portion of the principal amount of a Note not redeemed to less than €2,000.

9. Repurchase at the Option of Holders

If a Change of Control occurs, each holder of Notes shall have the right to require the Issuers (or the Parent Guarantor, if the Parent Guarantor makes the purchase offer referred to below) to repurchase all or any part (equal to &100,000 or any integral multiple of &1 in excess thereof) of that holder's Notes pursuant to an offer (a "Change of Control Offer") on the terms set forth in

the Indenture. In the Change of Control Offer, the Issuer or the Parent Guarantor shall offer a payment in cash equal to 101% of the aggregate principal amount of Notes repurchased plus accrued and unpaid interest and Additional Amounts, if any, on the Notes repurchased, to the date of purchase (a "Change of Control Payment"). Within ten days following any Change of Control, the Issuers or the Parent Guarantor will (i) cause the Change of Control Offer to be published through (A) the newswire service of Bloomberg, or if Bloomberg does not then operate, any similar agency; and (B) if at the time of such notice the Notes are listed on the Irish Stock Exchange and the rules of the Irish Stock Exchange so require, in the Irish Times (or another leading newspaper of general circulation in Ireland); and (ii) mail the Change of Control Offer to each registered holder. The Change of Control Offer will describe the transaction or transactions that constitute the Change of Control and will offer to repurchase the applicable series of Notes on the date (the "Change of Control Payment Date") specified therein, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed, pursuant to the procedures required by the Indenture and described in such notice. The Issuers and the Parent Guarantor will comply with the requirements of any securities laws and the regulations thereunder (including Rule 14e-1 under the Exchange Act) to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the Indenture, the Issuers and the Parent Guarantor will comply with the applicable securities laws and regulations and will not be deemed to have breached their obligations under the Change of Control provisions of the Indenture by virtue of such conflict.

10. Denominations

The Euro Notes are in denominations of €100,000 or any integral multiple of €1 in excess thereof of principal amount at maturity. The transfer of Notes may be registered, and Notes may be exchanged, as provided in the Indenture. The Registrar may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture.

11. Unclaimed Money

All moneys paid by the Issuers or any Guarantor to the Trustee or a Paying Agent for the payment of the principal of, or premium, if any, or interest on, any Notes that remain unclaimed at the end of two years after such principal, premium or interest has become due and payable may be repaid to the Issuers or any Guarantor, subject to applicable law, and the Holder of such Note thereafter may look only to the Issuers or any Guarantor for payment thereof.

12. <u>Discharge and Defeasance</u>

Subject to certain conditions, the Issuers at any time may terminate some or all of its obligations and the obligations of the Guarantors under the Notes, the Guarantees and the Indenture if the Issuers irrevocably deposits with the Trustee in Euros or European Government Obligations for the payment of principal and interest on the Notes to redemption or maturity, as the case may be.

13. <u>Amendment, Supplement and Waiver</u>

- (a) Without the consent of any holder of Notes, the Guarantors, the Issuer, the Co-Issuer, the Trustee and the other parties thereto (if applicable) may amend or supplement the Indenture or the Notes:
 - (i) to cure any ambiguity, defect or inconsistency;
 - (ii) to provide for uncertificated Notes in addition to or in place of certificated Notes;
 - (iii) to provide for the assumption of the Parent Guarantor's or the Issuers' obligations to holders of Notes in the case of a merger, consolidation or sale of all or substantially all of the Parent Guarantor's assets;
 - (iv) to release any Guarantor in accordance with and if permitted by the terms and limitations set forth in the Indenture and to add a Guarantor under the Indenture;
 - (v) to make such changes as are necessary to provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture;
 - (vi) to make any change that would provide any additional rights or benefits to the holders of Notes or additional covenants or other obligations of the Issuer, the Co-Issuer or any Guarantor or that does not adversely affect the legal rights under the Indenture of any such holder in any material respect;
 - (vii) [Reserved];
 - (viii) to evidence and provide for the acceptance and appointment under the Indenture of a successor Trustee thereunder pursuant to the requirements thereof;
 - (ix) to provide for the issuance of Additional Notes in accordance with the terms of the Indenture; or
 - (x) waive any existing Default or compliance with, or amend the terms of, Section 4.30 of this Indenture to the extent that holders of the Super Senior Secured Notes have waived any existing Default or compliance with, or amended the terms of, Section 4.30 of the indenture governing the Super Senior Secured Notes.

The Subsidiary Guarantors (other than the relevant new Subsidiary Guarantor in the case of clause (iv) above) need not be a party to any amendment to the Indenture referred to in this paragraph.

For the avoidance of doubt, Articles 470-1 to 470-19 of the Luxembourg amended companies law dated August 10, 1915 do not apply and no noteholders' meetings need to be convened to collect any necessary consent.

- (b) Except as provided in Section 9.02(b) of the Indenture, the Indenture, the Notes or the Guarantees may be modified, amended or supplemented with the consent of the Holders of at least a majority in principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes) and any existing Default or compliance with any provision of the Indenture or the Notes may be waived with the consent of the Holders of a majority in principal amount of the then outstanding Notes (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes). Without the consent of the Holders of 90% of each series of then outstanding Notes, an amendment, modification or waiver may not (with respect to any such series of Notes held by a non-consenting holder):
 - (i) reduce the principal amount of Notes whose holders must consent to an amendment, supplement or waiver of provisions of the Indenture;
 - (ii) reduce the principal (or Additional Amounts or premium, if any) of or change the Stated Maturity of the principal of, or any installment of Additional Amounts or premium, if any, or interest on, any Note or alter the provisions with respect to the redemption of the Notes (other than provisions relating to Article Three of the Indenture);
 - (iii) reduce the rate of or change the time for payment of interest on any Note;
 - (iv) waive a Default or Event of Default in the payment of principal of, or interest or premium, or Additional Amounts, if any, on the Notes (except a rescission of acceleration of the Notes by the holders of at least a majority in aggregate principal amount of the Notes and a waiver of the payment default that resulted from such acceleration);
 - (v) modify the right to institute suit for the enforcement of any payment of any Note in accordance with the provisions of such Note and the Indenture;
 - (vi) make any Note payable in money other than that stated in the Notes;
 - (vii) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of holders of Notes to receive payments of principal of, or interest or premium or Additional Amounts, if any, on the Notes;
 - (viii) waive a redemption payment with respect to any Note (other than a payment required by Section 4.15 of the Indenture);
 - (ix) release the Issuer, the Co-Issuer or any Guarantor from any of its obligations under the Notes, the Guarantees or the Indenture, except in accordance with the terms of the Indenture; or

(xi) make any change in the preceding amendment and waiver provisions.

The consent of the Holders is not necessary to approve the particular form of any proposed amendment, modification, supplement or waiver. It is sufficient if such consent approves the substance of the proposed amendment, modification, supplement or waiver.

For the avoidance of doubt, Articles 470-1 to 470-19 of the Luxembourg amended companies law dated August 10, 1915 do not apply and no noteholders' meetings need to be convened to collect any necessary consent.

14. <u>Defaults and Remedies</u>

In the case of an Event of Default under Section 6.01(a)(viii) and (ix) of the Indenture, all outstanding Notes shall become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the holders of at least 25% in principal amount of the then outstanding Notes may, and the Trustee, upon the request of such holders, shall declare all the Notes to be due and payable immediately.

Holders of the Notes may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to certain limitations, holders of a majority in principal amount of the then outstanding Notes may direct the Trustee in its exercise of any trust or power.

15. Intercreditor Agreement

Each Holder by accepting this Note agrees that the Indenture, including the Guarantees, is subject to the limitations on enforcement and other terms of the Intercreditor Agreement and that such Holder may not take any Enforcement Action in respect of the Subsidiary Guarantees other than through the Trustee in accordance with the Indenture.

16. Trustee Dealings with the Issuers

Subject to certain limitations, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with and collect obligations owed to it by the Issuers, any Guarantor or any of their Affiliates with the same rights it would have if it were not Trustee. Any Paying Agent, Registrar, co-Registrar or co-Paying Agent may do the same with like rights.

17. No Recourse Against Others

No director, officer, employee, incorporator or stockholder of the Issuers or any Guarantor, as such, shall have any personal liability for any obligations of the Issuers or such Guarantor under the Notes, the Indenture, the Intercreditor Agreement, the Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

18. Authentication

This Note shall not be valid until an authorized officer of the Trustee (or an authenticating agent) manually signs the certificate of authentication on the other side of this Note.

19. Governing Law

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICT OF LAW RULES THEREOF. FOR THE AVOIDANCE OF DOUBT, ARTICLES 470-1 TO 470-19 OF THE LUXEMBOURG AMENDED COMPANIES LAW DATED AUGUST 10, 1915 DO NOT APPLY.

The Issuers or any Guarantor shall furnish to any Holder upon written request and without charge to the Holder a copy of the Indenture. Requests may be made to:

Codere, S.A. Avenida de Bruselas, 26 28108 Alcobendas Madrid, Spain

Attention: Chief Financial Officer Facsimile: +34 91 354 2893

ASSIGNMENT FORM

To assig	gn and tran	sfer this Note, fill in the form below:
(I) or (the	he Issuer) a	assign and transfer this Note to
(Insert a	assignee's	social security or tax I.D. no.)
(Print o	r type assiş	gnee's name, address and postal code)
and irre	evocably an the books	agent to transfer this of the Issuers. The agent may substitute another to act for him.
Your Si	ignature: _	(Sign exactly as your name appears on the other side of this Note)
Signatu	re Guarant	ee:
(Partici	pant in a re	ecognized signature guarantee medallion program)
Date: _		
Certifyi	ng Signatu	ire:
CHECK	X ONE BO	X BELOW
(1) (2)		to the Issuers, or pursuant to and in compliance with Rule 144A under the U.S. Securities Act of 1933; or
(3)		pursuant to and in compliance with Regulation S under the U.S. Securities Act of 1933; or
(4)		pursuant to another available exemption from the registration requirements of the U.S. Securities Act of 1933; or
(5)		pursuant to an effective registration statement under the U.S. Securities Act of 1933.

Unless one of the boxes is checked, the Trustee shall refuse to register any of the Notes evidenced by this certificate in the name of any person other than the registered Holder thereof; provided, however, that if box (2) is checked, by executing this form, the Transferor is deemed to have certified that such Notes are being transferred to a person it reasonably believes is a "qualified institutional buyer" as defined in Rule 144A under the U.S. Securities Act of 1933 who has received notice that such transfer is being made in reliance on Rule 144A; if box (3) is checked, by executing this form, the Transferor is deemed to have certified that such transfer is made pursuant to an offer and sale that occurred outside the United States in compliance with Regulation S under the U.S. Securities Act; and if box (4) is checked, the Trustee may require, prior to registering any such transfer of the Notes, such legal opinions, certifications and other information as the Issuers reasonably request to confirm that such transfer is being made pursuant to an exemption from or in a transaction not subject to, the registration requirements of the U.S. Securities Act of 1933.

Signature:	
Signature Guarantee:	
(Participant in a recognized signature	guarantee medallion program)
Certifying Signature:	Date:
Signature Guarantee:(Participant in a recognized signature	guarantee medallion program)

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Note or a portion thereof repurchased pursuant to Section 4.11 or 4.15 of the Indenture, check the box:

If the purchase is in part, indicate the portion (in denominations of €100,000 or an integral multiple of €1 in excess thereof) to be purchased:

Your signature:

(Sign exactly as your name appears on the other side of this Note)

Date: _____

SCHEDULE A

SCHEDULE OF PRINCIPAL AMOUNT

The initial principal amount of this Security is $\mbox{\ensuremath{\mbox{\ensuremath{\mbox{\ensuremath{\mbox{\sc curity}}}}}$ in the principal amount of this Security have been made:

Date of Decrease/ Increase	Decrease in Principal Amount	Increase in Principal Amount	Principal Amount Following such Decrease/ Increase	Notation Made by or on Behalf of Registrar

PART B: NEW NOTES GLOBAL NOTES

CODERE FINANCE 2 (LUXEMBOURG) S.A. €[•]

ISIN Number [●] / COMMON CODE [●]

No. 1

THIS NOTE IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE AND IS REGISTERED IN THE NAME OF THE DEPOSITARY OR A NOMINEE OF THE THIS SUCCESSOR DEPOSITARY. NOTE DEPOSITARY OR Α EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITARY OR ITS NOMINEE EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS NOTE (OTHER THAN A TRANSFER OF THIS NOTE AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY) MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

THIS GLOBAL NOTE AND ANY RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THIS GLOBAL NOTE TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALE OR TRANSFER OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS GLOBAL NOTE SHALL BE DEEMED, BY THE ACCEPTANCE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT.

THIS SECURITY (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION ORIGINALLY EXEMPT FROM REGISTRATION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE TRANSFERRED IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON EXCEPT PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ALL APPLICABLE STATE SECURITIES LAWS. TERMS USED ABOVE HAVE THE MEANINGS GIVEN TO THEM IN REGULATION S UNDER THE SECURITIES ACT.

UNTIL 40 DAYS AFTER THE COMMENCEMENT OF THE OFFERING, AN OFFER OR SALE OF SECURITIES WITHIN THE UNITED STATES BY A DEALER (AS DEFINED IN THE U.S. SECURITIES ACT) MAY VIOLATE THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT IF SUCH OFFER OR SALE IS MADE OTHERWISE THAN IN ACCORDANCE WITH RULE 144A UNDER THE U.S. SECURITIES ACT.

FIXED RATE SUPER SENIOR SECURED NOTE DUE 2023

Codere Finance 2 (Luxembourg) S.A., a Luxembourg société anonyme and its successors and assigns, for value received promises to pay to Bank of America GSS Nominees Limited, as nominee for the Common Depositary for Euroclear and Clearstream or registered assigns the principal sum $\mathfrak{E}[\bullet]$ as listed on the Schedule of Principal Amount attached hereto on September 30, 2023.

From September 30, 2020, or from the most recent interest payment date to which interest has been paid or provided for, cash interest on this Note shall accrue at a rate per annum of 10.750%, payable semi-annually in arrears on September 30 and March 31 of each year, beginning on March 31, 2021, to the Person in whose name this Note (or any predecessor Note) is registered at the close of business on the preceding Business Day. The Issuer will promptly notify the Trustee of the date on which such amendments become effective.

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICT OF LAW RULES THEREOF. FOR THE AVOIDANCE OF DOUBT, ARTICLES 470-1 TO 470-19 OF THE LUXEMBOURG AMENDED COMPANIES LAW DATED AUGUST 10, 1915 DO NOT APPLY.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature of an authorized signatory, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof and to the provisions of the Indenture, which provisions shall for all purposes have the same effect as if set forth at this place.

to be signed manually or by facsimi	ile by its duly authorized signatory.
Dated:	
	CODERE FINANCE 2 (LUXEMBOURG) S.A.
	By:
	Name:
	Title:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

GLAS TRUSTEES LIMITED, as Trustee, certifies that this is one of the Notes referred to in the Indenture.
By:
Authorized Officer

1. Interest

Codere Finance 2 (Luxembourg) S.A., a Luxembourg société anonyme (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "Issuer"), for value received promises to pay interest on the principal amount of this Note from September 30, 2020, at a rate per annum of 10.750%. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. The Issuer shall pay interest on overdue principal at the interest rate borne by the Notes compounded semi-annually, and it shall pay interest on overdue installments of interest at the same rate compounded semi-annually to the extent lawful. Any interest paid on this Note shall be increased to the extent necessary to pay Additional Amounts as set forth in this Note.

2. Additional Amounts

- All payments in respect of the Notes, made by or on behalf of the Issuer, a Guarantor or any successor person to the Issuer or any Guarantor (each a "Successor Person") (each a "Payer"), shall be made free and clear without withholding or deduction for, or on account of, any present or future taxes, duties, levies, imposts, assessments or other governmental charges (including, without limitation, penalties, interest and other similar liabilities related thereto) of whatever nature, (collectively, "Taxes") imposed or levied by or on behalf of any jurisdiction or any political subdivision or governmental authority thereof or therein having the power to tax where such Payer is incorporated, organized or otherwise resident for tax purposes or from or through which the Payer makes a payment on the Notes or its Guarantee or by the Kingdom of Spain (and any subdivision or governmental authority thereof or therein) (each, a "Relevant Taxing Jurisdiction"), unless the withholding or deduction of such Taxes is then required by law. If the Payer is required to withhold or deduct any amount for, or on account of, Taxes imposed or levied on behalf of a Relevant Taxing Jurisdiction from any payment made under or with respect to the Notes, the Payer shall pay such additional amounts ("Additional Amounts") as may be necessary to ensure that the net amount received by each holder of the Notes (including Additional Amounts) after such withholding or deduction has been made shall be not less than the amount the holder would have received if such Taxes had not been required to be withheld or deducted.
- (b) The Payer shall not be required to make any payment of Additional Amounts for or on account of
 - (i) any Taxes that are imposed or levied by a Relevant Taxing Jurisdiction by reason of (A) the holder's or a beneficial owner's present or former connection with such Relevant Taxing Jurisdiction (other than the mere acquisition or holding of Notes or by reason of the receipt of payments in respect thereunder or the exercise or enforcement of any rights under the Notes, the Indenture, or any Guarantee (including a connection between a fiduciary, settlor, beneficiary, member, partner or shareholder of, or possessor of power over, the relevant holder or beneficial owner, if the relevant holder or beneficial owner is an estate, nominee, trust, partnership or corporation, and the Relevant Taxing Jurisdiction), or (B) the presentation of a Note (where presentation is required) for payment on a date more than 30 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later, except to the extent that the beneficial

owner or holder thereof would have been entitled to Additional Amounts had the Notes been presented for payment on any day during such 30 day period;

- (ii) any estate, inheritance, gift, sales, excise, transfer, personal property or similar Tax;
- (iii) any Tax which is payable otherwise than by withholding or deduction from payments made under or with respect to the Notes;
- any Taxes that are imposed or withheld by reason of the failure by the holder or the beneficial owner of the Notes, following the Issuer's written request addressed to the holder or otherwise provided to the holder or beneficial owner (and made at a time that would enable the holder or beneficial owner acting reasonably to comply with that request) to provide certification, information, documents or other evidence concerning the nationality, residence or identity of the holder or such beneficial owner or to make any valid or timely declaration or similar claim or satisfy any other reporting requirements relating to such matters, whether required or imposed by statute, treaty, regulation or administrative practice of the Relevant Taxing Jurisdiction, as a precondition to exemption from, or reduction in the rate of withholding or deduction of, Taxes imposed by the Relevant Taxing Jurisdiction, including, for the avoidance of doubt, any Taxes that are imposed or withheld under Spanish law by reason of the Payer not receiving (either directly or through its agent) such information from a holder or beneficial owner as may be necessary to allow payments on the Notes to be made free and clear of Spanish withholding tax or deduction on account of Spanish taxes, pursuant to Law 10/2014 of June 26, Royal Decree 1065/2007 of July 27, as amended by Royal Decree 1145/2011 of July 29, and any implementing legislation or regulation;
- (v) any Tax that is imposed on or with respect to a Note presented for payment (where presentation is required) on behalf of a holder or beneficial owner who would have been able to avoid such withholding or deduction by presenting the Note to another Paying Agent in a Member State of the European Union;
- (vi) any Tax that would not have been imposed but for a failure by the holder or beneficial owner (or any financial institution through which the holder or beneficial owner holds any Note through which payment on the Note is made) to comply with any certification, information, identification, documentation or other reporting requirements (including entering into and complying with an agreement with the U.S. Internal Revenue Service) imposed pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (or any intergovernmental agreement, or legislation enacted pursuant thereto, to implement such provisions) as in effect on the date of issuance of the Notes or any successor or amended version of these provisions, to the extent such successor or amended version is not materially more onerous than these provisions as enacted on such date; or
 - (vii) any combination of Taxes referred to in clauses (i) to (vi) above.

- (c) Additional Amounts shall not be paid with respect to any payment made under or with respect to the Notes or any Guarantee in the case of a holder who is a fiduciary, a partnership or other than the sole beneficial owner of such payment, to the extent that such payment is required by the laws of the Relevant Taxing Jurisdiction to be included in the income, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, a member of that partnership or a beneficial owner and such person would not have been entitled to the Additional Amounts had it been the holder of the Note or Guarantee.
- (d) The Payer shall (i) make such withholding or deduction required by applicable law and (ii) remit the full amount withheld or deducted to the relevant taxing authority in accordance with applicable law.
- (e) At least 30 calendar days prior to each date on which any payment under or with respect to the Notes is due and payable, if the Payer shall be obligated to pay Additional Amounts with respect to such payment (unless such obligation to pay Additional Amounts arises after the 30th day prior to the date on which payment under or with respect to the Notes is due and payable, in which case it shall be promptly thereafter), the Issuer shall deliver to the Trustee an Officer's Certificate stating that such Additional Amounts shall be payable and the amounts so payable and shall set forth such other information necessary to enable the Paying Agent to pay such Additional Amounts to holders on the relevant payment date. The Trustee shall, without further enquiry, be entitled to rely absolutely on each such Officer's Certificate as conclusive proof that such payments are necessary. The Issuer shall promptly publish a notice in accordance with Section 14.02 of the Indenture stating that such Additional Amounts shall be payable and describing the obligation to pay such amounts.
- (g) Upon request, within a reasonable time the Payer shall provide the Trustee, to provide to the holders, certified copies of tax receipts evidencing the payment by the Payer of any Taxes imposed or levied by a Relevant Taxing Jurisdiction in such form as provided in the normal course by the taxing authority imposing such Taxes and as is reasonably available to the Payer. If, notwithstanding the reasonable efforts of the Payer to obtain such receipts, the same are not obtainable, the Payer shall provide the Trustee with a copy of the return reporting such payment or other evidence reasonably satisfactory to the Trustee of such payments by the Payer.
- In addition, the Parent Guarantor undertakes to indemnify, pay and maintain all holders of the Notes or the Guarantees harmless for all Taxes that are imposed under Spanish law on the payments received or income derived from the Notes or the Guarantees that (i) are not compensated by the payment of Additional Amounts under the first paragraph of this "Additional Amounts" section; and that (ii) are not excluded under clauses (i) through (ii) and (iv) through (vii) of Section 4.16(b) of the Indenture, or any combination thereof. Furthermore, the Issuer shall pay any present or future stamp, issue, registration, court documentation, excise, or property taxes, or other similar Taxes imposed by or in any Relevant Taxing Jurisdiction, including any political jurisdiction thereof, in respect of the execution, issue, delivery or registration of the Notes, the Indenture, or the Guarantees, or any other document or instrument referred to thereunder and any such Taxes imposed by any jurisdiction as a result of, or in connection with, the enforcement of the Notes, the Guarantees, or any other such document or instrument following, and relating to, the occurrence of any Event of Default with respect to the Notes or the receipt of any payments with respect thereto (other than with respect to a transfer of the Notes following the initial sale of the Notes by the Purchasers and limited, solely in the case of Taxes attributable to the receipt of any payments with respect thereto, to any such Taxes imposed in a Relevant Tax Jurisdiction that are not excluded under clauses (i)

through (ii) and (iv) through (vii) of Section 4.16(b) of the Indenture, or any combination thereof, and other than (i) any stamp duty, registration or other similar Taxes payable on or by reference to or in consequence of the transfer or assignment of the whole or any part of the rights of a holder of the Notes and (ii) any Luxembourg registration duties (*droits d'enregistrement*) payable due to registration, submission or filing of any finance document when such registration, submission or filing is or was not required to maintain or preserve the rights of any party under that finance document).

(i) Whenever the Indenture refers to, in any context, the payment of principal, premium, if any, interest or any other amount payable under or with respect to any Note (including payments thereof made pursuant to any Guarantee or in connection with a redemption of the Notes), such reference includes the payment of Additional Amounts, if applicable.

Provisions (a)-(i) above shall survive any termination, defeasance or discharge of the Indenture.

3. Method of Payment

The Issuer shall pay interest on this Note (except defaulted interest) to the persons who are registered Holders of this Note at the close of business on the Record Date for the next Interest Payment Date even if this Note is cancelled after the Record Date and on or before the Interest Payment Date. The Issuer shall pay principal and interest in euros in immediately available funds that at the time of payment is legal tender for payment of public and private debts; *provided*, that payment of interest may be made at the option of the Issuer by check mailed to the Holder.

The amount of payments in respect of interest on each Interest Payment Date shall correspond to the aggregate principal amount of Notes represented by the Regulation S Global Note and the Restricted Global Note, as established by the Registrar at the close of business on the relevant Record Date. Payments of principal shall be made upon surrender of the Regulation S Global Note and the Restricted Global Note to the Paying Agent.

4. Paying Agent

The Issuer will make all payments, including principal of, premium, if any, and interest on the Notes, through an agent that it will maintain for these purposes. Initially that agent will be Global Loan Agency Services Limited.

5. <u>Indenture</u>

The Issuer issued the Notes under an indenture dated as of July 29, 2020, as supplemented or amended from time to time (the "<u>Indenture</u>") among the Issuer, the Parent Guarantor, the Subsidiary Guarantors, GLAS Trust Company Limited, as trustee and security agent (the "<u>Trustee</u>"), the Paying Agent, and the other parties thereto. Terms defined in the Indenture and not defined herein have the meanings ascribed thereto in the Indenture. The Notes are subject to such terms of, and Holders are referred to, the Indenture for a statement of those terms.

The Notes are general obligations of the Issuer and are issued under the Indenture in an initial aggregate principal amount at maturity of €85,000,000. The Indenture imposes certain

limitations on the Issuer, the Parent Guarantor and the Subsidiary Guarantors and affiliates, including, without limitation, limitations on the incurrence of indebtedness and issuance of stock, the payment of dividends and other payment restrictions affecting the Parent Guarantor and Restricted Group Members, the sale of assets, transactions with and among affiliates of the Parent Guarantor and the Restricted Group Members, change of control and Liens.

6. Optional Redemption

- (a) [Reserved].
- (b) At any time prior to September 30, 2021, upon not less than 10 nor more than 60 days' prior notice (except as otherwise provided under Section 3.03 of the Indenture), the Issuer may redeem all or a part of the Notes, at a redemption price equal to 100% of the Notes to be redeemed plus the Applicable Premium (as defined below) as of, and accrued and unpaid interest and Additional Amounts, if any, to, the date of redemption (subject to the right of holders of record on the relevant record date to receive interest due on any interest payment date occurring on or prior to the redemption date).

"Applicable Premium" means, with respect to a Note on any Redemption Date, as calculated by the Issuer, the greater of:

- (a) 1.0% of the principal amount of the Note; and
- (b) the excess of:
 - (i) the present value at such Redemption Date of (i) the redemption price of the note at September 30, 2021 (such redemption price being set forth in the Notes) plus (ii) all required interest payments due on the Note through September 30, 2021 (excluding accrued but unpaid interest to the Redemption Date), computed using a discount rate equal to the Bund Rate as of such Redemption Date plus 50 basis points; over
 - (ii) the outstanding principal amount of such Note.

Any redemption and notice may, in the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent.

"Bund Rate" means, with respect to any redemption date, the rate per annum equal to the equivalent yield to maturity as of such redemption date of the Comparable German Bund issue, assuming a price for the Comparable German Bund issue (expressed as a percentage of its principal amount) equal to the Comparable German Bund Price for such redemption date, where:

(I) "Comparable German Bund Issues" means the German Bundesanleihe security selected by any Reference German Bund Dealer as having a fixed maturity most nearly equal to the period from such redemption date to September 30, 2021, and that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of euro denominated corporate debt securities in a principal amount approximately equal to the then outstanding principal amount of the Notes and of a maturity most nearly equal to September 30, 2021; provided that if the period from such redemption date to September 30, 2021 is less than one year, a fixed maturity of one year shall be used;

- (II) "<u>Comparable German Bund Price</u>" means, with respect to any redemption date, the average of the Reference German Bund Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference German Bund Dealer Quotations, or if the Issuer obtains fewer than four such Reference German Bund Dealer Quotations, the average of all such quotations;
- (III) "<u>Reference German Bund Dealer</u>" means any dealer of German Bundesanleihe securities appointed by the Issuer (and notified to the Trustee); and
- (IV) "Reference German Bund Dealer Quotations" means, with respect to each Reference German Bund Dealer and any redemption date, the average as determined by the Issuer of the bid and offered prices for the Comparable German Bund Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Issuer by such Reference German Bund Dealer at 3:30 p.m. Frankfurt, Germany time on the third business day preceding such redemption date.
- (c) At any time on or after September 30, 2021, upon not less than 10 nor more than 60 days' prior notice (except as otherwise provided under Section 3.03 of the Indenture), the Issuer may redeem all or a part of the Notes at the redemption prices (expressed as percentages of their principal amount at maturity) set forth below plus accrued and unpaid interest and Additional Amounts, if any, on the Notes redeemed, to the applicable redemption date, if redeemed during the twelve-month period beginning on September 30 of the years indicated below:

<u>Year</u>	Redemption Price for
	the Notes
2021	104.000%
2022	102.000%
Until maturity	100.000%

Any redemption and notice may, in the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent.

7. Redemption Upon Changes in Withholding Tax

(a) The Issuer may, at its option, redeem the Notes, in whole, but not in part, at any time upon giving not less than 10 nor more than 60 days' prior notice (except as otherwise provided under Section 3.03 of the Indenture) to the holders at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest thereon, if any, to the redemption date, premium, if any, and Additional Amounts, if any, then due and which will become due on the date of redemption as a result of the redemption or otherwise, if the Issuer determines in good faith that the Payer is, or on the next date on which any amount would be payable in respect of the Notes, would be, obligated to pay Additional Amounts (as defined above) in respect of the Notes or a Guarantee pursuant to the terms and conditions thereof (but in the case of a Payer that is a Guarantor, only if the payment giving rise to such requirement cannot be made by the Issuer or another Guarantor without the obligation to pay Additional Amounts), which the Payer cannot avoid by the use of reasonable measures available to it (including making payment through a paying agent located in another jurisdiction) as a result of:

- (A) any change in, or amendment to, the laws or any regulations or rulings promulgated thereunder of any Relevant Taxing Jurisdiction (as defined above) affecting taxation which becomes effective and is first publicly announced on or after the Issue Date or, if a Relevant Taxing Jurisdiction was not a Relevant Taxing Jurisdiction on the Issue Date, the date on which the then current Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction under the Indenture (or, in the case of a Successor Person, after the date the Successor Person becomes a Successor Person under the Indenture); or
- (B) any change in the official application, administration, or interpretation of the laws, regulations or rulings of any Relevant Taxing Jurisdiction, (including a holding, judgment, or order by a court of competent jurisdiction), on or after the Issue Date or, if a Relevant Taxing Jurisdiction was not a Relevant Taxing Jurisdiction on the Issue Date, the date on which the Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction under the Indenture (each of the foregoing clauses (A) and (B), a "Change in Tax Law").
- (b) Notwithstanding the foregoing, the Issuer may not redeem the Notes under this provision if (i) a Relevant Taxing Jurisdiction was not a Relevant Taxing Jurisdiction on the Issue Date, and (ii) the Payer is obligated to pay Additional Amounts as a result of a Change in Tax Law of such new Relevant Taxing Jurisdiction which change, at the time the latter became a Relevant Taxing Jurisdiction under the Indenture, was officially announced.
- (c) Notwithstanding the foregoing, no such notice of redemption shall be given (a) earlier than 90 days prior to the earliest date on which the Payer would be obliged to make a payment of Additional Amounts or withholding if a payment in respect of the Notes or Guarantee, as the case may be, were then due and (b) unless at the time such notice is given, the obligation to pay Additional Amounts or withhold remains in effect.
- (d) Prior to the publication or where relevant, mailing of any notice of redemption pursuant to the foregoing, the Issuer shall deliver to the Trustee:
 - (i) an Officer's Certificate stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing the conditions precedent to the right of the Issuer so to redeem have occurred (including that such obligation to pay such Additional Amounts cannot be avoided by the Payer taking reasonable measures available to it); and
 - (ii) an opinion of independent tax advisors of recognized standing qualified under the laws of the Relevant Taxing Jurisdiction and reasonably satisfactory to the Trustee to the effect that the Payer is or would be obligated to pay such Additional Amounts as the case may be, as a result of a Change in Tax Law.

The Trustee shall, without further investigation, be entitled to rely on such Officer's Certificate and opinion of tax advisors as conclusive proof that the conditions precedent to the right of the Issuer so to redeem have occurred.

Any redemption and notice may, in the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent.

8. Notice of Redemption

The Issuer shall publish a notice of any optional redemption of the Notes described above in accordance with the provisions described under Section 3.04 of the Indenture. If the Notes are listed at such time on the Exchange, the Issuer shall inform the Exchange of the principal amount of the Notes that have not been redeemed in connection with any optional redemption. If less than all of the Notes are to be redeemed at any time, the Trustee shall select the Notes to be redeemed as follows: (i) if the Notes are listed on any securities exchange, in compliance with the requirements of the principal securities exchange on which the Notes are listed or (ii) if the Notes are not listed on any securities exchange, on a pro rata basis, by lot or by such method as the Trustee deems fair and appropriate and in accordance with Euroclear or Clearstream procedures, *provided*, *however*, that no such partial redemption shall reduce the portion of the principal amount of a Note not redeemed to less than €2,000.

9. Repurchase at the Option of Holders

If a Change of Control occurs, each holder of Notes shall have the right to require the Issuer (or the Parent Guarantor, if the Parent Guarantor makes the purchase offer referred to below) to repurchase all or any part (equal to €1,000 or any integral multiple of €1,000 in excess thereof) of that holder's Notes pursuant to an offer (a "Change of Control Offer") on the terms set forth in the Indenture. In the Change of Control Offer, the Issuer or the Parent Guarantor shall offer a payment in cash equal to 101% of the aggregate principal amount of Notes repurchased plus accrued and unpaid interest and Additional Amounts, if any, on the Notes repurchased, to the date of purchase (a "Change of Control Payment"). Within ten days following any Change of Control, the Issuer or the Parent Guarantor will (i) cause the Change of Control Offer to be published through (A) the newswire service of Bloomberg, or if Bloomberg does not then operate, any similar agency; and (B) if and for so long as the Notes are listed on the Official List of the Exchange and if and to the extent that the rules of the Authority so require, the Issuer shall notify the Authority of any Change of Control Offer; and (ii) mail the Change of Control Offer to each registered holder. The Change of Control Offer will describe the transaction or transactions that constitute the Change of Control and will offer to repurchase the applicable series of Notes on the date (the "Change of Control Payment Date") specified therein, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed, pursuant to the procedures required by the Indenture and described in such notice. The Issuer and the Parent Guarantor will comply with the requirements of any securities laws and the regulations thereunder (including Rule 14e-1 under the Exchange Act) to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the Indenture, the Issuer and the Parent Guarantor will comply with the applicable securities laws and regulations and will not be deemed to have breached their obligations under the Change of Control provisions of the Indenture by virtue of such conflict.

10. Denominations

The Notes are in denominations of €1,000 or any integral multiple of €1,000 in excess thereof of principal amount at maturity. The transfer of Notes may be registered, and Notes

may be exchanged, as provided in the Indenture. The Registrar may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture.

11. Unclaimed Money

All moneys paid by the Issuer or any Guarantor to the Trustee or a Paying Agent for the payment of the principal of, or premium, if any, or interest on, any Notes that remain unclaimed at the end of two years after such principal, premium or interest has become due and payable may be repaid to the Issuer or any Guarantor, subject to applicable law, and the Holder of such Note thereafter may look only to the Issuer or any Guarantor for payment thereof.

12. <u>Discharge and Defeasance</u>

Subject to certain conditions, the Issuer at any time may terminate some or all of its obligations and the obligations of the Guarantors under the Notes, the Guarantees and the Indenture if the Issuer irrevocably deposits with the Trustee in Euros or European Government Obligations for the payment of principal and interest on the Notes to redemption or maturity, as the case may be.

13. Amendment, Supplement and Waiver

- (a) Without the consent of any holder of Notes, the Guarantors, the Issuer, the Trustee and the other parties thereto (if applicable) may amend or supplement the Indenture or the Notes:
 - (i) to cure any ambiguity, defect or inconsistency;
 - (ii) to provide for uncertificated Notes in addition to or in place of certificated Notes;
 - (iii) to provide for the assumption of the Parent Guarantor's or the Issuer's obligations to holders of Notes in the case of a merger, consolidation or sale of all or substantially all of the Parent Guarantor's assets;
 - (iv) to release any Guarantor in accordance with and if permitted by the terms and limitations set forth in the Indenture and to add a Guarantor under the Indenture;
 - (v) to make such changes as are necessary to provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture;
 - (vi) to make any change that would provide any additional rights or benefits to the holders of Notes or additional covenants or other obligations of the Issuer or any Guarantor or that does not adversely affect the legal rights under the Indenture of any such holder in any material respect;

(vii) [reserved];

- (viii) to evidence and provide for the acceptance and appointment under the Indenture of a successor Trustee thereunder pursuant to the requirements thereof; or
- (ix) to provide for the issuance of Additional Notes in accordance with the terms of the Indenture.

The Subsidiary Guarantors (other than the relevant new Subsidiary Guarantor in the case of clause (iv) above) need not be a party to any amendment to the Indenture referred to in this paragraph.

For the avoidance of doubt, Articles 470-1 to 470-19 of the Luxembourg amended companies law dated August 10, 1915 do not apply and no noteholders' meetings need to be convened to collect any necessary consent.

- (b) Except as provided in Section 9.02(b) of the Indenture, the Indenture, the Notes or the Guarantees may be modified, amended or supplemented with the consent of the Holders of at least a majority in principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes) and any existing Default or compliance with any provision of the Indenture or the Notes may be waived with the consent of the Holders of a majority in principal amount of the then outstanding Notes (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes). Without the consent of the Holders of 90% of each series of then outstanding Notes, an amendment, modification or waiver may not (with respect to any such series of Notes held by a non-consenting holder):
 - (i) reduce the principal amount of Notes whose holders must consent to an amendment, supplement or waiver of provisions of the Indenture;
 - (ii) reduce the principal (or Additional Amounts or premium, if any) of or change the Stated Maturity of the principal of, or any installment of Additional Amounts or premium, if any, or interest on, any Note or alter the provisions with respect to the redemption of the Notes (other than provisions relating to Article Three of the Indenture);
 - (iii) reduce the rate of or change the time for payment of interest on any Note;
 - (iv) waive a Default or Event of Default in the payment of principal of, or interest or premium, or Additional Amounts, if any, on the Notes (except a rescission of acceleration of the Notes by the holders of at least a majority in aggregate principal amount of the Notes and a waiver of the payment default that resulted from such acceleration);
 - (v) modify the right to institute suit for the enforcement of any payment of any Note in accordance with the provisions of such Note and the Indenture:
 - (vi) make any Note payable in money other than that stated in the Notes;

- (vii) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of holders of Notes to receive payments of principal of, or interest or premium or Additional Amounts, if any, on the Notes;
- (viii) waive a redemption payment with respect to any Note (other than a payment required by Section 4.15 of the Indenture);
- (ix) release the Issuer or any Guarantor from any of its obligations under the Notes, the Guarantees or the Indenture, except in accordance with the terms of the Indenture; or
- (xi) make any change in the preceding amendment and waiver provisions.

The consent of the Holders is not necessary to approve the particular form of any proposed amendment, modification, supplement or waiver. It is sufficient if such consent approves the substance of the proposed amendment, modification, supplement or waiver.

For the avoidance of doubt, Articles 470-1 to 470-19 of the Luxembourg amended companies law dated August 10, 1915 do not apply and no noteholders' meetings need to be convened to collect any necessary consent.

14. <u>Defaults and Remedies</u>

In the case of an Event of Default under Section 6.01(a)(viii) and (ix) of the Indenture, all outstanding Notes shall become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the holders of at least 25% in principal amount of the then outstanding Notes may, and the Trustee, upon the request of such holders, shall declare all the Notes to be due and payable immediately.

Holders of the Notes may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to certain limitations, holders of a majority in principal amount of the then outstanding Notes may direct the Trustee in its exercise of any trust or power.

15. Intercreditor Agreement

Each Holder by accepting this Note agrees that the Indenture, including the Guarantees, is subject to the limitations on enforcement and other terms of the Intercreditor Agreement and that such Holder may not take any Enforcement Action in respect of the Subsidiary Guarantees other than through the Trustee in accordance with the Indenture.

16. <u>Trustee Dealings with the Issuer</u>

Subject to certain limitations, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with and collect obligations owed to it by the Issuer, any Guarantor or any of their Affiliates with the same rights it would have if it were not Trustee. Any Paying Agent, Registrar, co-Registrar, or co-Paying Agent may do the same with like rights.

17. No Recourse Against Others

No director, officer, employee, incorporator or stockholder of the Issuer or any Guarantor, as such, shall have any personal liability for any obligations of the Issuer or such Guarantor under the Notes, the Indenture, the Intercreditor Agreement, the Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

18. <u>Authentication</u>

This Note shall not be valid until an authorized officer of the Trustee (or an authenticating agent) manually signs the certificate of authentication on the other side of this Note.

19. Governing Law

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICT OF LAW RULES THEREOF. FOR THE AVOIDANCE OF DOUBT, ARTICLES 470-1 TO 470-19 OF THE LUXEMBOURG AMENDED COMPANIES LAW DATED AUGUST 10, 1915 DO NOT APPLY.

The Issuer or any Guarantor shall furnish to any Holder upon written request and without charge to the Holder a copy of the Indenture. Requests may be made to:

Codere, S.A.
Avenida de Bruselas, 26
28108 Alcobendas
Madrid, Spain

Attention: Chief Financial Officer Facsimile: +34 91 354 2893

ASSIGNMENT FORM

To assig	n and tran	sfer this Note, fill in the form below:
(I) or (th	e Issuer)	assign and transfer this Note to
(Insert a	ssignee's	social security or tax I.D. no.)
(Print or	type assi	gnee's name, address and postal code)
and irrev Note on	vocably ap the books	opoint agent to transfer this of the Issuer. The agent may substitute another to act for him.
Your Sig	gnature: _	(Sign exactly as your name appears on the other side of this Note)
Signatur	e Guarant	ree:
(Particip	ant in a re	ecognized signature guarantee medallion program)
Date: _		
Certifyin	ng Signatı	ıre:
CHECK	ONE BO	X BELOW
(1) (2)		to the Issuer, or pursuant to and in compliance with Rule 144A under the U.S. Securities Act of 1933; or
(3)		pursuant to and in compliance with Regulation S under the U.S. Securities
(4)		Act of 1933; or pursuant to another available exemption from the registration requirements of the U.S. Securities Act of 1933; or
(5)		pursuant to an effective registration statement under the U.S. Securities Act of 1933.

Unless one of the boxes is checked, the Trustee shall refuse to register any of the Notes evidenced by this certificate in the name of any person other than the registered Holder thereof; provided, however, that if box (2) is checked, by executing this form, the Transferor is deemed to have certified that such Notes are being transferred to a person it reasonably believes is a "qualified institutional buyer" as defined in Rule 144A under the U.S. Securities Act of 1933 who has received notice that such transfer is being made in reliance on Rule 144A; if box (3) is checked, by executing this form, the Transferor is deemed to have certified that such transfer is made pursuant to an offer and sale that occurred outside the United States in compliance with Regulation S under the U.S. Securities Act; and if box (4) is checked, the Trustee may require, prior to registering any such transfer of the Notes, such legal opinions, certifications and other information as the Issuer reasonably requests to confirm that such transfer is being made pursuant to an exemption from or in a transaction not subject to, the registration requirements of the U.S. Securities Act of 1933.

ignature:
ignature Guarantee:
Participant in a recognized signature guarantee medallion program)
ertifying Signature: Date:
ignature Guarantee: Participant in a recognized signature guarantee medallion program)

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Note or a portion thereof repurchased pursuant to Section 4.11 or 4.15 of the Indenture, check the box:

If the purchase is in part, indicate the portion (in denominations of $\in 1,000$ or an integral multiple of $\in 1,000$ in excess thereof) to be purchased:

Your signature: (Sign exactly as y	your name appears on the other side of this Note)
Date:	
Certifying Signat	nire.

SCHEDULE A

SCHEDULE OF PRINCIPAL AMOUNT

The initial principal amount of this Security is \in [\bullet]. The following decreases/increases in the principal amount of this Security have been made:

Date of Decrease/ Increase	Decrease in Principal Amount	Increase in Principal Amount	Principal Amount Following such Decrease/ Increase	Notation Made by or on Behalf of Registrar

CODERE FINANCE 2 (LUXEMBOURG) S.A. $\in [\bullet]$

ISIN Number [●] / COMMON CODE [●]

No. 2

THIS NOTE IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE AND IS REGISTERED IN THE NAME OF THE DEPOSITARY OR A NOMINEE OF THE SUCCESSOR DEPOSITARY. **THIS** NOTE DEPOSITARY OR Α EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITARY OR ITS NOMINEE EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS NOTE (OTHER THAN A TRANSFER OF THIS NOTE AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY) MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

THIS GLOBAL NOTE AND ANY RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THIS GLOBAL NOTE TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALE OR TRANSFER OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS GLOBAL NOTE SHALL BE DEEMED, BY THE ACCEPTANCE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT.

THIS SECURITY (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND THIS SECURITY REPRESENTED BY THIS GLOBAL CERTIFICATE MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM AND UNLESS IN ACCORDANCE WITH THE INDENTURE REFERRED TO HEREINAFTER, COPIES OF WHICH ARE AVAILABLE AT THE CORPORATE TRUST OFFICE OF THE TRUSTEE. EACH PURCHASER OF THE SECURITIES REPRESENTED HEREBY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A (TOGETHER WITH ANY SUCCESSOR PROVISION, AND AS SUCH RULE MAY THEREAFTER BE AMENDED FROM TIME TO TIME, "RULE 144A"). THEREUNDER. THE HOLDER OF THIS SECURITY AGREES FOR THE BENEFIT OF THE ISSUER THAT (A) THIS SECURITY MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (I) IN THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES

ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (II) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (III) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE) OR (IV) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH OF CASES (I) THROUGH (IV) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ALL OTHER APPLICABLE JURISDICTIONS, AND (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS SECURITY FROM IT OF THE RESALE RESTRICTIONS REFERRED TO IN (A) ABOVE. THIS LEGEND WILL BE REMOVED ONLY AT THE OPTION OF THE ISSUER.

FIXED RATE SUPER SENIOR SECURED NOTE DUE 2023

Codere Finance 2 (Luxembourg) S.A., a Luxembourg *société anonyme* and its successors and assigns, for value received promises to pay to Bank of America GSS Nominees Limited, as nominee for the Common Depositary for Euroclear and Clearstream or registered assigns the principal sum $\mathfrak{E}[\bullet]$ as listed on the Schedule of Principal Amount attached hereto on September 30, 2023.

From September 30, 2020, or from the most recent interest payment date to which interest has been paid or provided for, cash interest on this Note shall accrue at a rate per annum of 10.750%, payable semi-annually in arrears on September 30 and March 31 of each year, beginning on March 31, 2021, to the Person in whose name this Note (or any predecessor Note) is registered at the close of business on the preceding Business Day. The Issuer will promptly notify the Trustee of the date on which such amendments become effective.

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICT OF LAW RULES THEREOF. FOR THE AVOIDANCE OF DOUBT, ARTICLES 470-1 TO 470-19 OF THE LUXEMBOURG AMENDED COMPANIES LAW DATED AUGUST 10, 1915 DO NOT APPLY.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature of an authorized signatory, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof and to the provisions of the Indenture, which provisions shall for all purposes have the same effect as if set forth at this place.

to be signed manually or by facsimile by its	duly authorized signatory.
Dated:	
	CODERE FINANCE 2 (LUXEMBOURG) S.A.
	By: Name: Title:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

GLAS TRUSTEES LIMITED,
as Trustee, certifies that this is one of the Notes referred to in the Indenture.
By:
Authorized Officer

1. Interest

Codere Finance 2 (Luxembourg) S.A., a Luxembourg *société anonyme* (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "Issuer"), for value received promises to pay interest on the principal amount of this Note from September 30, 2020, at a rate per annum of 10.750%. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. The Issuer shall pay interest on overdue principal at the interest rate borne by the Notes compounded semi-annually, and it shall pay interest on overdue installments of interest at the same rate compounded semi-annually to the extent lawful. Any interest paid on this Note shall be increased to the extent necessary to pay Additional Amounts as set forth in this Note.

2. Additional Amounts

- All payments in respect of the Notes, made by or on behalf of the Issuer, a Guarantor or any successor person to the Issuer or any Guarantor (each a "Successor Person") (each a "Payer"), shall be made free and clear without withholding or deduction for, or on account of, any present or future taxes, duties, levies, imposts, assessments or other governmental charges (including, without limitation, penalties, interest and other similar liabilities related thereto) of whatever nature, (collectively, "Taxes") imposed or levied by or on behalf of any jurisdiction or any political subdivision or governmental authority thereof or therein having the power to tax where such Payer is incorporated, organized or otherwise resident for tax purposes or from or through which the Payer makes a payment on the Notes or its Guarantee or by the Kingdom of Spain (and any subdivision or governmental authority thereof or therein) (each, a "Relevant Taxing Jurisdiction"), unless the withholding or deduction of such Taxes is then required by law. If the Payer is required to withhold or deduct any amount for, or on account of, Taxes imposed or levied on behalf of a Relevant Taxing Jurisdiction from any payment made under or with respect to the Notes, the Payer shall pay such additional amounts ("Additional Amounts") as may be necessary to ensure that the net amount received by each holder of the Notes (including Additional Amounts) after such withholding or deduction has been made shall be not less than the amount the holder would have received if such Taxes had not been required to be withheld or deducted.
- (b) The Payer shall not be required to make any payment of Additional Amounts for or on account of
 - (i) any Taxes that are imposed or levied by a Relevant Taxing Jurisdiction by reason of (A) the holder's or a beneficial owner's present or former connection with such Relevant Taxing Jurisdiction (other than the mere acquisition or holding of Notes or by reason of the receipt of payments in respect thereunder or the exercise or enforcement of any rights under the Notes, the Indenture, or any Guarantee (including a connection between a fiduciary, settlor, beneficiary, member, partner or shareholder of, or possessor of power over, the relevant holder or beneficial owner, if the relevant holder or beneficial owner is an estate, nominee, trust, partnership or corporation, and the Relevant Taxing Jurisdiction), or (B) the presentation of a Note (where presentation is required) for payment on a date more than 30 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later, except to the extent that the beneficial

owner or holder thereof would have been entitled to Additional Amounts had the Notes been presented for payment on any day during such 30 day period;

- (ii) any estate, inheritance, gift, sales, excise, transfer, personal property or similar Tax;
- (iii) any Tax which is payable otherwise than by withholding or deduction from payments made under or with respect to the Notes;
- any Taxes that are imposed or withheld by reason of the failure by the holder or the beneficial owner of the Notes, following the Issuer's written request addressed to the holder or otherwise provided to the holder or beneficial owner (and made at a time that would enable the holder or beneficial owner acting reasonably to comply with that request) to provide certification, information, documents or other evidence concerning the nationality, residence or identity of the holder or such beneficial owner or to make any valid or timely declaration or similar claim or satisfy any other reporting requirements relating to such matters, whether required or imposed by statute, treaty, regulation or administrative practice of the Relevant Taxing Jurisdiction, as a precondition to exemption from, or reduction in the rate of withholding or deduction of, Taxes imposed by the Relevant Taxing Jurisdiction, including, for the avoidance of doubt, any Taxes that are imposed or withheld under Spanish law by reason of the Payer not receiving (either directly or through its agent) such information from a holder or beneficial owner as may be necessary to allow payments on the Notes to be made free and clear of Spanish withholding tax or deduction on account of Spanish taxes, pursuant to Law 10/2014 of June 26, Royal Decree 1065/2007 of July 27, as amended by Royal Decree 1145/2011 of July 29, and any implementing legislation or regulation;
- (v) any Tax that is imposed on or with respect to a Note presented for payment (where presentation is required) on behalf of a holder or beneficial owner who would have been able to avoid such withholding or deduction by presenting the Note to another Paying Agent in a Member State of the European Union;
- (vi) any Tax that would not have been imposed but for a failure by the holder or beneficial owner (or any financial institution through which the holder or beneficial owner holds any Note through which payment on the Note is made) to comply with any certification, information, identification, documentation or other reporting requirements (including entering into and complying with an agreement with the U.S. Internal Revenue Service) imposed pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (or any intergovernmental agreement, or legislation enacted pursuant thereto, to implement such provisions) as in effect on the date of issuance of the Notes or any successor or amended version of these provisions, to the extent such successor or amended version is not materially more onerous than these provisions as enacted on such date; or
 - (vii) any combination of Taxes referred to in clauses (i) to (vi) above.

- (c) Additional Amounts shall not be paid with respect to any payment made under or with respect to the Notes or any Guarantee in the case of a holder who is a fiduciary, a partnership or other than the sole beneficial owner of such payment, to the extent that such payment is required by the laws of the Relevant Taxing Jurisdiction to be included in the income, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, a member of that partnership or a beneficial owner and such person would not have been entitled to the Additional Amounts had it been the holder of the Note or Guarantee.
- (d) The Payer shall (i) make such withholding or deduction required by applicable law and (ii) remit the full amount withheld or deducted to the relevant taxing authority in accordance with applicable law.
- (e) At least 30 calendar days prior to each date on which any payment under or with respect to the Notes is due and payable, if the Payer shall be obligated to pay Additional Amounts with respect to such payment (unless such obligation to pay Additional Amounts arises after the 30th day prior to the date on which payment under or with respect to the Notes is due and payable, in which case it shall be promptly thereafter), the Issuer shall deliver to the Trustee an Officer's Certificate stating that such Additional Amounts shall be payable and the amounts so payable and shall set forth such other information necessary to enable the Paying Agent to pay such Additional Amounts to holders on the relevant payment date. The Trustee shall, without further enquiry, be entitled to rely absolutely on each such Officer's Certificate as conclusive proof that such payments are necessary. The Issuer shall promptly publish a notice in accordance with Section 14.02 of the Indenture stating that such Additional Amounts shall be payable and describing the obligation to pay such amounts.
- (g) Upon request, within a reasonable time the Payer shall provide the Trustee, to provide to the holders, certified copies of tax receipts evidencing the payment by the Payer of any Taxes imposed or levied by a Relevant Taxing Jurisdiction in such form as provided in the normal course by the taxing authority imposing such Taxes and as is reasonably available to the Payer. If, notwithstanding the reasonable efforts of the Payer to obtain such receipts, the same are not obtainable, the Payer shall provide the Trustee with a copy of the return reporting such payment or other evidence reasonably satisfactory to the Trustee of such payments by the Payer.
- In addition, the Parent Guarantor undertakes to indemnify, pay and maintain all holders of the Notes or the Guarantees harmless for all Taxes that are imposed under Spanish law on the payments received or income derived from the Notes or the Guarantees that (i) are not compensated by the payment of Additional Amounts under the first paragraph of this "Additional Amounts" section; and that (ii) are not excluded under clauses (i) through (ii) and (iv) through (vii) of Section 4.16(b) of the Indenture, or any combination thereof. Furthermore, the Issuer shall pay any present or future stamp, issue, registration, court documentation, excise, or property taxes, or other similar Taxes imposed by or in any Relevant Taxing Jurisdiction, including any political jurisdiction thereof, in respect of the execution, issue, delivery or registration of the Notes, the Indenture, or the Guarantees, or any other document or instrument referred to thereunder and any such Taxes imposed by any jurisdiction as a result of, or in connection with, the enforcement of the Notes, the Guarantees, or any other such document or instrument following, and relating to, the occurrence of any Event of Default with respect to the Notes or the receipt of any payments with respect thereto (other than with respect to a transfer of the Notes following the initial sale of the Notes by the Purchasers and limited, solely in the case of Taxes attributable to the receipt of any payments with respect thereto, to any such Taxes imposed in a Relevant Tax Jurisdiction that are not excluded under clauses (i)

through (ii) and (iv) through (vii) of Section 4.16(b) of the Indenture, or any combination thereof, and other than (i) any stamp duty, registration or other similar Taxes payable on or by reference to or in consequence of the transfer or assignment of the whole or any part of the rights of a holder of the Notes and (ii) any Luxembourg registration duties (*droits d'enregistrement*) payable due to registration, submission or filing of any finance document when such registration, submission or filing is or was not required to maintain or preserve the rights of any party under that finance document).

(i) Whenever the Indenture refers to, in any context, the payment of principal, premium, if any, interest or any other amount payable under or with respect to any Note (including payments thereof made pursuant to any Guarantee or in connection with a redemption of the Notes), such reference includes the payment of Additional Amounts, if applicable.

Provisions (a)-(i) above shall survive any termination, defeasance or discharge of the Indenture.

3. Method of Payment

The Issuer shall pay interest on this Note (except defaulted interest) to the persons who are registered Holders of this Note at the close of business on the Record Date for the next Interest Payment Date even if this Note is cancelled after the Record Date and on or before the Interest Payment Date. The Issuer shall pay principal and interest in euros in immediately available funds that at the time of payment is legal tender for payment of public and private debts; *provided*, that payment of interest may be made at the option of the Issuer by check mailed to the Holder.

The amount of payments in respect of interest on each Interest Payment Date shall correspond to the aggregate principal amount of Notes represented by the Regulation S Global Note and the Restricted Global Note, as established by the Registrar at the close of business on the relevant Record Date. Payments of principal shall be made upon surrender of the Regulation S Global Note and the Restricted Global Note to the Paying Agent.

4. Paying Agent

The Issuer will make all payments, including principal of, premium, if any, and interest on the Notes, through an agent that it will maintain for these purposes. Initially that agent will be Global Loan Agency Services Limited.

5. <u>Indenture</u>

The Issuer issued the Notes under an indenture dated as of July 29, 2020, as supplemented or amended from time to time (the "<u>Indenture</u>") among the Issuer, the Parent Guarantor, the Subsidiary Guarantors, GLAS Trust Company Limited, as trustee and security agent (the "<u>Trustee</u>"), the Paying Agent, and the other parties thereto. Terms defined in the Indenture and not defined herein have the meanings ascribed thereto in the Indenture. The Notes are subject to such terms of, and Holders are referred to, the Indenture for a statement of those terms.

The Notes are general obligations of the Issuer and are issued under the Indenture in an initial aggregate principal amount at maturity of €85,000,000. The Indenture imposes certain

limitations on the Issuer, the Parent Guarantor and the Subsidiary Guarantors and affiliates, including, without limitation, limitations on the incurrence of indebtedness and issuance of stock, the payment of dividends and other payment restrictions affecting the Parent Guarantor and Restricted Group Members, the sale of assets, transactions with and among affiliates of the Parent Guarantor and the Restricted Group Members, change of control and Liens.

6. <u>Optional Redemption</u>

- (a) [Reserved].
- (b) At any time prior to September 30, 2021, upon not less than 10 nor more than 60 days' prior notice (except as otherwise provided under Section 3.03 of the Indenture), the Issuer may redeem all or a part of the Notes, at a redemption price equal to 100% of the Notes to be redeemed plus the Applicable Premium (as defined below) as of, and accrued and unpaid interest and Additional Amounts, if any, to, the date of redemption (subject to the right of holders of record on the relevant record date to receive interest due on any interest payment date occurring on or prior to the redemption date).

"Applicable Premium" means, with respect to a Note on any Redemption Date, as calculated by the Issuer, the greater of:

- (a) 1.0% of the principal amount of the Note; and
- (b) the excess of:
 - (i) the present value at such Redemption Date of (i) the redemption price of the note at September 30, 2021 (such redemption price being set forth in the Notes) plus (ii) all required interest payments due on the Note through September 30, 2021 (excluding accrued but unpaid interest to the Redemption Date), computed using a discount rate equal to the Bund Rate as of such Redemption Date plus 50 basis points; over
 - (ii) the outstanding principal amount of such Note.

Any redemption and notice may, in the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent.

"Bund Rate" means, with respect to any redemption date, the rate per annum equal to the equivalent yield to maturity as of such redemption date of the Comparable German Bund issue, assuming a price for the Comparable German Bund issue (expressed as a percentage of its principal amount) equal to the Comparable German Bund Price for such redemption date, where:

(I) "Comparable German Bund Issues" means the German Bundesanleihe security selected by any Reference German Bund Dealer as having a fixed maturity most nearly equal to the period from such redemption date to September 30, 2021, and that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of euro denominated corporate debt securities in a principal amount approximately equal to the then outstanding principal amount of the Notes and of a maturity most nearly equal to September 30, 2021; provided that if the period from such redemption date to September 30, 2021 is less than one year, a fixed maturity of one year shall be used;

- (II) "<u>Comparable German Bund Price</u>" means, with respect to any redemption date, the average of the Reference German Bund Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference German Bund Dealer Quotations, or if the Issuer obtains fewer than four such Reference German Bund Dealer Quotations, the average of all such quotations;
- (III) "<u>Reference German Bund Dealer</u>" means any dealer of German Bundesanleihe securities appointed by the Issuer (and notified to the Trustee); and
- (IV) "Reference German Bund Dealer Quotations" means, with respect to each Reference German Bund Dealer and any redemption date, the average as determined by the Issuer of the bid and offered prices for the Comparable German Bund Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Issuer by such Reference German Bund Dealer at 3:30 p.m. Frankfurt, Germany time on the third business day preceding such redemption date.
- (c) At any time on or after September 30, 2021, upon not less than 10 nor more than 60 days' prior notice (except as otherwise provided under Section 3.03 of the Indenture), the Issuer may redeem all or a part of the Notes at the redemption prices (expressed as percentages of their principal amount at maturity) set forth below plus accrued and unpaid interest and Additional Amounts, if any, on the Notes redeemed, to the applicable redemption date, if redeemed during the twelve-month period beginning on September 30 of the years indicated below:

<u>Year</u>	Redemption Price for
	the Notes
2021	104.000%
2022	102.000%
Until maturity	100.000%

Any redemption and notice may, in the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent.

7. Redemption Upon Changes in Withholding Tax

(a) The Issuer may, at its option, redeem the Notes, in whole, but not in part, at any time upon giving not less than 10 nor more than 60 days' prior notice (except as otherwise provided under Section 3.03 of the Indenture) to the holders at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest thereon, if any, to the redemption date, premium, if any, and Additional Amounts, if any, then due and which will become due on the date of redemption as a result of the redemption or otherwise, if the Issuer determines in good faith that the Payer is, or on the next date on which any amount would be payable in respect of the Notes, would be, obligated to pay Additional Amounts (as defined above) in respect of the Notes or a Guarantee pursuant to the terms and conditions thereof (but in the case of a Payer that is a Guarantor, only if the payment giving rise to such requirement cannot be made by the Issuer or another Guarantor without the obligation to pay Additional Amounts), which the Payer cannot avoid by the use of reasonable measures available to it (including making payment through a paying agent located in another jurisdiction) as a result of:

- (A) any change in, or amendment to, the laws or any regulations or rulings promulgated thereunder of any Relevant Taxing Jurisdiction (as defined above) affecting taxation which becomes effective and is first publicly announced on or after the Issue Date or, if a Relevant Taxing Jurisdiction was not a Relevant Taxing Jurisdiction on the Issue Date, the date on which the then current Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction under the Indenture (or, in the case of a Successor Person, after the date the Successor Person becomes a Successor Person under the Indenture); or
- (B) any change in the official application, administration, or interpretation of the laws, regulations or rulings of any Relevant Taxing Jurisdiction, (including a holding, judgment, or order by a court of competent jurisdiction), on or after the Issue Date or, if a Relevant Taxing Jurisdiction was not a Relevant Taxing Jurisdiction on the Issue Date, the date on which the Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction under the Indenture (each of the foregoing clauses (A) and (B), a "Change in Tax Law").
- (b) Notwithstanding the foregoing, the Issuer may not redeem the Notes under this provision if (i) a Relevant Taxing Jurisdiction was not a Relevant Taxing Jurisdiction on the Issue Date, and (ii) the Payer is obligated to pay Additional Amounts as a result of a Change in Tax Law of such new Relevant Taxing Jurisdiction which change, at the time the latter became a Relevant Taxing Jurisdiction under the Indenture, was officially announced.
- (c) Notwithstanding the foregoing, no such notice of redemption shall be given (a) earlier than 90 days prior to the earliest date on which the Payer would be obliged to make a payment of Additional Amounts or withholding if a payment in respect of the Notes or Guarantee, as the case may be, were then due and (b) unless at the time such notice is given, the obligation to pay Additional Amounts or withhold remains in effect.
- (d) Prior to the publication or where relevant, mailing of any notice of redemption pursuant to the foregoing, the Issuer shall deliver to the Trustee:
 - (i) an Officer's Certificate stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing the conditions precedent to the right of the Issuer so to redeem have occurred (including that such obligation to pay such Additional Amounts cannot be avoided by the Payer taking reasonable measures available to it); and
 - (ii) an opinion of independent tax advisors of recognized standing qualified under the laws of the Relevant Taxing Jurisdiction and reasonably satisfactory to the Trustee to the effect that the Payer is or would be obligated to pay such Additional Amounts as the case may be, as a result of a Change in Tax Law.

The Trustee shall, without further investigation, be entitled to rely on such Officer's Certificate and opinion of tax advisors as conclusive proof that the conditions precedent to the right of the Issuer so to redeem have occurred.

Any redemption and notice may, in the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent.

8. Notice of Redemption

The Issuer shall publish a notice of any optional redemption of the Notes described above in accordance with the provisions described under Section 3.04 of the Indenture. If the Notes are listed at such time on the Exchange, the Issuer shall inform the Exchange of the principal amount of the Notes that have not been redeemed in connection with any optional redemption. If less than all of the Notes are to be redeemed at any time, the Trustee shall select the Notes to be redeemed as follows: (i) if the Notes are listed on any securities exchange, in compliance with the requirements of the principal securities exchange on which the Notes are listed or (ii) if the Notes are not listed on any securities exchange, on a pro rata basis, by lot or by such method as the Trustee deems fair and appropriate and in accordance with Euroclear or Clearstream procedures, *provided*, *however*, that no such partial redemption shall reduce the portion of the principal amount of a Note not redeemed to less than €2,000.

9. Repurchase at the Option of Holders

If a Change of Control occurs, each holder of Notes shall have the right to require the Issuer (or the Parent Guarantor, if the Parent Guarantor makes the purchase offer referred to below) to repurchase all or any part (equal to €1,000 or any integral multiple of €1,000 in excess thereof) of that holder's Notes pursuant to an offer (a "Change of Control Offer") on the terms set forth in the Indenture. In the Change of Control Offer, the Issuer or the Parent Guarantor shall offer a payment in cash equal to 101% of the aggregate principal amount of Notes repurchased plus accrued and unpaid interest and Additional Amounts, if any, on the Notes repurchased, to the date of purchase (a "Change of Control Payment"). Within ten days following any Change of Control, the Issuer or the Parent Guarantor will (i) cause the Change of Control Offer to be published through (A) the newswire service of Bloomberg, or if Bloomberg does not then operate, any similar agency; and (B) if and for so long as the Notes are listed on the Official List of the Exchange and if and to the extent that the rules of the Authority so require, the Issuer shall notify the Authority of any Change of Control Offer; and (ii) mail the Change of Control Offer to each registered holder. The Change of Control Offer will describe the transaction or transactions that constitute the Change of Control and will offer to repurchase the applicable series of Notes on the date (the "Change of Control Payment Date") specified therein, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed, pursuant to the procedures required by the Indenture and described in such notice. The Issuer and the Parent Guarantor will comply with the requirements of any securities laws and the regulations thereunder (including Rule 14e-1 under the Exchange Act) to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the Indenture, the Issuer and the Parent Guarantor will comply with the applicable securities laws and regulations and will not be deemed to have breached their obligations under the Change of Control provisions of the Indenture by virtue of such conflict.

10. Denominations

The Notes are in denominations of €1,000 or any integral multiple of €1,000 in excess thereof of principal amount at maturity. The transfer of Notes may be registered, and Notes

may be exchanged, as provided in the Indenture. The Registrar may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture.

11. Unclaimed Money

All moneys paid by the Issuer or any Guarantor to the Trustee or a Paying Agent for the payment of the principal of, or premium, if any, or interest on, any Notes that remain unclaimed at the end of two years after such principal, premium or interest has become due and payable may be repaid to the Issuer or any Guarantor, subject to applicable law, and the Holder of such Note thereafter may look only to the Issuer or any Guarantor for payment thereof.

12. <u>Discharge and Defeasance</u>

Subject to certain conditions, the Issuer at any time may terminate some or all of its obligations and the obligations of the Guarantors under the Notes, the Guarantees and the Indenture if the Issuer irrevocably deposits with the Trustee in Euros or European Government Obligations for the payment of principal and interest on the Notes to redemption or maturity, as the case may be.

13. Amendment, Supplement and Waiver

- (a) Without the consent of any holder of Notes, the Guarantors, the Issuer, the Trustee and the other parties thereto (if applicable) may amend or supplement the Indenture or the Notes:
 - (i) to cure any ambiguity, defect or inconsistency;
 - (ii) to provide for uncertificated Notes in addition to or in place of certificated Notes;
 - (iii) to provide for the assumption of the Parent Guarantor's or the Issuer's obligations to holders of Notes in the case of a merger, consolidation or sale of all or substantially all of the Parent Guarantor's assets;
 - (iv) to release any Guarantor in accordance with and if permitted by the terms and limitations set forth in the Indenture and to add a Guarantor under the Indenture:
 - (v) to make such changes as are necessary to provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture;
 - (vi) to make any change that would provide any additional rights or benefits to the holders of Notes or additional covenants or other obligations of the Issuer or any Guarantor or that does not adversely affect the legal rights under the Indenture of any such holder in any material respect;

(vii) [reserved];

- (viii) to evidence and provide for the acceptance and appointment under the Indenture of a successor Trustee thereunder pursuant to the requirements thereof; or
- (ix) to provide for the issuance of Additional Notes in accordance with the terms of the Indenture.

The Subsidiary Guarantors (other than the relevant new Subsidiary Guarantor in the case of clause (iv) above) need not be a party to any amendment to the Indenture referred to in this paragraph.

For the avoidance of doubt, Articles 470-1 to 470-19 of the Luxembourg amended companies law dated August 10, 1915 do not apply and no noteholders' meetings need to be convened to collect any necessary consent.

- (b) Except as provided in Section 9.02(b) of the Indenture, the Indenture, the Notes or the Guarantees may be modified, amended or supplemented with the consent of the Holders of at least a majority in principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes) and any existing Default or compliance with any provision of the Indenture or the Notes may be waived with the consent of the Holders of a majority in principal amount of the then outstanding Notes (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes). Without the consent of the Holders of 90% of each series of then outstanding Notes, an amendment, modification or waiver may not (with respect to any such series of Notes held by a non-consenting holder):
 - (i) reduce the principal amount of Notes whose holders must consent to an amendment, supplement or waiver of provisions of the Indenture;
 - (ii) reduce the principal (or Additional Amounts or premium, if any) of or change the Stated Maturity of the principal of, or any installment of Additional Amounts or premium, if any, or interest on, any Note or alter the provisions with respect to the redemption of the Notes (other than provisions relating to Article Three of the Indenture);
 - (iii) reduce the rate of or change the time for payment of interest on any Note;
 - (iv) waive a Default or Event of Default in the payment of principal of, or interest or premium, or Additional Amounts, if any, on the Notes (except a rescission of acceleration of the Notes by the holders of at least a majority in aggregate principal amount of the Notes and a waiver of the payment default that resulted from such acceleration);
 - (v) modify the right to institute suit for the enforcement of any payment of any Note in accordance with the provisions of such Note and the Indenture:
 - (vi) make any Note payable in money other than that stated in the Notes;

- (vii) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of holders of Notes to receive payments of principal of, or interest or premium or Additional Amounts, if any, on the Notes;
- (viii) waive a redemption payment with respect to any Note (other than a payment required by Section 4.15 of the Indenture);
- (ix) release the Issuer or any Guarantor from any of its obligations under the Notes, the Guarantees or the Indenture, except in accordance with the terms of the Indenture; or
- (xi) make any change in the preceding amendment and waiver provisions.

The consent of the Holders is not necessary to approve the particular form of any proposed amendment, modification, supplement or waiver. It is sufficient if such consent approves the substance of the proposed amendment, modification, supplement or waiver.

For the avoidance of doubt, Articles 470-1 to 470-19 of the Luxembourg amended companies law dated August 10, 1915 do not apply and no noteholders' meetings need to be convened to collect any necessary consent.

14. <u>Defaults and Remedies</u>

In the case of an Event of Default under Section 6.01(a)(viii) and (ix) of the Indenture, all outstanding Notes shall become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the holders of at least 25% in principal amount of the then outstanding Notes may, and the Trustee, upon the request of such holders, shall declare all the Notes to be due and payable immediately.

Holders of the Notes may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to certain limitations, holders of a majority in principal amount of the then outstanding Notes may direct the Trustee in its exercise of any trust or power.

15. Intercreditor Agreement

Each Holder by accepting this Note agrees that the Indenture, including the Guarantees, is subject to the limitations on enforcement and other terms of the Intercreditor Agreement and that such Holder may not take any Enforcement Action in respect of the Subsidiary Guarantees other than through the Trustee in accordance with the Indenture.

16. <u>Trustee Dealings with the Issuer</u>

Subject to certain limitations, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with and collect obligations owed to it by the Issuer, any Guarantor or any of their Affiliates with the same rights it would have if it were not Trustee. Any Paying Agent, Registrar, co-Registrar, or co-Paying Agent may do the same with like rights.

17. No Recourse Against Others

No director, officer, employee, incorporator or stockholder of the Issuer or any Guarantor, as such, shall have any personal liability for any obligations of the Issuer or such Guarantor under the Notes, the Indenture, the Intercreditor Agreement, the Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

18. <u>Authentication</u>

This Note shall not be valid until an authorized officer of the Trustee (or an authenticating agent) manually signs the certificate of authentication on the other side of this Note.

19. Governing Law

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICT OF LAW RULES THEREOF. FOR THE AVOIDANCE OF DOUBT, ARTICLES 470-1 TO 470-19 OF THE LUXEMBOURG AMENDED COMPANIES LAW DATED AUGUST 10, 1915 DO NOT APPLY.

The Issuer or any Guarantor shall furnish to any Holder upon written request and without charge to the Holder a copy of the Indenture. Requests may be made to:

Codere, S.A. Avenida de Bruselas, 26 28108 Alcobendas Madrid, Spain

Attention: Chief Financial Officer Facsimile: +34 91 354 2893

ASSIGNMENT FORM

To assig	n and tran	sfer this Note, fill in the form below:
(I) or (th	e Issuer)	assign and transfer this Note to
(Insert a	ssignee's	social security or tax I.D. no.)
(Print or	type assi	gnee's name, address and postal code)
and irrev Note on	vocably ap the books	opoint agent to transfer this of the Issuer. The agent may substitute another to act for him.
Your Sig	gnature: _	(Sign exactly as your name appears on the other side of this Note)
Signatur	e Guarant	ree:
(Particip	ant in a re	ecognized signature guarantee medallion program)
Date: _		
Certifyin	ng Signatı	ıre:
CHECK	ONE BO	X BELOW
(1) (2)		to the Issuer, or pursuant to and in compliance with Rule 144A under the U.S. Securities Act of 1933; or
(3)		pursuant to and in compliance with Regulation S under the U.S. Securities
(4)		Act of 1933; or pursuant to another available exemption from the registration requirements of the U.S. Securities Act of 1933; or
(5)		pursuant to an effective registration statement under the U.S. Securities Act of 1933.

Unless one of the boxes is checked, the Trustee shall refuse to register any of the Notes evidenced by this certificate in the name of any person other than the registered Holder thereof; provided, however, that if box (2) is checked, by executing this form, the Transferor is deemed to have certified that such Notes are being transferred to a person it reasonably believes is a "qualified institutional buyer" as defined in Rule 144A under the U.S. Securities Act of 1933 who has received notice that such transfer is being made in reliance on Rule 144A; if box (3) is checked, by executing this form, the Transferor is deemed to have certified that such transfer is made pursuant to an offer and sale that occurred outside the United States in compliance with Regulation S under the U.S. Securities Act; and if box (4) is checked, the Trustee may require, prior to registering any such transfer of the Notes, such legal opinions, certifications and other information as the Issuer reasonably requests to confirm that such transfer is being made pursuant to an exemption from or in a transaction not subject to, the registration requirements of the U.S. Securities Act of 1933.

ignature:
ignature Guarantee:
Participant in a recognized signature guarantee medallion program)
ertifying Signature: Date:
ignature Guarantee: Participant in a recognized signature guarantee medallion program)

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Note or a portion thereof repurchased pursuant to Section 4.11 or 4.15 of the Indenture, check the box:

If the purchase is in part, indicate the portion (in denominations of $\in 1,000$ or an integral multiple of $\in 1,000$ in excess thereof) to be purchased:

Your signature: (Sign exactly as y	your name appears on the other side of this Note)
Date:	
Certifying Signat	nire.

SCHEDULE A

SCHEDULE OF PRINCIPAL AMOUNT

The initial principal amount of this Security is \in [\bullet]. The following decreases/increases in the principal amount of this Security have been made:

Date of Decrease/ Increase	Decrease in Principal Amount	Increase in Principal Amount	Principal Amount Following such Decrease/ Increase	Notation Made by or on Behalf of Registrar

SECTION VII: TRANSACTION DOCUMENTS

PART C: NEW NOTES SUPPLEMENTAL INDENTURE

CODERE FINANCE 2 (LUXEMBOURG) S.A.,

as Issuer

and

CODERE, S.A.,

as Parent Guarantor

and

the Subsidiary Guarantors named herein

and

GLAS TRUSTEES LIMITED,

as Trustee

and

GLAS TRUST CORPORATION LIMITED,

as Security Agent

and

GLOBAL LOAN AGENCY SERVICES LIMITED,

as Paying Agent

and

GLAS AMERICAS LLC,

as Registrar and Transfer Agent

Third Supplemental Indenture

Dated as of [•], 2020

Euro denominated Fixed Rate Super Senior Secured Notes due 2023

THIRD SUPPLEMENTAL INDENTURE (this "Supplemental Indenture"), dated as of [•], 2020, among Codere Finance 2 (Luxembourg) S.A., a public limited liability company (société anonyme) incorporated under the laws of Luxembourg and having its registered office at 6c, rue Gabriel Lippmann, L-5365 Munsbach, Luxembourg, and registered with the Luxembourg Trade and Companies Register under number B199 415 (the "Issuer"), Codere, S.A. (the "Parent Guarantor"), GLAS Trustees Limited, as trustee (the "Trustee"), GLAS Trust Corporation Limited, as security agent and as representative (rappresentante) pursuant to and for the purposes set forth under Article 2414-bis, paragraph 3 of the Italian Civil Code (the "Security Agent"), Global Loan Agency Services Limited, as paying agent (the "Paying Agent"), and GLAS Americas LLC, as registrar and transfer agent (the "Registrar and Transfer Agent"). Any capitalized terms not defined herein shall have the meaning specified in the Indenture (as defined below).

WITNESSETH:

WHEREAS, the Issuer, the Parent Guarantor, the subsidiary guarantors party thereto from time to time (the "Guarantors"), the Trustee, the Security Agent, the Paying Agent and the Registrar and Transfer Agent have heretofore executed and delivered an indenture, dated as of July 29, 2020 (the "Original Indenture") (as supplemented by the first supplemental indenture dated as of August [•], 2020 and the second supplemental indentured dated as of September [•], 2020 (the "Supplemental Indentures," and together with the Original Indenture, the "Indenture")), providing, among other things, for the issuance of the Issuer's Fixed Rate Super Senior Notes due 2023 (the "Notes");

WHEREAS, pursuant to the Original Indenture, the Issuer initially issued €85,000,000 aggregate principal amount of Notes (the "Initial Notes");

WHEREAS, pursuant to Section 2.02 (Execution and Authentication) and Section 2.15 (Series of Notes) of the Indenture, the Issuer is entitled to, subject to compliance with Section 4.06 (Limitation on Debt) of the Indenture, from time to time, issue Additional Notes that will be treated, along with any other series of Notes, as a single class for all purposes of the Indenture, including, without limitation, with respect to waivers, amendments, redemptions and offers to purchase;

WHEREAS, the Issuer wishes to issue up to an additional €165,000,000 aggregate principal amount of its Notes as Additional Notes under the Indenture (the "New Notes");

WHEREAS, pursuant to Section 2.15 (*Series of Notes*) of the Indenture, the Issuer has delivered to the Trustee a resolution of the Board of Directors and Officer's Certificate setting forth the terms of the New Notes and authorizing the execution of this Supplemental Indenture;

WHEREAS, pursuant to Section 9.01 (*Without Consent of Holders*) of the Indenture, the Issuer may enter into a supplemental indenture to provide for the issuance of Additional Notes in accordance with the terms of the Indenture, and in accordance with Section 9.08 (*Trustee to Sign Amendments, Etc.*) of the Indenture, the Trustee is authorized to execute and deliver this Supplemental Indenture;

WHEREAS, the penultimate paragraph of Section 9.01 (*Without Consent of Holders*) provides that the Guarantors need not be a party to any amendment to the Indenture referred to in Section 9.01 (*Without Consent of Holders*);

WHEREAS, pursuant to Section 14.04 (*Certificate and Opinion as to Conditions Precedent*) of the Indenture, the Issuer has delivered to the Trustee an Officer's Certificate and an Opinion of Counsel stating that all conditions precedent provided for in the Indenture relating to the execution of this Supplemental Indenture have been satisfied; and

WHEREAS, all things necessary to make this Supplemental Indenture a valid agreement of the Issuer and the Guarantors, in accordance with its terms, have been done.

NOW, **THEREFORE**, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Issuer, the Guarantors and the Trustee hereby agree as follows:

ARTICLE I

Section 1.1 New Notes.

- (a) Pursuant to Section 2.02 (Execution and Authentication) of the Indenture, the Issuer hereby creates and issues €165,000,000 aggregate principal amount of its Fixed Rate Super Senior Secured Notes due 2023. Pursuant to Section 2.02 (Execution and Authentication) and Section 2.15 (Series of Notes) of the Indenture, the New Notes shall be consolidated with and form part of the same series as the Initial Notes previously issued pursuant to the Indenture. The New Notes shall have the same terms in all respects as the Initial Notes, except that the first interest payment date with respect to the New Notes shall be March 31, 2021, the New Notes shall accrue interest from October 1, 2020, and the New Notes shall have a different issue date.
 - (b) The New Notes shall have the same transfer restrictions as the Initial Notes.
- Section 1.2 <u>Form of New Notes.</u> The New Notes issued by the Issuer pursuant to this Supplemental Indenture shall be substantially in the form of Exhibit A to the Indenture.
- Section 1.3 <u>Authentication of New Notes</u>. The Trustee shall, pursuant to an authentication order delivered in accordance with Section 2.02 (*Execution and Authentication*) of the Indenture, authenticate the New Notes.
- Section 1.4 <u>Modifications of the Notes</u>. From and after the date hereof and without any further action by any party hereto, any provision contained in each Global Note representing the Notes that relates to the sections in the Indenture that are amended pursuant to <u>Sections 1.1-1.3</u> hereof shall likewise be amended so that any such provision contained in such Global Note will conform to and be consistent with the Indenture, as amended by this Supplemental Indenture.
- Section 1.5 <u>References to Deleted or Amended Provisions</u>. From and after the date hereof and without any further action by any party hereto, all references in the Indenture or any Global Note representing the Notes, as amended by <u>Sections 1.1-1.4</u> hereof, to any of the provisions so amended, or to terms defined in such provisions, shall also be deemed amended, in accordance with the terms of this Supplemental Indenture. From and after the date hereof and without any further action by any party hereto, none of the Issuer, the Guarantors, the Trustee, the Transfer Agent, the Paying Agent and the Holders of the Notes or other parties to or beneficiaries of the Indenture shall have any rights, obligations or liabilities under such Sections, subsections or clauses and such amended Sections, subsections or clauses shall not be considered in determining whether an Event of Default has occurred or whether the Issuer or any Guarantor has observed, performed or complied with the provisions of the Indenture or any Note.

ARTICLE II

Section 2.1 <u>Effect of this Supplemental Indenture</u>. This Supplemental Indenture supplements the Indenture and shall be a part, and subject to all the terms, thereof. Except as hereby expressly amended, the Indenture is in all respects ratified and confirmed and all terms, provisions and conditions thereof shall be and remain in full force and effect.

- Section 2.2 <u>References to Indenture</u>. All references to the "Indenture" in the Indenture or in any other document executed or delivered in connection therewith shall, from and after the execution and delivery of this Supplemental Indenture, be deemed a reference to the Indenture as amended hereby, unless the context expressly requires otherwise.
- Section 2.3 <u>Governing Law.</u> THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE CONFLICT OF LAW RULES THEREOF. FOR THE AVOIDANCE OF DOUBT, ARTICLES 84 TO 94-8 OF THE LUXEMBOURG AMENDED COMPANIES LAW DATED AUGUST 10, 1915 DO NOT APPLY.
- Section 2.4 <u>Effect of Headings</u>. The headings of the Sections of this Supplemental Indenture have been inserted for convenience of reference only, are not intended to be considered a part hereof and shall not modify or restrict any of the terms or provisions hereof.
- Section 2.5 <u>Counterparts</u>. This Supplemental Indenture may be signed in any number of counterparts (which may include counterparts delivered by any standard form of telecommunication, including, without limitation, electronic transmission), each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Supplemental Indenture.

[Signature pages follow.]

IN WITNESS WHEREOF, the parties have caused this Supplemental Indenture to be duly executed as of the date first written above.

CODERE	FINANCE 2 (LUXEMBOURG) S.A.,
as Issuer	
By:	
Name:	
Title:	

CODERE,	S.A.,		
as Parent (Guarantor		
By:			
Name:			
Title:			

GLAS TRUSTEES LIMITED, as Trustee				
By:				
Name: Title:				

SECTION VII: TRANSACTION DOCUMENTS

PART D: NEW NOTES PURCHASE AGREEMENT

255212-3-730-v2.0 - 117 - 66-40747934

Codere Finance 2 (Luxembourg) S.A.

€165,000,000 Additional Fixed Rate Super Senior Secured Notes due 2023

PURCHASE AGREEMENT

August 28, 2020

To: The "Purchasers" as defined herein.

Ladies and Gentlemen:

Codere Finance 2 (Luxembourg) S.A., a société anonyme organized under the laws of Luxembourg, having its registered office at 6c, rue Gabriel Lippman, L-5365 Munsbach, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies Register under number B199415 (the "Issuer"), proposes to issue and sell €165,000,000 aggregate principal amount of its Fixed Rate Super Senior Secured Notes due 2023 (the "Notes") in a private placement to the backstop purchasers named in the Backstop Purchaser Side Letters (each a "Backstop Purchaser" and, together the "Backstop Purchasers") and any purchaser acceding to this Agreement (as defined below) pursuant to a New Notes Purchaser Letter (as defined below) and in accordance with all relevant terms and conditions as set forth in the Scheme (as defined below)(the "New Notes Purchasers" together with the Backstop Purchasers, the "Purchasers" and each a "Purchaser"), acting severally and not jointly (the "Offering"). The Notes will be issued as additional notes pursuant to an indenture, dated July 29, 2020 (the "Indenture"), as amended and supplemented from time to time, among, inter alios, the Issuer, the Parent Guarantor, the subsidiary guarantors named therein, GLAS Trustees Limited, as trustee (the "Trustee"), GLAS Trust Corporation Limited, as security agent (the "Security Agent"), and Global Loan Agency Services Limited, as principal paying agent, and documented in a supplemental indenture, dated as of the Closing Date (as defined below) (the "Supplemental Indenture").

Upon the issuance of the Notes on the Closing Date, the Issuer's obligations under the Notes will be guaranteed by Codere, S.A., a *sociedad anónima* incorporated under the laws of Spain and the parent company of the Issuer (the "Parent Guarantor"), Codere Argentina S.A., Iberargen S.A., Interbas S.A., Interjuegos S.A., Intermar Bingos S.A., Bingos del Oeste S.A., Bingos Platenses S.A., and San Jaime S.A. (the "Argentine Guarantors"), Codere América, S.A.U., Codere Apuestas España, S.L.U., Codere España, S.A.U., Codere Internacional, S.A.U., Codere Internacional Dos, S.A.U., Codere Latam, S.A., Codere Luxembourg 1 S.à r.l., Codere Luxembourg 2 S.à r.l., Codere Newco, S.A.U., Codere Operadoras de Apuestas, S.L.U., Colonder, S.A.U., JPVMATIC 2005, S.L.U., Nididem, S.A.U., Operiberica, S.A.U., Alta Cordillera, S.A., Codere Mexico, S.A. de C.V., Codere Latam Colombia, S.A., Codematica, S.r.l., Codere Italia S.p.A., Operbingo Italia S.p.A., and Codere Network, S.p.A. (collectively, the "Subsidiary Guarantors" and the Subsidiary Guarantors together with the Parent Guarantor and the Argentine Guarantors, the "Guarantors"), pursuant to their guarantees (the "Guarantees").

Subject to and in accordance with this Agreement, simultaneously with the execution of this Agreement, the Argentine Guarantors will execute and deliver to the Trustee an accession offer to this Agreement, substantially in the form of Schedule D-1 hereto, to become a party hereto and the Trustee shall execute and deliver to the Argentine Guarantors the corresponding acceptance letter

substantially in the form of Schedule D-2 hereto (an "Accession Agreement"). The date on which the Accession Agreement is executed shall be the "Accession Date." Upon its accession to this Agreement, the term "Guarantors" shall include such Guarantor and the term "Guarantees" used herein shall include the applicable Guarantee granted under the Indenture.

The Notes and their respective Guarantees are herein referred to as the "Securities."

On the Closing Date, the obligations of the Issuer and the Guarantors under the Indenture will be secured by the collateral (the "Collateral") described in and granted pursuant to each of the documents listed in Parts I and II of Schedule A hereto (each a "Closing Date Collateral Document") and within 15 Business Days of the Closing Date by the documents listed in Part III of Schedule A hereto (each a "Post-Closing Collateral Document" and together with the Closing Date Collateral Documents, the "Collateral Documents").

Pursuant to the terms of this Purchase Agreement and the Scheme (as defined below), the Issuer will use the proceeds from the Notes for repayment and discharge of all amounts outstanding under a revolving credit facility agreement, dated October 24, 2016, as amended from time to time, among the Issuer, the lenders named therein, and Bank of America Merrill Lynch International Limited as agent (the "Revolving Credit Facility"), the payment of certain fees and costs as described in the Scheme and the Escrow Deed (as defined below) and otherwise for general corporate purposes.

On November 8, 2016, the Issuer, the Parent Guarantor, certain of the Guarantors, GLAS Trust Corporation Limited, as trustee and security agent ("Existing Notes Trustee"), and Banco Bilbao Vizcaya Argentaria, S.A., as paying agent entered into an indenture, as amended and supplemented from time to time (the "Existing Indenture"), pursuant to which the Issuer issued U.S. \$300 million 7.625% senior secured notes due 2021 and €500 million 6.750% senior secured notes due 2021 (together the "Existing Notes"). In connection with the Offering and pursuant to the Scheme, the terms of the Existing Indenture will be amended on the Closing Date to reflect, among other things, an extension of the maturity, and certain other amendments to the terms of the Existing Notes (the "Existing Notes Amendments").

The liens on the Collateral securing, among other indebtedness, the Securities, the £85,000,000 aggregate principal amount of the Issuer's Fixed Rate Super Senior Secured Notes due 2023 issued on July 29, 2020 pursuant to the Indenture (the "Original Notes"), and the Existing Notes are, or will be on the Closing Date, subject to an intercreditor agreement, dated November 8, 2016, as amended and restated on July 29, 2020 (the "Intercreditor Agreement"), by and between the Issuer, the Guarantors, the security agent to the various creditors, the Trustee, the Existing Notes Trustee, and certain other entities. The Indenture constitutes a "Credit Facility," the obligations of the Issuer and the Guarantors under the Indenture constitute "Credit Facility Liabilities" and "Secured Obligations," in each case as defined in the Intercreditor Agreement, and the obligations of the Issuer thereby, in respect of the Original Notes, are, or in respect of the Securities on the Closing Date will be, secured, in accordance with the terms of the Intercreditor Agreement and the Security Documents (as defined in the Intercreditor Agreement) by the collateral that secures the obligations of the Guarantors in respect of, among other indebtedness, the Existing Notes. Pursuant to the terms of the Intercreditor Agreement, in the event of an enforcement of security interests, the noteholders under the Indenture, together with any other

Super Senior Creditors (as defined in the Intercreditor Agreement), will receive proceeds from such enforcement in priority to other creditors of the Issuer or the Guarantors.

The Notes are being issued in connection with a scheme of arrangement to be proposed by Codere Finance 2 (UK) Limited (the "Scheme Company") under Part 26 of the Companies Act 2006 on substantially the terms set out in Section II (*The Scheme*) (the "Scheme") of the scheme document relating the Scheme to be issued on or about 4 September 2020 (the "Scheme Document"). Pursuant to the Scheme, the Issuer has authorized the Scheme Company to offer all "Scheme Creditors" (as defined in the Scheme) the opportunity to elect to purchase (and elect that one or more Affiliates or Related Funds may purchase) at least its New Notes Entitlement (all as defined in the Scheme).

Pursuant to the Scheme, each Scheme Creditor who elects to purchase (and who elects for one or more Affiliates or Related Funds to purchase) Notes, shall submit the relevant parts of an account holder letter (substantially in the form contained in Section V of the Scheme Document (an "Account Holder Letter") including a letter (substantially in the form included in Part 3, Section 2 of the form of the Account Holder Letter in the Scheme Document (a "New Notes Purchaser Letter") in accordance with the Scheme. Each person who elects to purchase Notes through the procedure set out in the Scheme will be a New Notes Purchaser.

The amount of Notes which a New Notes Purchaser and Backstop Purchaser is allocated will be calculated in accordance with Schedule 1 (New Notes Entitlements and New Notes Subscription Amounts) of the Scheme (its "New Notes Allocated Principal Amount" or "Backstop New Notes Allocated Principal Amount," respectively) and will be notified to it in accordance with the Scheme by GLAS Specialist Services Limited, in its capacity as the information agent for the Scheme Company and the Group (the "Information Agent"), through the issuance of a funding notice (the "Funding Notice"). The Funding Notice will indicate, inter alia, the New Notes Allocated Principal Amount or Backstop New Notes Allocated Principal Amount, as applicable, the New Notes Subscription Amount or Backstop New Notes Subscription Amount, as applicable (each as defined in the Scheme), and the "Funding Deadline."

By submission of a validly completed Account Holder Letter, including a New Notes Purchaser Letter, and confirmation from the Escrow Agent that the New Notes Purchaser has cleared all "know your customer" checks required by the Escrow Agent in accordance with the Scheme, each New Notes Purchaser will be deemed to have acceded to this Agreement as a Purchaser, in the amount of Notes to be set out in such New Notes Purchaser's Funding Notice. The date on which a New Note Purchaser will be deemed to have acceded to this Agreement as a Purchaser being a "**Purchaser Accession Date**."

By the Funding Deadline, each Purchaser will be required to deposit its New Notes Subscription Amount or Backstop New Notes Subscription Amount, as applicable, which will be (i) 100.00% of the New Notes Allocated Principal Amount for a New Notes Purchaser, and (ii) 100.00% of the aggregate principal amount Notes that will be purchased by a Backstop Purchaser less the amount of any Backstop Fees (as defined below) such Backstop Purchaser is entitled to deduct in accordance with paragraph (b) of Section 2 (together (i) and (ii) referred to as the "Notes Escrow Proceeds"); plus interest to be accrued on the Notes from October 1, 2020 up to October 30, 2020 (the "Pre-funded Interest Escrow Proceeds" and together with the Notes Escrow

Proceeds, the "Escrow Proceeds"), in an escrow account (the "Escrow Account"), governed by an escrow deed to be dated on or about the date hereof (the "Escrow Deed"), among, inter alios, the Issuer and GLAS Specialist Services Limited, as escrow agent (the "Escrow Agent"). Until the Closing Date, the Escrow Account will be held and controlled by the Escrow Agent for the benefit of the holders of the Notes. The release of each of the Notes Escrow Proceeds and the Prefunded Interest Escrow Proceeds will be subject to the satisfaction of certain conditions, as more particularly described in the Scheme and the Escrow Deed. Pursuant to the terms of the Escrow Deed, if the Closing Date has not occurred by November 2, 2020 (the "Escrow Long-Stop Date"), the Escrow Proceeds shall be released back to each Purchaser in accordance with the terms of the Escrow Deed. If, however, the Closing Date occurs prior to the Escrow Long-Stop Date, an amount of the Pre-funded Interest Escrow Proceeds equal to the interest that would have accrued from the Closing Date up to October 30, 2020 will be repaid to each Purchaser by the Escrow Agent, in accordance with the terms of the Escrow Deed.

This purchase agreement (the "Agreement"), the Accession Agreement, the Supplemental Indenture, the Notes, the New Collateral Documents (as defined in Schedule A), and the Escrow Deed are hereinafter collectively referred to as the "New Transaction Documents" and the Indenture (including the Guarantees provided therein), each supplemental indenture to the Indenture prior to the Closing Date, the Existing Collateral Documents, and the Intercreditor Agreement (as amended from time to time) are hereinafter together referred to as the "Original Transaction Documents" and, together with the New Transaction Documents, the "Transaction Documents."

The Securities are to be offered and sold to the Purchasers without being registered with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933 (as amended, the "Securities Act," which term, as used herein, includes the rules and regulations of the Commission promulgated thereunder), in reliance upon exemptions therefrom. Pursuant to the terms of the Securities and the Indenture, investors who acquire Securities will be deemed to have agreed that Securities may only be resold or otherwise transferred, after the date hereof, if such Securities are registered for sale under the Securities Act or if an exemption from the registration requirements of the Securities Act is available (including the exemptions afforded by Rule 144A under the Securities Act ("Rule 144A") or Regulation S under the Securities Act ("Regulation S")).

Additionally, the Securities are to be offered and sold to the Purchasers without being registered with the Spanish markets supervision authority, the Luxembourg markets supervision authority or any other competent authority in the European Union. The issue, offer and sale of the Securities under this Agreement and the Indenture will not constitute a public offering in accordance with the provisions of article 35 of the Securities Markets Act, enacted by Royal Legislative Decree 4/2015, of 23 October (the "Spanish Securities Market Act"), nor with the Luxembourg law of 16 July 2019 on prospectuses for securities as amended from time to time (the "Luxembourg Prospectus Law"), nor with Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14th of June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the "Prospectus Regulation").

When used in this Agreement, "Business Day" means a day other than Saturday, Sunday or any other day on which banking institutions in New York, London, Madrid or a place of payment under this Agreement are authorized or required by law to close.

The Issuer hereby confirms its agreements with the Purchasers as follows:

- SECTION 1 Representations and Warranties of the Issuer and Guarantors. The Issuer, the Parent Guarantor, each Subsidiary Guarantor, and, upon accession to this Agreement, each Argentine Guarantor, jointly and severally, hereby represents, warrants and covenants to each Purchaser that, as of the date hereof and as of the Closing Date:
- a. **No Registration Required.** Subject to compliance by the Purchasers with the representations and warranties set forth in Section 6 hereof, it is not necessary in connection with the offer, sale and delivery of the Securities to the Purchasers in the manner contemplated by this Agreement to register the Securities under the Securities Act or, until such time as the Securities are issued pursuant to an effective registration statement, to qualify the Indenture under the Trust Indenture Act of 1939.
- b. **No Registration of Existing Notes Amendments Required.** It is not necessary in connection with the amendment of the Existing Notes Indenture and the Existing Notes in the manner contemplated by the Scheme to register the Existing Notes under the Securities Act pursuant to an effective registration statement or to qualify the Indenture under the Trust Indenture Act of 1939.
- c. **Private Offering**. Neither the Issuer nor anyone acting on its behalf has offered the Notes or any similar securities for sale to, or solicited any offer to buy the Notes or any similar Securities from, or otherwise approached or negotiated in respect thereof with, any person other than the Scheme Creditors, each of which has been offered the Notes as a private sale. Neither the Issuer nor anyone acting on its behalf nor, to the best of its knowledge, any other person, has taken, or will take, any action that would subject the issuance or sale of the Notes to the registration requirements of Section 5 of the Securities Act or to the registration requirements of any securities or blue sky laws of any applicable jurisdiction, including, without limitation, the Spanish Securities Markets Act, the Luxembourg Prospectus Law or the Prospectus Regulation.
- d. **Regulation S.** The Issuer, the Guarantors and their respective affiliates and all persons acting on their behalf have complied with and will comply with the offering restrictions requirements of Regulation S in connection with the offering of the Securities outside the United States. Each of the Issuer and the Guarantors is a "foreign issuer," as defined in Rule 902 of Regulation S.
- e. **No Integration of Offerings, General Solicitation or Directed Selling.** None of the Issuer, the Guarantors, their affiliates (as such term is defined in Rule 501 under the Securities Act) (each, an "**Affiliate**"), or any person acting on its or any of their behalf has, directly or indirectly, solicited any offer to buy or offered to sell, or will, directly or indirectly, solicit any offer to buy or offer to sell, in the United States or to any United States citizen or resident, any security which is or would be integrated with the sale of the Securities in a manner that would require the Securities to be registered under the Securities Act. None of the Issuer, the Guarantors,

their Affiliates, or any person acting on its or any of their behalf has engaged or will engage, in connection with the offering of the Securities, in soliciting offers for, or offer or sell, the Securities (A) by means of any general solicitation or general advertising within the meaning of Rule 502 under the Securities Act or (B) in any manner involving a public offering within the meaning of Section 4(a)(2) of the Securities Act. With respect to those Securities sold in reliance upon Regulation S, (i) none of the Issuer, the Guarantors, their Affiliates or any person acting on its or their behalf has engaged or will engage in any directed selling efforts within the meaning of Regulation S and (ii) each of the Issuer, the Guarantors and their Affiliates and any person acting on its or their behalf has complied and will comply with the offering restrictions set forth in Regulation S.

- f. **Eligibility for Resale under Rule 144A**. The Securities are eligible for resale pursuant to Rule 144A and will not be, at the Closing Date, of the same class as securities listed on a national securities exchange registered under Section 6 of the U.S. Securities Exchange Act of 1934, as amended, or quoted in a U.S. automated interdealer quotation system.
- g. **Clearing Systems.** The Issuer has taken the necessary steps for the Clearing Systems to issue the necessary ISINs and Common Codes, including any temporary ISINs, for the Notes to be traded on such platforms.
- Specified Materials. This Agreement, filings made by the Parent Guarantor on the h. Comisión Nacional del Mercado de Valores, the documents, certificates or other writings delivered or to be delivered to the Purchasers by or on behalf of the Issuer prior to the Closing Date in connection with the transactions contemplated hereby and identified in Schedule C (this Agreement and such bondholders report and other documents, certificates or other writings delivered to each Purchaser and as specified in Schedule C, being referred to, collectively, as the "Specified Materials") do not (taken as a whole, as of the date hereof and the Closing Date) include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made materially misleading. Any projections relating to the Issuer and the Parent Guarantor and its Subsidiaries, including preliminary financial results, financial estimates, forecasts and other forward-looking statements (the "Projections") that are contained in the materials listed in Schedule C have been prepared in good faith and based upon assumptions believed to be reasonable at the time of preparation thereof, it being understood that such Projections were and are subject to significant uncertainties and contingencies, many of which are beyond the control of the Issuer and the Parent Guarantor and its Subsidiaries, and that no assurance can be given that any Projections will be realized, and that actual results may differ and that such differences may be material.
- i. **The Purchase Agreement.** This Agreement has been duly authorized, executed and delivered by the Issuer, the Parent Guarantor, and each Subsidiary Guarantor, and the signatories of the Issuer, the Parent Guarantor, and each Subsidiary Guarantor are duly authorized to execute this Agreement on their behalf.
- j. **Accession Agreement**. On the Accession Date, with respect to each Argentine Guarantor, the Accession Agreement will have been duly authorized, executed and delivered by each Argentine Guarantor, and the signatories of each Argentine Guarantor will be, at the time of

the execution of the Accession Agreement, duly authorized to execute the Accession Agreement in the name and on behalf of the Argentine Guarantor.

- **Authorization of the Securities.** The Securities to be purchased by the Purchasers from the Issuer will on the Closing Date be in the form contemplated by the Indenture, have been duly authorized for issuance and sale pursuant to this Agreement and the Indenture and, at the Closing Date, will have been duly executed by the Issuer and, when authenticated in the manner provided for in the Indenture and delivered against payment of the purchase price therefor, will constitute valid and binding obligations of the Issuer, enforceable in accordance with their terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, concurso, reorganization, quiebra, moratorium or other similar laws relating to or affecting the rights and remedies of creditors or by general equitable principles and will be entitled to the benefits of the Indenture. The Guarantees of the Notes on the Closing Date when issued will be in the respective forms contemplated by the Indenture and have been duly authorized by each of the Guarantors for issuance pursuant to this Agreement and the Indenture; the Guarantees of the Notes, at the Closing Date, will have been duly executed by each of the Guarantors and, when the Notes have been authenticated in the manner provided for in the Indenture and issued and delivered against payment of the purchase price therefor, the Guarantees of the Notes will constitute valid and binding agreements of the Guarantors, enforceable in accordance with their terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, concurso, reorganization, moratorium or other similar laws relating to or affecting the rights and remedies of creditors or by general equitable principles and will be entitled to the benefits of the Indenture.
- Transaction Documents. As of the Closing Date, each Original Transaction Document has been duly authorized, executed, perfected, and delivered (as applicable) by the Issuer and the Guarantors and, assuming duly executed and delivered (as applicable) in accordance with its respective terms by each of the other parties thereto, constitutes a valid and legally binding agreement of each of the Issuer, and the Guarantors party thereto, except as the enforcement thereof may be limited by bankruptcy, insolvency, concurso mercantil, reorganization, moratorium or other similar laws relating to or affecting the rights and remedies of creditors or by general equitable principles (collectively, the "Enforceability Exceptions"), enforceable against each of the Issuer and the Guarantors in accordance with its terms. Each New Transaction Document has been, or prior to the execution thereof will be, duly authorized, executed, perfected, authenticated, issued, and delivered (each as applicable) by the Issuer and the Guarantors (to the extent party thereto), and when duly executed and delivered (as applicable) in accordance with its respective terms by each of the other parties thereto, will constitute a valid and legally binding agreement of each of the Issuer and the Guarantors, subject to the Enforceability Exceptions, enforceable against each of the Issuer and the Guarantors, as the case may be, in accordance with its terms and, in the case of the Notes, will be entitled to the benefits of the Indenture.
- m. **Security Documents.** As of the Closing Date, the relevant pledging entity under each Collateral Document will own the relevant property subject to the security created, or to be created, as applicable, by such Collateral Document, free and clear of any security interest, mortgage, pledge, lien, encumbrance or claim, other than the Transaction Security (as defined in the Intercreditor Agreement) and such Collateral Document will constitute, subject to the Enforceability Exceptions, a valid and enforceable security interest in accordance with its terms.

- n. **No Material Adverse Change.** Except as disclosed in the Specified Materials, since the date of the most recent financial statements of the Parent Guarantor included in the Specified Materials: (i) there has been no material adverse change, or any development that could reasonably be expected to result in a material adverse change, in the condition, financial or otherwise, or in the earnings, business, operations or prospects, whether or not arising from transactions in the ordinary course of business, of the Parent Guarantor and its subsidiaries, considered as one entity (any such change is called a "**Material Adverse Change**"); (ii) the Parent Guarantor and its direct or indirect subsidiaries (each, a "**Subsidiary**" and jointly, the "**Subsidiaries**"), considered as one entity, have not incurred any material liability or obligation, indirect, direct or contingent, not in the ordinary course of business nor entered into any material transaction or agreement not in the ordinary course of business; and (iii) there has been no dividend or distribution of any kind declared, paid or made by the Parent Guarantor or, except for dividends paid to the Issuer or other Subsidiaries, any of its Subsidiaries on any class of capital stock. There is no fact known to the Parent Guarantor that could reasonably be expected to have a Material Adverse Effect (as defined below) that has not been set forth herein or in the Specified Materials.
- o. **Preparation of the Financial Statements.** The financial statements, together with the related schedules and notes, included in the Specified Materials fairly present the consolidated financial position of the entities to which they relate as of and at the dates indicated and the results of their operations and cash flows as of the dates and for the periods specified. Such financial statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union ("IFRS") applied on a consistent basis throughout the periods involved, except as may be expressly stated in the related notes thereto.
- p. Incorporation of the Issuer and its Subsidiaries. Each of the Issuer, the Guarantors and the Subsidiaries has been duly incorporated or formed, as applicable, and is validly existing as a corporation, limited partnership or limited liability company, as applicable, and has corporate, partnership or limited liability company, as applicable, power and authority to own, lease and operate its properties and to conduct its business, and, in the case of the Issuer and the Guarantors, to enter into and perform its obligations under each of the Transaction Documents to which it is a party. Each of the Issuer, the Guarantors and each Subsidiary is duly qualified as a foreign corporation, limited partnership or limited liability company, as applicable, to transact business in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except for such jurisdictions where the failure to so qualify or to be in good standing would not, individually or in the aggregate, result in a Material Adverse Effect (as defined below).
- q. **Ownership of Shares of Subsidiaries.** All of the issued and outstanding capital stock of each Subsidiary has been duly authorized and validly issued under the laws of the jurisdiction of its incorporation and is fully paid and non-assessable and is owned by the Parent Guarantor, directly or through Subsidiaries in the percentages set forth in Schedule B and, except as permitted by the Indenture, is free from liens, encumbrances, defects, attachments, seizures or any other measure restraining the capacity to dispose of or benefit from such capital stock, or which may affect the ability to enforce any collateral granted on it (to the extent applicable).
- r. Non-Contravention of Existing Instruments; No Further Authorizations or Approvals Required. Neither the Issuer nor any of the Guarantors or any Subsidiaries is (i) in

violation of its charter, bylaws or other constitutive document, (ii) in default (or, with the giving of notice or lapse of time, would be in default) under any indenture, mortgage, loan or credit agreement, note, contract, franchise, lease or other instrument to which the Issuer, the Guarantors or any of the Subsidiaries is a party or by which it or any of them may be bound, or to which any of the property or assets of the Issuer, the Guarantors or any of the Subsidiaries is subject (each, an "Existing Instrument"), (iii) in violation of any law, ordinance, governmental rule, regulation or court decree to which it or its property assets may be subject, or (iv) in violation of applicable laws and regulations in any jurisdiction outside the Licensed Jurisdictions (as defined below) that prohibits any Online Gambling Activity (as defined below) and that, based on the advice of independent reputable external counsel, might reasonably be expected to enforce against the Issuer, the Parent Guarantor or any of its Subsidiaries, prohibitions on any Online Gambling Activity, including, without limitation, the Unlawful Internet Gambling Enforcement Act of 2006, the Wire Act and the Illegal Gambling Business Act, and related rules and regulations; except in the case of (ii) and (iii), (x) to the extent that any such breach, violation or default would not have, individually or in the aggregate, a material adverse effect on the business, properties, condition (financial or otherwise), results of operations or prospects of the Issuer and its Subsidiaries taken as a whole (a "Material Adverse Effect") and (y) except as disclosed in the Specified Materials. The execution, delivery and performance of the Transaction Documents (including, without limitation, the Collateral Documents) by the Issuer, the Guarantors and the Subsidiaries party thereto and the consummation of the transactions contemplated thereby (including, without limitation, the granting and perfection of the Collateral) and the issuance and delivery of the Securities (i) have been duly authorized by all necessary corporate action, and will not result in any violation of the provisions of the charter, bylaws or other constitutive document of the Issuer, the Guarantors or any Subsidiary, (ii) will not conflict with or constitute a breach of, or default or a Debt Repayment Triggering Event (as defined below) under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Issuer, the Guarantors or any of the Subsidiaries pursuant to, or require the consent of any other party to, any Existing Instrument, except for such conflicts, breaches, defaults, liens, charges or encumbrances as would not, individually or in the aggregate, result in a Material Adverse Change and (iii) will not result in any violation of any law, administrative regulation or administrative or court decree applicable to the Issuer, or any Guarantor or any Subsidiary except for such violations as would not, individually or in the aggregate, result in a Material Adverse Change. No consent, approval, authorization or other order of, or registration or filing with, any court or other governmental or regulatory authority or agency is required for the execution, delivery and performance of the Transaction Documents by the Issuer and the Guarantors to the extent a party thereto, or the issuance and delivery of the Securities, or consummation of the transactions contemplated hereby. As used herein, a "Debt Repayment Triggering Event" means any event or condition which gives, or with the giving of notice or lapse of time would give, the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Issuer or any of the Subsidiaries.

s. **No Material Actions or Proceedings.** Except as otherwise disclosed in the Specified Materials, there are no legal, administrative, or governmental actions, suits, arbitrations, or proceedings pending or, to the best of the Issuer's and the Guarantors' knowledge, threatened (i) against or affecting the Issuer, any of the Guarantors or any Subsidiary or the Collateral or (ii) which has as the subject thereof any material property owned or leased by, the Issuer, the

Guarantors or any of the Subsidiaries; and any such action, suit or proceeding, if determined adversely to the Issuer, such Guarantor or such Subsidiary, would have a Material Adverse Effect or materially adversely affect the consummation of the transactions contemplated by this Agreement. No material labor dispute with the employees of the Issuer, the Guarantors or any Subsidiary, or with the employees of any principal supplier of the Issuer or the Guarantor exists or, to the best of the Issuer's or the Guarantors' knowledge, is threatened or imminent.

- No Winding-up or Liquidation. Except as disclosed in the Specified Materials, t. neither the Parent Guarantor nor any of its Subsidiaries has taken any action towards, nor is legally obliged to carry out any action towards, nor so far as the Issuer, the Parent Guarantor nor any of the Subsidiary Guarantors is aware, having made all reasonable enquiry, of any steps having been taken or legal proceedings having been started or threatened against the Parent Guarantor or any of its Subsidiaries for the winding-up, dissolution (including, without limitation, as a consequence of the concurrence of any legal cause of dissolution (causa legal de disolución)) or reorganization, administration or concurso (including without limitation any solicitud de inicio de procedimiento de concurso or auto de declaración de concurso under Spanish law), or for the appointment of a receiver, administrative receiver, síndico, conciliador, liquidador or administrator, trustee or similar officer of it or any of its assets, or for the entry into any arrangement (including without limitation any convenio judicial or extrajudicial or transacción judicial or extrajudicial, in each case for the benefit of creditors), nor has it filed the communication envisaged in article 5 bis of the Spanish Law 22/2003 (or the equivalent provision of any succeeding law), on insolvency or any other similar communication in any other jurisdiction or under any applicable regulation.
- No Stamp Duties. No capital, transfer, stamp duty, stamp duty reserve or other documentary, issuance or transfer taxes or duties are required to be paid by or on behalf of the Purchasers in any of Luxembourg, Spain, the United Kingdom, the United States, Argentina (provided that the New Transaction Documents are executed by way of exchange of correspondence or neither are signed or have effects in Argentina), the Republic of Italy (provided that the New Transaction Documents are executed either by way of exchange of correspondence or outside of the Republic of Italy), Panama or Mexico, any jurisdiction from or through which payment is made, or any political sub-division or taxing authority thereof or therein in connection with (A) the creation, issue or delivery by the Issuer of the Notes pursuant hereto or the initial sale thereof and the creation, issue or delivery of the Guarantees by the Guarantors, (B) the purchase by the Purchasers of the Notes contemplated by this Agreement, (C) the execution of the Supplemental Indenture and any documents entered into in connection therewith, including any New Collateral Documents or (D) the consummation of the transactions contemplated by this Agreement; other than in the case of Luxembourg, where the Transaction Documents (i) are voluntarily presented to the registration formalities with the Administration de l'Enregsitrement et des Domaines in Luxembourg, (ii) are appended to a document that requires mandatory registration with the Administration de l'Enregsitrement et des Domaines in Luxembourg or (iii) deposited in the minutes of a notary (deposes au rang de minutes d'un notaire), a registration duty (droit d'enregistrement) will be due, the amount of which will depend on the nature of the document to be registered.
- v. All Necessary Permits, Licenses, etc. Except as otherwise previously disclosed in the offering memorandum prepared in connection with the issuance of the Existing Notes or any bondholder reports delivered pursuant to the Existing Indenture, the Parent Guarantor and each

Subsidiary (i) possess such valid and current certificates, authorizations, licenses or permits issued by the appropriate state, federal or foreign regulatory agencies or bodies necessary to own, lease and operate its properties and to conduct their respective businesses, (ii) in all material respects are in compliance with terms and conditions of such certificates, authorizations, licenses or permits and (iii) have not received any notice of proceedings relating to the revocation or modification of, or non-compliance with, any such certificate, authorization or permit which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would result in a Material Adverse Effect.

- w. **Title to Properties.** Except as otherwise previously disclosed in the offering memorandum prepared in connection with the issuance of the Existing Notes or any bondholder reports delivered pursuant to the Existing Indenture, the Parent Guarantor and each of the Subsidiaries has good and marketable title to all the properties and assets reflected as owned in the financial statements referred to in Section 1(o) hereof, in each case free and clear of any security interests, mortgages, liens, encumbrances, equities, claims and other defects, except as do not materially and adversely affect the value of such property and do not materially interfere with the use made or proposed to be made of such property by the Issuer or such subsidiary. The real property, improvements, equipment and personal property held under lease by the Parent Guarantor or any Subsidiary are held under valid and enforceable leases, with such exceptions as are not material and do not materially interfere with the use made or proposed to be made of such real property, improvements, equipment or personal property by the Parent Guarantor or such Subsidiary.
- x. **No Restriction on Dividends**. Except as disclosed in the Specified Materials, no majority-owned subsidiary of the Parent Guarantor is currently prohibited, directly or indirectly, under any agreement or other instrument to which it is a party or is subject, from paying any dividends to the Parent Guarantor, from making any other distribution on shares of such subsidiary's capital stock, from repaying to the Parent Guarantor any loans or advances to such subsidiary from the Parent Guarantor or from transferring any of such subsidiary's properties or assets to the Parent Guarantor or any other subsidiary of the Parent Guarantor.
- y. Tax Law Compliance. The Parent Guarantor and its consolidated subsidiaries have filed all necessary federal, state and foreign income and franchise tax returns required to be filed or have properly requested extensions thereof and have paid all taxes required to be paid by any of them and, if due and payable, any related or similar assessment, fine or penalty levied against any of them except as may be being contested in good faith and by appropriate proceedings and except where the failure to file or pay such taxes could reasonably be expected to result in a Material Adverse Effect. The Parent Guarantor has made adequate charges, accruals and reserves in accordance with IFRS in the applicable financial statements referred to in Section 1(o) hereof in respect of all federal, state and foreign income and franchise taxes for all periods as to which the tax liability of the Issuer or any of its consolidated subsidiaries has not been finally determined, and the Parent Guarantor has not received written notice of any actual or proposed additional tax assessment against the Issuer, or the Parent Guarantor, or any of its Subsidiaries that, could reasonably be expected to result in a Material Adverse Effect.
- z. **No Withholding**. Except as disclosed in the offering memorandum prepared in connection with the issuance of the Existing Notes, all payments of principal and interest in respect

of the Securities, and all payments by the Issuer and the Guarantors under this Agreement, the Indenture, the Collateral Documents, or any other such document, may be made free and clear of and without withholding or deduction for or on account of any tax; provided, however, that payments of interest or similar proceeds under the Indenture by the Italian Guarantors under the Indenture may be made free and clear of and without withholding or deduction for or on account of any tax provided that such payments are made to a resident of a State or jurisdiction having a double taxation treaty with Italy which makes provision for full exemption from withholdings for or on account of tax imposed by Italy on interest and similar proceeds. Payments of interest or similar proceeds to be made by the Spanish Guarantors under this Agreement or the Indenture to non-Spanish residents will be made free and clear and without withholding or deduction for or on account of any Spanish taxes pursuant to Additional Provision One of Law 10/2014 of June 26, provided that the conditions required therein are met, as it is expected for the Notes, and subject also to the relevant provisions of Decree 1065/2007 of July 27, as amended by Royal Decree 1145/2011 of July 29, and any implementing legislation or regulation. No Spanish withholding tax will apply either to interest payments made by any Spanish Guarantor to a resident of other EU Member State not acting in Spain through a permanent establishment or from a tax haven jurisdiction, or to a resident of a State or jurisdiction having a double taxation treaty with Spain which makes provision for full exemption from withholdings for or on account of tax imposed by Spain on interest and similar proceeds.

- aa. **Issuer and Guarantors Not an "Investment Company".** The Issuer and the Guarantors have been advised of the rules and requirements under the Investment Company Act of 1940, as amended (the "**Investment Company Act**," which term, as used herein, includes the rules and regulations of the Commission promulgated thereunder). Neither the Issuer nor any Guarantor is, or after receipt of payment for the Securities will be, an "investment company" within the meaning of the Investment Company Act and will conduct its business in a manner so that it will not become subject to the Investment Company Act.
- Solvency. As of the date hereof, neither the Issuer nor any of the Guarantors is the subject of any moratorium of any indebtedness, winding-up, dissolution, administration, receivership, compulsory management, bankruptcy, liquidation proceeding or order of any kind, any procedure for the composition, assignment or similar arrangement with any of its creditors or any other insolvency proceeding of any nature in any jurisdiction. And immediately after the Closing Date, each of the Issuer and the Guarantors will be, Solvent. As used herein, the term "Solvent" means, with respect to any person on a particular date, that on such date (i) the fair market value of the assets of such person is greater than the total amount of liabilities (including contingent liabilities) of such person, (ii) the present fair salable value of the assets of such person is greater than the amount that will be required to pay the probable liabilities of such person on its debts as they become absolute and matured, (iii) such person is able to realize upon its assets and pay its debts and other liabilities, including contingent obligations, as they mature, (iv) such person does not have unreasonably small capital, and (v) with respect to Codere México, S.A. de C.V. ("Codere México"), in addition to the circumstances described in (i), (ii) and (iii) above, it is not in a generalized default of its payment obligations (incumplimiento generalizado en el pago de sus obligaciones) within the meaning of Articles 9, 10 and/or 11 of the Mexican Bankruptcy Law (Lev de Concursos Mercantiles).

- cc. **Issuer's Accounting System.** The Issuer, the Guarantors and the Subsidiaries maintain a system of accounting controls sufficient to provide reasonable assurances that: (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with IFRS and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences.
- dd. Disclosure Controls and Procedures. The Issuer, the Parent Guarantor and its Subsidiaries have established and maintain disclosure controls and procedures; such disclosure controls and procedures are designed to ensure that material information relating to the Issuer, the Parent Guarantor and the Subsidiaries is made known to the chief executive officer and chief financial officer of the Issuer or the Parent Guarantor by others within the Issuer, the Parent Guarantor or the Subsidiaries, and such disclosure controls and procedures are reasonably effective to perform the functions for which they were established subject to the limitations of any such control system; the Issuer's and the Parent Guarantor's auditors and the audit committee of the board of directors of the Parent Guarantor have been advised of: (i) any significant deficiencies or material weaknesses in the design or operation of internal controls which could adversely affect the Issuer's, the Parent Guarantor's and the Subsidiaries' ability to record, process, summarize, and report financial data; and (ii) any fraud, whether or not material, that involves management or other employees who have a role in the Issuer's, the Parent Guarantor's or the Subsidiaries' internal controls; and since the date of the most recent evaluation of such disclosure controls and procedures, there have been no significant changes in internal controls or in other factors that could significantly affect internal controls, including any corrective actions with regard to significant deficiencies and material weaknesses.
- ee. **No Additional Indebtedness**. Except as disclosed in the Specified Materials, neither the Issuer nor the Guarantors have (A) entered into or assumed or incurred any material amount of indebtedness, commitment, guarantee, or other liability or (B) entered into any agreement or commitment to acquire or dispose of any material asset or business.
- ff. Anti-Corruption Laws. None of the Issuer or the Guarantors or any of their respective Subsidiaries, or, when acting on behalf of the Issuer ore the Guarantors or any of their Subsidiaries, any of the directors, officers, employees, Affiliates or, to the knowledge of the Issuer, agents of the Issuer, the Guarantors or their respective Subsidiaries, has taken any action, directly or indirectly, that would constitute a violation by such persons of the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder, the UK Bribery Act 2010, any applicable law adopting the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions or any other applicable anti-corruption or anti-bribery laws or regulations (collectively, "Anti-Corruption Laws"). The Issuer, the Guarantors and their respective Subsidiaries have instituted and maintain policies and procedures designed to promote and achieve continued compliance therewith. None of the Issuer or the Guarantors or their respective Subsidiaries, or any directors, officers, employees, Affiliates or, to the knowledge of the Issuer, agents of the Issuer, Guarantors or their respective Subsidiaries, will, directly or indirectly, use the proceeds of the offering, or lend, contribute or otherwise make available such

proceeds to any Subsidiary, joint venture partner or other person in any manner that would constitute or give rise to a violation of applicable Anti-Corruption Laws.

- their respective Subsidiaries are and have been conducted at all times in compliance with any applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended by the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, and any other applicable money laundering laws and regulations (collectively, the "Money Laundering Laws") in all material respects. No action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Issuer or the Guarantors or their respective Subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Issuer, threatened. The Issuer and the Guarantors will not, directly or indirectly, use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other person in any manner that would constitute or give rise to a violation of applicable Anti-Money Laundering Laws.
- Sanctions. None of the Issuer or the Guarantors or any of their respective Subsidiaries, or any director, officer, employee or, to the knowledge of the Issuer, Affiliate of the Issuer or the Guarantors or any of their respective Subsidiaries, (i) is currently the subject of any economic or financial sanctions imposed or administered by the Office of Foreign Assets Control of the U.S. Treasury Department, the U.S. Department of Commerce, the U.S. Department of State, the United Nations Security Council, the European Union or any of its member states, Her Majesty's Treasury of the United Kingdom (such sanctions collectively, "Sanctions", and each such person, a "Sanctioned Person") or (ii) is located, organized or resident in a country or territory that is the subject or target of any Sanctions that broadly prohibit or restrict dealings with or involving such country or territory (each, a "Sanctioned Country", currently, the Crimea region of Ukraine, Cuba, Iran, North Korea and Syria). None of the Issuer or the Guarantors or any of their respective Subsidiaries, or any director or officer or, to the knowledge of the Issuer, employee or Affiliate of the Issuer or the Guarantors or any of their respective Subsidiaries has in the past five (5) years engaged in any dealings or transactions that would constitute a violation of applicable Sanctions. The Issuer and the Guarantors will not, directly or indirectly, use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other person, (i) to fund or facilitate any activities of or business with any person that, at the time of such funding, is a Sanctioned Person, or is located, organized or resident in a Sanctioned Country, or (ii) in any other manner, in either case as would constitute or give rise to a violation by any person (including any person participating in the offering, whether as underwriter, advisor, investor or otherwise) of Sanctions. The representations under this Section 1(hh) are only given and sought to the extent that such representations would not constitute or give rise to a violation of Council Regulation (EC) 2271/96 of 22 November 1996, or any applicable law implementing Council Regulation (EC) 2271/96.
- ii. **Online Gambling**. The Parent Guarantor and its Subsidiaries only conduct online gambling business (including, without limitation, any bingo or other games), any activity involving internet gambling sites, processing any payments thereof and/or conduct any other gambling activities ("**Online Gambling Activity**") wholly within each of the jurisdictions in which is it properly licensed to do so (collectively the "**Licensed Jurisdictions**") and does not conduct any

Online Gambling Activity outside the Licensed Jurisdictions, other than in the United Kingdom, Germany, Norway, Finland, Ireland, Canada and New Zealand where Codere Newco, S.A.U. operates a brand through a third-party license in compliance with the relevant law. The Parent Guarantor and its Subsidiaries (i) maintain reasonable safeguards and procedures consistent with the highest standards in the industry to (a) ensure that any relevant internet website is available solely to persons who reside and are located in a Licensed Jurisdiction and (b) exclude persons who do not reside or are not located in a Licensed Jurisdiction from placing wagers on, or participating in, any of the relevant internet websites, including safeguards and procedures to exclude persons in the United States of America (including any state or territory thereof), any other jurisdiction that prohibits any Online Gambling Activity and, based on the advice of independent reputable external counsel (which the Parent Guarantor shall procure prior to any commercial launch of any Online Gambling Activity), any other jurisdiction that might reasonably be expected to enforce against the Parent Guarantor or the Subsidiaries, prohibitions on any Online Gambling Activity (together, the "Safeguards and Procedures"); and (ii) implements such Safeguards and Procedures prior to launching any Online Gambling Activity and shall thereafter, at all times, monitor and maintain such Safeguards and Procedures and periodically review such Safeguards and Procedures in light of technological developments.

- jj. **No Immunities**. Neither the Issuer nor the Guarantors nor any of the Subsidiaries, and none of their respective properties or assets, has any immunity from the jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution or otherwise) under the laws of any jurisdiction in which it has been incorporated or in which any of its property or assets are held (each, a "**Relevant Jurisdiction**", and collectively, the "**Relevant Jurisdictions**").
- kk. Valid Choice of Law, Submission to Jurisdiction and Appointment of Process Agent. Each of the Issuer and the Guarantors has the power to submit and, pursuant to this Agreement, has legally, validly, effectively and irrevocably submitted, and pursuant to the Indenture, will legally, validly, effectively, and irrevocably submit, to the exclusive (and in the case of Codere Latam Colombia, S.A., non-exclusive) jurisdiction of any U.S. federal or state court in the Borough of Manhattan in the City of New York, New York, in connection with any suit, action or proceeding arising out of or relating to this Agreement and the Indenture, respectively, and has the power to designate, appoint and empower and, pursuant to this Agreement and the Indenture, has or will have, on the Closing Date or Accession Date, as applicable, legally, validly and effectively designated, appointed and empowered an agent for service of process in any suit, action or proceeding, as provided herein.
- ll. **Ranking.** The Securities will be super senior secured obligations of the Issuer and the Guarantors and rank *pari passu* in right of payment with the Issuer's and the Guarantors' existing and future debt that is not subordinated in right of payment to the Securities.
- mm. **Status of Collateral.** The provisions of each Collateral Document to which the Issuer, any Guarantor, or any Subsidiary of the Parent Guarantor providing security is or will be, as applicable, a party at the Closing Date, and the taking of the actions described in the Transaction Security was or will be, as applicable, effective to create, in favor of the Security Agent, a legal, valid, binding, enforceable and effective first-priority lien on all of the Collateral purported to be covered thereby.

Any certificate signed by an officer of the Issuer or any Guarantor and delivered to the Purchasers or to counsel for the Purchasers shall be deemed to be a representation and warranty by the Issuer or such Guarantor to each the Purchaser as to the matters set forth therein.

SECTION 2 Purchase, Sale and Delivery of the Securities.

- The Securities. The Issuer agrees to issue and sell to the Purchasers, severally and not jointly, all of the Securities. Subject to the conditions set forth herein, including in Section 5 hereof, (i) the Backstop Purchasers agree, severally and not jointly, to purchase from the Issuer the aggregate principal amount of Securities in such proportions as set forth in Annex A of the respective side letter entered into on the date hereof between the Issuer and each Backstop Purchaser, in the form of Schedule E hereto (each a "Backstop Purchaser Side Letter"), less any aggregate principal amount of the Notes which the New Notes Purchasers agree to purchase pursuant to clause (ii) (which amount shall proportionally reduce the amounts corresponding to the percentages set forth in Annex A to the Backstop Purchaser Side Letters) and (ii) the New Notes Purchasers, upon their accession, agree, severally and not jointly, to purchase from the Issuer the aggregate principal amount of the Notes to be indicated in their respective Funding Notice as determined pursuant to the procedures set out in Schedule 1 (New Notes Entitlements and New Notes Subscription Amounts) of the Scheme and, in each case at a purchase price of 100.00% of the principal amount thereof (less, in the case of a Backstop Purchaser, the amount of any Backstop Fees such Backstop Purchaser is entitled to deduct in accordance with paragraph (b) of this Section 2), plus accrued interest on the aggregate principal amount of Securities to be purchased from October 1, 2020, up to (but not including) the Closing Date (the total amount, collectively, the "Purchase Price"), payable on the Closing Date for the Notes, on the basis of the representations, warranties and agreements contained herein, and upon the terms set forth herein.
- b. Fees. In consideration of the agreement by the Backstop Purchasers to purchase the aggregate principal amount of Notes pursuant to clause (a), the Issuer shall pay to the Backstop Purchasers in respect of the Notes a combined backstop fee in an aggregate amount equal to €4,125,000, being 2.50% of the proposed aggregate principal amount of the Offering, in such proportions as set out opposite the name of each Backstop Purchaser in its Backstop Purchaser Side Letter (the "Backstop Fees"). The Backstop Fees shall become payable upon, and their payment is conditional upon the issuance of the Notes, and shall be netted off from each Backstop Purchaser's purchase price of the Notes it acquires in its capacity as either Backstop Purchaser or New Notes Purchaser or, if the amount of the Backstop Fee due to a Backstop Purchaser is greater than the amount of Notes that Backstop Purchaser will acquire in its capacity as either Backstop Purchaser or New Notes Purchaser, the amount of the Backstop Fee that cannot consequently be netted off from that Backstop Purchaser's purchase price of the Notes that it acquires in either capacity as Backstop Purchaser or New Notes Purchaser shall be paid by the Issuer to that Backstop Purchaser in cash on the Closing Date. For the avoidance of doubt, in case of assignment by any Backstop Purchaser of its rights and obligations under this Agreement to an assignee pursuant to Section 16, such assignee shall become the beneficiary of the Backstop Fees payable to such assignor.
- c. **The Closing Date.** The closing of the purchase of the Securities by the Purchasers and payment therefor shall be made at the offices of Cleary Gottlieb Steen & Hamilton LLP, One Liberty Plaza, New York, New York, 10006 (or such other place as may be agreed to by the

Issuer and the Purchasers) on the Completion Date (as defined in, and as may be delayed or postponed under, the Scheme) (the time and date of such closing are called the "Closing Date").

- d. **Payment for the Securities.** Each Purchaser, or its nominee, shall deposit its respective New Notes Subscription Amount or Backstop New Notes Subscription Amount into the Escrow Account prior to the Funding Deadline. Payment for the Securities shall be made by the Escrow Agent on behalf of each Purchaser, by wire transfer of the Notes Escrow Proceeds, in same-day funds, from the Escrow Account in accordance with the terms of the Escrow Deed. The Notes Escrow Proceeds will be released on the Closing Date, upon the satisfaction or waiver of all conditions set forth in Section 5 of this Agreement and in accordance with the terms of the Escrow Deed, simultaneously with delivery of the Global Notes (as defined below) to a common depositary (the "Common Depositary") for Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking, S.A. ("Clearstream"), or their respective nominees, pursuant to instructions by GLAS Specialist Services Limited as settlement agent to be credited to the respective accounts of the Purchasers in the amount set forth in an allocation list in the form of a spreadsheet (which account details will have been provided in each Purchaser's respective Account Holder Letter).
- e. **Delivery of the Securities**. The Securities sold in reliance upon Section 4(a)(2) of the Securities Act will be represented by one global note in registered form without interest coupons attached (the "**Restricted Global Note**"). The Securities sold in reliance upon Regulation S will be represented by one global note in registered form without interest coupons attached (the "**Regulation S Global Note**" and together with the Restricted Global Note, the "**Global Notes**"). The Restricted Global Note will be assigned the same ISIN and Common Code as its respective Original Notes. The Regulation S Global Note will, initially, be assigned a temporary ISIN and Common Code, which shall, following the Distribution Compliance Period (as defined below), automatically be replaced with the same ISINs and Common Codes as its respective Original Notes. The Securities to be purchased by each Purchaser hereunder will be represented by the Global Notes in book-entry form. The Global Notes will be deposited with the Common Depositary, and shall be delivered on the Closing Date by or on behalf of the Issuer to the Common Depositary for the respective accounts of the Purchasers free of payment.

SECTION 3 Additional Covenants. The Issuer, the Parent Guarantor, and each of the Subsidiary Guarantors and, on the Accession Date, each Argentine Guarantor, further covenants and agrees with each Purchaser as follows:

a. The Collateral Documents. Subject to the Agreed Security Principles (as defined in the Indenture), all filings and other actions necessary to formalize and perfect the extension of the security interest in the Transaction Security created under the Collateral Documents to the obligations arising from the Notes will be at or prior to the Closing Date or the date of each Post-Closing Collateral Document, as applicable, duly made or taken, including any notification and registration requirements provided for under Spanish law and are or will be, as of their respective applicable dates, in full force and effect. Subject to the Agreed Security Principles and the Enforceability Exceptions, the Transaction Security constitutes or will constitute, as of its applicable date, a perfected first-priority security interest over the Collateral and will, at the Closing Date, or its relevant effective date, secure, the Secured Obligations (as defined in the Intercreditor Agreement), including without limitation, the obligations of each of the Issuer and the Guarantors under the New Notes and the Supplemental Indenture, in accordance with its terms.

- b. Use of Proceeds. The Issuer and the Parent Guarantor upon the Closing Date will apply the proceeds from the sale of the Securities for repayment and discharge of all amounts outstanding under the Revolving Credit Facility and the payment of certain fees and costs, each as described in the Scheme and the Escrow Deed, and otherwise for general corporate purposes.
- c. **The Depositaries**. The Issuer will cooperate with GLAS Specialist Services Limited, as the settlement agent, and use its best efforts to permit the Securities to be eligible for clearance and settlement through the facilities of Euroclear and Clearstream.
- d. **No Integration.** The Issuer agrees that it will not and will cause any Affiliate not to make any offer or sale of securities of the Issuer of any class if, as a result of the doctrine of "integration" referred to in Rule 502 under the Securities Act, such offer or sale would render invalid the exemption from the registration requirements of the Securities Act provided by Section 4(a)(2) thereof, by Regulation S thereunder or otherwise.
- e. **No General Solicitation or Directed Selling Efforts**. The Issuer agrees that it will not and will not permit any of its Affiliates or any other person acting on its or their behalf to (i) solicit offers for, or offer or sell, the Securities (A) by means of any general solicitation or general advertising within the meaning of Rule 502 under the Securities Act or (B) in any manner involving a public offering within the meaning of Section 4(a)(2) of the Securities Act or (ii) engage in any directed selling efforts with respect to the Securities within the meaning of Regulation S, and the Issuer will and will cause all such persons to comply with the offering restrictions requirement of Regulation S with respect to the Securities.
- f. **No Public Offer**. The Issuer agrees that it will not, and will cause any other person acting on its behalf not to make any offer or sale of the Securities if, as a result of such offer or sale, the offer or sale of the Securities would be considered as a public offering in accordance with the Spanish Securities Market Act, the Luxembourg Prospectus Law or with the European Union law, including but without limitation, the Prospectus Regulation.
- g. **Post-Closing Date Collateral Legal Opinions.** Upon the effectiveness of each Post-Closing Collateral Document, which will be no later than 15 Business Days following the Closing Date, the Backstop Purchasers shall have received the favorable opinion of Machado Meyer, which are Brazilian counsel for the Issuer and the Parent Guarantor. The Issuer and the Parent Guarantor shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass upon such matters.
- h. Conditions Precedent. Each of the Issuer and the Guarantors will use its best efforts to do and perform all things required or necessary to be done and performed under this Agreement, the Scheme, and the Escrow Deed by it prior to the Closing Date and to satisfy all conditions precedent to the delivery of the Securities.
- i. **Taxes.** All payments to the Purchasers in respect of the obligations of the Issuer and the Guarantors under this Agreement shall be made free and clear of, and without withholding or deduction for or on account of, any taxes, duties, assessments or governmental charges of whatever nature in any jurisdiction where the Issuer or the Guarantors are incorporated, organized or otherwise resident for tax purposes or from or through which payment is made or any political

subdivision thereof or therein having the power to tax (each, a "Taxing Jurisdiction") unless such withholding or deduction is required by law. In that event, the Issuer or the Guarantors, as the case may be, shall pay such additional amounts as will result in the receipt by the relevant Purchaser of such amounts as would have been received by it if no such withholding or deduction had been required, except to the extent such taxes were levied due to (i) the Purchaser having a present or former connection with a Taxing Jurisdiction other than its participation as the Purchaser hereunder or (ii) the failure of the Purchaser or its agents, as the case may be, upon the reasonable written request of the Issuer or any Guarantor to comply with any form, certificate, document or other reporting requirements concerning the nationality, residence, identity or connection with the Taxing Jurisdiction of the Purchaser or its agents that would have reduced or eliminated such deduction or withholding of taxes.

j. **Listing.** Each of the Issuer and the Parent Guarantor will use its commercially reasonable efforts to, within 30 days of the Closing Date, have the Securities listed and admitted to the Official List (the "Official List") and trading on The International Stock Exchange. For so long as any of the Securities are outstanding, the Issuer will use its commercially reasonable efforts to maintain such listing of the Securities; provided, however, that if the Issuer and the Parent Guarantor can no longer maintain such listing, each of the Issuer and the Parent Guarantor will use all commercially reasonable efforts to obtain and maintain the listing of the Notes on another recognized stock exchange.

SECTION 4 Payment of Fees and Expenses. Each of the Issuer and the Guarantors agree to pay or reimburse to the Purchasers promptly upon requests all costs, fees and reasonable and documented out-of-pocket expenses incurred in connection with the performance of their obligations hereunder and in connection with the transactions contemplated hereby, including, without limitation, (i) all expenses incident to the issuance and delivery of the Securities; (ii) all necessary issue, transfer and other stamp taxes in connection with the issuance and sale of the Securities to the Purchasers, except for a registration, submission or filing by the Purchasers where such registration, submission or filing is or was not required to maintain or preserve the rights of the Purchasers under the relevant document; (iii) the fees and expenses of the Trustee, Security Agent, Escrow Agent, any paying agent and their respective professional advisors; (iv) all costs and expenses incurred in connection with the preparation, printing, filing, shipping and distribution of the Transaction Documents and all amendments and supplements thereto; (v) any expenses (including fees and disbursements of counsel) incurred in connection with qualification of the Securities for sale under the laws of such jurisdictions in Europe and the United States as the Purchasers designate; (vi) any expenses (including notarization fees) relating to the perfection of any security interests or the filing of any Collateral Documents with any governmental agency, body or court; (vii) the cost of listing the Securities and qualifying the Securities for trading on The International Stock Exchange and any expenses incidental thereto, including those of the listing agent; and (viii) all fees and expenses (including reasonable fees and expenses of counsel) of the Issuer and the Guarantors in connection with approval of the Securities by Euroclear and Clearstream for "book-entry" transfer, and the performance by the Issuer and the Guarantors of their respective other obligations under this Agreement.

SECTION 5 Conditions of the Obligations of the Purchasers. The obligations of the several Purchasers to purchase and pay for the Securities as provided herein on the Closing Date shall be subject to the accuracy of the representations and warranties on the part of the Issuer and

the Guarantors set forth in Section 1 hereof as of the date hereof and as of the Closing Date as though then made and to the timely performance by the Issuer of its covenants and other obligations hereunder, and to each of the following additional conditions:

- a. **Luxco Constitutional Documents Amendments.** On or before the Closing Date, the constitutional documents of the Issuer, Codere Luxembourg 1 S.à r.l. ("**Luxco 1**"), and Codere Luxembourg 2 S.à r.l ("**Luxco 2**") shall have each been amended to require that a majority of the managers of each of the Issuer, Luxco 1 and Luxco 2 shall be Luxembourg residents and the Issuer, Luxco 1 and Luxco 2 shall be in compliance with its constitutional documents, as amended.
- b. **Escrow Account.** On or before the Closing Date, the Escrow Funding Condition (as defined in the Scheme) has been satisfied.
- c. **Rating Letters**. At the Closing Date, the Securities shall be rated at least (i) Caa3 by Moody's Investors Service and (ii) CCC- by Fitch Ratings Limited. The Issuer shall have delivered to the Purchasers a letter from each such rating agency, as applicable, or other evidence satisfactory to the Purchasers, confirming their respective credit rating of the Securities.
- d. **Appointment of Agent for Service of Process.** The Issuer and the Guarantors shall have appointed CT Corporation System, as their agent for service of process in accordance with Section 12(b) hereof.
- e. **Closing Date.** The Closing Date is occurring on or prior to the Escrow Long-stop Date.
- f. **Amendments to the Indenture**. The supplemental indentures to the Indenture, documenting, among others, the accession of various Guarantors, as contemplated under the terms of the Indenture, and other changes as reasonably agreed shall be in full force and effect on the Closing Date.
- g. Closing Date Collateral Documents. All Collateral Documents set forth in Parts I and II of Schedule A to this Agreement shall be and shall remain in full force and effect on the Closing Date, including the New Collateral Documents, each of which will become effective simultaneously with the issuance of the Notes.
- h. **Opinion of Counsel for the Issuer.** On the Closing Date the Backstop Purchasers shall have received the favorable opinion, dated the Closing Date, of:
 - (i) Cleary Gottlieb Steen & Hamilton LLP, special U.S. counsel for the Issuer and the Parent Guarantor, in form and substance satisfactory to the Backstop Purchasers;
 - (ii) Clifford Chance S.L.P.U., Spanish counsel for the Issuer and the Parent Guarantor, in form and substance satisfactory to the Backstop Purchasers;
 - (iii) Clifford Chance S.C.S., Luxembourg counsel for the Issuer and the Parent Guarantor, in form and substance satisfactory to the Backstop Purchasers; and

(iv) Allende & Brea Abogados, Posse Herrera Ruiz S.A., Cleary Gottlieb Steen & Hamilton LLP Cuatrecasas S.C., Arias, Fábrega & Fábrega, and Posadas, Posadas, & Vecino, which are Argentine, Colombian, Italian, Mexican, Panamanian and Uruguayan counsel, respectively, for the Issuer and the Parent Guarantor, in form and substance satisfactory to the Backstop Purchasers.

The Issuer and the Parent Guarantor shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass upon such matters.

- i. **Closing Conditions.** On the Closing Date, the Purchasers shall have received the documents listed in Schedule F hereto.
- j. **Existing Notes Indenture.** The Existing Notes Indenture, as amended and supplemented, is in full force and effect and the Existing Notes Amendments shall have become operative.
- k. **Supplemental Indenture**. The Supplemental Indenture relating to the Offering is in full force and effect on the Closing Date.
- 1. **No Material Adverse Change.** For the period from and after the date of this Agreement and prior to the Closing Date in the reasonable judgment of the Backstop Purchasers, taken as a whole, there shall not have occurred any Material Adverse Change.
- m. Additional Documents. On or before the Closing Date, the Purchasers shall have received such information and documents as they may reasonably require in order to evidence the accuracy of any of the representations and warranties, or the satisfaction of any of the conditions or agreements, herein contained.
- n. Consents and Approvals. The Issuer and the Guarantors shall have (i) received on or prior to the Closing Date all consents, approvals, authorizations and other orders of, or qualifications with, each court, regulatory authority, governmental body or agency, or third party, and (ii) given all notices required under relevant law and any material agreements, in each case that are required to execute, deliver and perform the Indenture (including the Guarantees), the Securities, the Collateral Documents and this Agreement by the Closing Date.

The conditions in paragraphs (a) through (d) shall be conditions capable of satisfaction before the Closing Date (the "Pre-Completion Date New Notes Purchase Conditions Precedent"). The conditions in paragraphs (e) through (n) shall be conditions only capable of satisfaction on the Closing Date (the "Completion Date New Notes Purchase Conditions Precedent").

Any condition specified in this Section 5, other than Section 5(f), can be waived by a written notice from, or on behalf of, the Purchasers accounting for 50.1% aggregate principal amount of the Notes offered hereby (the "Majority Purchasers") to the Issuer at any time prior to the Closing Date. This Agreement may be terminated by written notice from the Majority Purchasers on behalf of the Purchasers by notice to the Issuer at any time on or prior to the Closing Date on the earliest to occur of (i) 5:00 p.m. (London time) on October 28, 2020, if any condition specified in this Section 5 has not been satisfied or waived by the Majority Purchasers when and

as required to be satisfied; and (ii) the Scheme having terminated in accordance with its terms. Such termination shall be without liability on the part of any party to any other party, except that Section 4 hereof shall at all times be effective and shall survive such termination.

Upon satisfaction or waiver of all of the conditions specified in this Section 5, the Backstop Purchasers, on behalf of the Purchasers, will notify the Issuer, the Parent Guarantor and the Trustee confirming that all of the conditions specified in this Section 5 have been satisfied and/or waived. Such waiver, notification, or confirmation by the Backstop Purchasers shall be without liability on the part of any party to any other party.

SECTION 6 Representations and Warranties of the Purchasers. Each of the Purchasers, severally and not jointly, represent and warrant to, and agree with the Issuer and each of the Guarantors, in respect the Backstop Purchasers as of the date hereof or, in respect of each New Notes Purchaser as of its Purchaser Accession Date and, in each case, as of the Closing Date, that:

- a. **Organization, Power and Authority.** It is duly organized and validly existing under the laws of its jurisdiction of incorporation; it has the power to execute, deliver and perform this Agreement and any other documentation relating to this Agreement to which it is a party and it has taken all necessary action to authorize such execution, delivery and performance; such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets; all governmental and other consents that are required to have been obtained by it with respect to this Agreement have been obtained and are in full force and effect and all conditions of any such consents have been complied with.
- b. **Resale.** If acquiring Notes sold in reliance upon Section 4(a)(2) of the Securities Act, it, and each account for which it is acting (if any), is acquiring such Notes for its own account, or for one or more accounts (and as to each of which it has authority to acquire the Notes and exercise sole investment discretion), for investment purposes, and not with a view to, or for resale in connection with, the distribution thereof, directly or indirectly, in whole or in part, in the United States in violation of the Securities Act.
- c. **Qualified Institutional Buyer.** It is: (1) a "qualified institutional buyer" within the meaning of such term as set forth in Rule 144A(a)(1) under the Securities Act ("**QIB**") or (2) it, and each account for which it is acting, is outside the United States and not a U.S. person (as defined under Regulation S).
- d. **Qualified Investor**. It, and each account for which it is acting, is (i) a "qualified investor" within the meaning of Regulation (EU) 2017/1129, as amended (the "**Prospectus Regulation**") and (ii) not a "retail investor". The expression "retail investor" means a person who is one (or more) of the following: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended ("**MiFID II**"); or (ii) a customer within the meaning of Directive 2016/97/EU, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. It is an institution which (i) is a sophisticated institutional investor, (ii)

has such knowledge and experience in financial and business matters and expertise in assessing credit risk that it is capable of evaluating the merits and risks of its investments in the Notes (and have sought such accounting, legal, tax and other advice as it has considered necessary to make an informed investment decision), and (iii) it, and each account for which it is acting, if any, is aware that there are substantial risks incident to the purchase of the Notes and is able to bear the economic risk, and sustain a complete loss, of such investment in the Notes.

- e. **Purchaser Qualifications.** It satisfies any and all standards for investors making an investment in the Notes imposed by the jurisdiction of its residence or otherwise applicable to it in connection with its investment in the Notes.
- f. **Financial Regulation.** It, and each account for which it is acting (if any) (i) has professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**"), or (ii) is a person falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the Financial Promotion Order or (iii) is a person to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated.
- No Registration Required. (i) It understands, and each beneficial owner of the Notes for which it is acting (if any) has been advised and understands, that the Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, that any offer and sale of the Notes to it is being made in reliance on an exemption from, or is a transaction not subject to, the registration requirements of the Securities Act in a transaction not involving any public offering in the United States and (ii) with respect to the Notes offered in reliance upon Regulation S, it represents, warrants and undertakes that it, and each beneficial owner of the Notes for which it is acting (if any), has not offered or sold, and will not offer and sell, any Notes to, or for the account or benefit of, U.S. persons (as defined under Regulation S) until 40 days after the Closing Date (the "Distribution Compliance Period"), and will require each subsequent purchaser to whom it resells any Notes during the Distribution Compliance Period prescribed by Regulation S to notify such subsequent purchaser of the Notes of the resale restrictions referred to in sub-clause (i) hereof and Sections 6(b), (i), and (j). It represents and warrants that its purchase of the Notes is lawful under the laws of the jurisdiction of its incorporation and the jurisdiction in which it operates (if different), and that such acquisition will not contravene any law, regulation or regulatory policy applicable to it.
- h. **Due Diligence.** Prior to acquiring the Notes, it has received and read a copy of the Specified Materials, provided to it by the Parent Guarantor, any of the Subsidiaries, affiliates or advisors in connection with the sale of the Notes (the "Sale").
- i. **Legends.** Each Purchaser acknowledges that the Notes will bear a legend substantially in the following form:

"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR

OTHER SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION UNLESS THE TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.

THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) OR (B) IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN "OFFSHORE TRANSACTION" PURSUANT TO RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (2) AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") THAT IS, IN THE CASE OF RESTRICTED GLOBAL SECURITIES, ONE YEAR AND IN THE CASE OF REGULATION S GLOBAL SECURITIES, 40 DAYS (OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY RULE 144A OR REGULATION S UNDER THE SECURITIES ACT OR ANY SUCCESSOR PROVISION THEREUNDER) AFTER THE ORIGINAL ISSUE DATE HEREOF ONLY (A) TO THE ISSUER, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT THAT PURCHASES FOR ITS ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, OR (E) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE ISSUER'S AND THE [AGENT'S][TRUSTEE'S] RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSES (D) OR (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM. THIS LEGEND SHALL BE REMOVED UPON THE REOUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE."

j. **Resale Notification.** It and any subsequent holder of the Notes will notify any person to whom it subsequently re-offers, resells, pledges, transfers or otherwise disposes of the Notes of the foregoing restrictions on transfer and any certificates evidencing such securities shall contain a legend referring to such restrictions on transferability.

- k. **Resale Restrictions.** It understands that any subsequent transfer of Notes by it is subject to the restrictions and conditions set forth in the contractual and constitutional documents constituting the Notes and it agrees to be bound by, and not to resell, pledge or otherwise transfer any Notes except in compliance with such restriction.
- l. **Documentary Authorizations.** It authorizes the Scheme Company and the Issuer (as appropriate) or any person authorized by them, as their agent, to do all things necessary to effect the recording or registration of its name(s) as holder(s) of any of the Notes purchased by it and authorize any representative of the Scheme Company or the Issuer (as appropriate) to execute and/or complete any document required for that purpose.
- m. Independent Investigation and Appraisal. It has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Notes. Each Purchaser has made its own independent investigation and appraisal of the business, results, financial condition, prospects, creditworthiness, status and affairs of the Parent Guarantor and the Subsidiaries and, following such investigation and appraisal and the other due diligence that it deemed necessary and subsequently conducted in connection with the Sale, it has made its own investment decision to acquire the Notes. It is aware and understands that an investment in the Notes involves a considerable degree of risk, no U.S. federal or state or non-U.S. agency has made any finding or determination as to the fairness for investment or any recommendation or endorsement of any such investment and that it must bear the economic risks of the investment in the Notes for an indefinite period of time.
- n. **No Solicitation.** It, and any account for which it is acting (if any), became aware of this Sale of the Notes, and the Notes were offered to it and each account for which it is acting (if any), solely by means of direct contact between the Parent Guarantor, the Issuer, the Guarantors and not by any other means. It, and any account for which it is acting (if any), did not become aware of this Sale of the Notes, and the Notes were not offered to it or any account for which it is acting (if any), by means of any form of general solicitation or general advertising within the meaning of Rule 502(c) of Regulation D under the Securities Act or in any manner involving a public offering within the meaning of Section 4(a)(2) of the Securities Act or through any directed selling efforts within the meaning of Regulation S.
- o. Reliance. It acknowledges that the Issuer, the Guarantors, the Subsidiaries and affiliates, and others will rely upon the truth and accuracy of the acknowledgements, representations, warranties and agreements contained herein and agrees that (a) if, at any time on or prior to the Closing Date, any of the acknowledgements, representations, warranties and agreements by it made herein and in connection with acquiring the Notes is no longer accurate, it shall promptly notify, in writing, the Issuer, and (b) if it is acquiring the Notes as a fiduciary or agent for one or more investor accounts, it confirms and represents that it has sole investment discretion with respect to each such account and that it has been duly authorized to sign this Agreement and has full power to, and does, make the acknowledgements, representations, warranties and agreements made herein on behalf of such account and the provisions of this Agreement constitute legal, valid and binding obligations of it and any other person for whose account it is acting (if any). It shall be deemed to have repeated such representations, warranties, agreements and acknowledgements as of the Closing Date. It acknowledges that the Issuer would

not have introduced this investment opportunity to it without the execution and delivery of this Agreement.

p. Additional Information. It acknowledges that the Issuer may request from it and/or any account for which it is acting (if any) such additional information as the Issuer may deem necessary to evaluate its eligibility or the eligibility of any account for which it is acting to acquire the Notes, and may request from time to time such information as the Issuer may reasonably deem necessary to determine its eligibility or eligibility of any account for which it is acting to hold the Notes or to enable the Issuer to comply with applicable regulatory requirements or tax law, and it and each account for which it is acting (if any) shall use reasonable efforts to provide such information as may reasonably be requested, in each case subject to the confidentiality obligations set forth herein; *provided* that in no event shall any Purchaser be obligated to disclose the name (or any other identifying information) of its limited partners, members or shareholders.

The representations, warranties, covenants and agreements contained in this Section 6 are for the benefit of each of the Issuer, the Parent Guarantor, its Subsidiaries and affiliates and any person acting on their behalf. The Issuer, the Guarantors and their Subsidiaries and affiliates and any person acting on their behalf are irrevocably authorized to produce this Agreement or a copy hereof to any interested party in any administrative or legal proceedings, dispute or official inquiry with respect to the matters covered hereby, in each case subject to the confidentiality obligations of the Issuer, the Guarantors and the Subsidiaries set forth herein.

SECTION 7 **Scheme Condition.** This Agreement may be terminated by the Issuer by notice to the Purchasers (which notice may be provided by public release or otherwise at the Issuer's sole discretion) at any time on or prior to the Closing Date if the Scheme is terminated in accordance with its terms. Such termination shall be without liability on the part of any party to any other party, except that Section 4 hereof shall at all times be effective and shall survive such termination.

SECTION 8 Representations and Indemnities to Survive Delivery. The respective currency indemnities, agreements, representations, warranties and other statements of the Issuer, the Guarantors, their respective officers and the several Purchasers set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation made by or on behalf of any Purchaser, the Issuer, any Guarantor or any of their partners, officers or directors or any controlling person, as the case may be, and will survive delivery of and payment for the Securities sold hereunder and any termination of this Agreement.

SECTION 9 **Notices**. All communications hereunder shall be in writing and shall be mailed, hand delivered, couriered or facsimiled and confirmed to the parties hereto as follows:

If to the Backstop Purchasers: in accordance with the contact details set forth for each Backstop Purchaser in the Backstop Purchaser Side Letters with a copy to Milbank LLP, attention: Rebecca Marques (telephone no: +44 20 7615 3099; e-mail: rmarques@milbank.com).

If to the New Notes Purchasers: GLAS Specialist Services Limited, 45 Ludgate Hill, London, United Kingdom, EC4M 7JU, email: <u>LM@glas.agency</u> / <u>Codere@glas.agency</u>, or the respective Purchaser's email address, as provided to the Information Agent.

If to the Issuer or the Guarantors: Codere S.A., Avenida de Bruselas 26, 28108, Alcobendas, Madrid, Spain, Facsimile: +34 91 354 2880, Attention: Angel Corzo Uceda (telephone no: +34 913-542-836) and 6C, rue Gabriel Lippmann, L-5365 Munsbach, Luxembourg, Attention: Eric Lie (telephone no. +352 26 25 88 88 61); with a copy to Cleary Gottlieb Steen & Hamilton LLP, attention: Duane McLaughlin (telephone no: +1 (212) 225-2106; fax no: +1 (212) 693 9716).

Any party hereto may change the address or facsimile number for receipt of communications by giving written notice to the others.

SECTION 10 Successors. This Agreement shall inure to the sole and exclusive benefit of and be binding upon the Purchasers, the Issuer and the Guarantors party hereto and their respective successors. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, firm or corporation, other than the Purchasers, the Issuer and the Guarantors party hereto and their respective successors and their heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. No purchaser of Notes from any Purchaser shall be deemed to be a successor by reason merely of such purchase.

SECTION 11 **Partial Unenforceability**. The invalidity or unenforceability of any section, paragraph or provision of this Agreement shall not affect the validity or enforceability of any other section, paragraph or provision hereof. If any section, paragraph or provision of this Agreement is for any reason determined to be invalid or unenforceable, there shall be deemed to be made such minor changes (and only such minor changes) as are necessary to make it valid and enforceable.

SECTION 12 **Governing Law Provisions**. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED IN SUCH STATE WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES THEREOF.

a. Consent to Jurisdiction. Any legal suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby ("Related Proceedings") may be instituted in the federal courts of the United States of America located in the City and County of New York or the courts of the State of New York in each case located in the City and County of New York (collectively, the "Specified Courts"). Each of the parties hereto hereby expressly and irrevocably submits to the jurisdiction of the Specified Courts in any Related Proceedings agree not to commence any Related Proceedings except in the Specified Courts, and hereby waive their rights to any other jurisdiction that may apply by virtue of their present or any future domicile or for any other reason. Except with respect to Codere México, service of any process, summons, notice or document by mail to such party's address set forth above shall be effective service of process for any Related Proceeding brought in any Specified Court. The parties irrevocably and unconditionally waive any objection to the laying of venue of any Related Proceeding in the

Specified Courts and irrevocably and unconditionally waive and agree not to plead or claim in any Specified Court that any Related Proceeding brought in any Specified Court has been brought in an inconvenient forum. To the extent permitted by law, each of the Issuer and the Guarantors hereby waives any objections to the enforcement by any competent court in Spain of any judgment validly obtained in any such court in New York on the basis of any such legal suit, action or proceeding.

- Appointment of Agent for Service of Process. Prior to the Closing Date, the b. Issuer and each of the Guarantors will (i) irrevocably appoint CT Corporation System with offices on the date hereof of 28 Liberty Street, New York, New York 10005 (the "Process Agent"), as its agent to receive service of process or other legal summons for purposes of any Related Proceeding that may be instituted in any Specified Court, and (ii) and agrees that service of process upon said Process Agent at said address and written notice of said service mailed or delivered to the Issuer and the Guarantors in the manner provided herein shall be deemed in every respect effective service of process upon the Issuer and the Guarantors, in any such suit, action or proceeding. If such Process Agent shall cease so to act or ceases to have an office in New York, New York or is dissolved without leaving a successor, the Issuer and the Guarantors covenant and agree to irrevocably designate and appoint without delay another Process Agent with an office in New York, New York and to deliver promptly evidence in writing of such other Process Agent's acceptance of such appointment. Codere Mexico, S.A. de C.V. shall grant a special irrevocable power of attorney for lawsuits and collections (pleitos y cobranzas) notarized by a Mexican Notary Public in favor of the Process Agent in form and substance satisfactory to the Purchasers, and the parties hereto hereby agree that the granting of such power of attorney shall be a condition precedent to the effectiveness of this Agreement.
- c. Waiver of Immunity. With respect to any Related Proceeding, each party expressly and irrevocably waives, to the fullest extent permitted by applicable law, all immunity (whether on the basis of sovereignty or otherwise) from jurisdiction, service of process, attachment (both before and after judgment) and execution to which it might otherwise be entitled in the Specified Courts, and with respect to any final judgment in any Related Proceeding (a "Related Judgment"), each party waives any such immunity in the Specified Courts or any other court of competent jurisdiction, and will not raise or claim or cause to be pleaded any such immunity at or in respect of any such Related Proceeding or Related Judgment, including, without limitation, any immunity pursuant to the United States Foreign Sovereign Immunities Act of 1976, as amended.
- d. **Judgment Currency.** If for the purposes of obtaining judgment in any court it is necessary to convert a sum due hereunder into any currency other than U.S. dollars, the parties hereto agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be the rate at which in accordance with normal banking procedures the Purchasers could purchase U.S. dollars with such other currency in The City of New York on the Business Day preceding that on which final judgment is given. The obligations of the Issuer and each Guarantor in respect of any sum due from them to any Purchaser shall, notwithstanding any judgment in any currency other than U.S. dollars, not be discharged until the first Business Day, following receipt by such Purchaser of any sum adjudged to be so due in such other currency, on which (and only to the extent that) such Purchaser may in accordance with normal banking procedures purchase U.S. dollars with such other currency; if the U.S. dollars so purchased are less than the sum originally due to such Purchaser hereunder, the Issuer and each Guarantor agrees, as a separate

obligation and notwithstanding any such judgment, to indemnify such Purchaser against such loss. If the U.S. dollars so purchased are greater than the sum originally due to such Purchaser hereunder, such Purchaser agrees to pay to the Issuer and the Guarantors (but without duplication) an amount equal to the excess of the U.S. dollars so purchased over the sum originally due to such Purchaser hereunder.

SECTION 13 Effectiveness.

- a. This Agreement shall become effective upon the execution and delivery hereof by the Issuer, the Guarantors and the Backstop Purchasers.
- b. This Agreement shall become effective as to each New Notes Purchaser on its Purchaser Accession Date, upon which, each New Notes Purchaser agrees to be bound by the terms, conditions and other provisions of this Agreement as described in the New Notes Purchaser Letter, with all attendant rights, duties and obligations stated herein, with the same force and effect as if such party had executed this Agreement on the date hereof.

SECTION 14 Accession of the Argentine Guarantors. This Agreement shall become effective as to each Argentine Guarantor on the Accession Date. Upon execution and delivery of the Accession Agreement, substantially in the form of Schedules D-1 and D-2, each Argentine Guarantor agrees to be bound by the terms, conditions and other provisions of this Agreement as described in the Accession Agreement, with all attendant rights, duties and obligations stated herein, with the same force and effect as if such party had executed this Agreement on the date hereof.

SECTION 15 **Default of One or More of the Purchasers**. If any one or more of the Purchasers shall fail or refuse to fund the Escrow Account for the Securities it or they have agreed to purchase pursuant to this Agreement, the Scheme, and the New Notes Purchaser Letter by the Funding Deadline, the Issuer shall have the right to make arrangements for one or more of the non-defaulting Purchasers in accordance with the Scheme, to purchase all, or less than all, of the Securities which such defaulting Purchaser or Purchasers agreed but failed or refused to purchase on the Funding Deadline, provided that the amount of Securities issued on the Closing Date may not be less than €155,000,000, unless the Majority Purchasers and the Issuer otherwise agree. If the Issuer wishes to make such arrangements, the Issuer may extend the Funding Deadline for such non-defaulting Purchasers to no later than two Business Days before the Closing Date.

The obligations of each Purchaser under this Agreement are several but not joint. Therefore, none of the Purchasers shall be deemed to guarantee or in any way assume the obligations of the other Purchasers, either personally, *in rem* or otherwise.

SECTION 16 **Assignment of Rights**. If between the date of this Agreement and the Closing Date any Backstop Purchaser becomes ineligible to purchase the Notes due to any legal, regulatory, or internal compliance reasons, such Backstop Purchaser shall have the right to assign its rights and obligations to one or more of its affiliates pursuant to a New York law governed "**Assignment Agreement**." All duties and obligations of such Backstop Purchaser under this Agreement shall be novated following such an assignment, and the assignee shall fulfill such duties and obligations as of the date of the applicable Assignment Agreement. For the avoidance of doubt,

this Section will not release any Backstop Purchaser from its obligations under this Agreement, until such time as an Assignment Agreement is in full force and effect.

SECTION 17 **Scheme Company Offer**. In accordance with the Intercreditor Agreement, the Parent Guarantor offers to accede the Scheme Company to the Indenture as a guarantor, and, by their execution of this Agreement, the Backstop Purchasers, to the extent they are holders of the Original Notes under the Indenture, hereby decline such offer and agree to enter into an instruction letter, addressed to the Trustee, evidencing such decline and their respective holdings of the Original Notes.

SECTION 18 **General Provisions**. This Agreement may be executed in two or more counterparts, each one of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by telecopier, facsimile, E-Signatures or other electronic transmission (*i.e.*, a "pdf" or "tif") shall be effective as delivery of a manually executed counterpart thereof. As used in this Agreement, "**E-Signature**" means any form of signature other than an original handwritten signature, including any type of image created in any manner (whether electronically or otherwise) which image could reasonably be interpreted as an indication of the signer's intent to sign the document. This Agreement may not be amended or modified unless in writing by all of the parties hereto, and no condition herein (express or implied) may be waived unless waived in writing by each party, or each party's representative, whom the condition is meant to benefit. The section headings herein are for the convenience of the parties only and shall not affect the construction or interpretation of this Agreement.

SECTION 19 **Raising to Public Status.** The Issuer and each of the Spanish Guarantors undertake to raise this Agreement, jointly with any Accession Agreements in connection herewith, to the status of a Spanish public document (*documento público*), by means of the granting of the relevant deed (*escritura pública*) before a Spanish Notary, within five Business Days from the request by any of the Backstop Purchasers.

$[SIGNATURE\ PAGES\ REDACTED]$

Collateral Documents

Part I: Existing Collateral Documents

- 1. an amendment and restatement agreement in respect of the Luxembourg law governed share pledge agreement between Codere Luxembourg 1 S.à r.l. as pledgor and the Security Agent as pledgee in respect of shares in Codere Luxembourg 2 S.à r.l.;
- 2. an amendment and restatement agreement in respect of the Luxembourg law governed share pledge agreement between Codere Newco S.A.U. as pledgor and the Security Agent as pledgee in respect of shares held by Codere Newco S.A.U. in Codere Finance 2 (Luxembourg) S.A.;
- 3. a Spanish law governed pledge and charge over shares between Codere Luxembourg 2 S.à r.l. as pledgor and the Security Agent, in its own name and on behalf of the secured parties, as pledgees in respect of shares in Codere Newco S.A.U.;
- 4. a Spanish law governed pledge and charge over shares between Codere Newco S.A.U. as pledgor and the Security Agent, in its own name and on behalf of the secured parties, as pledgees in respect of shares in Codere Internacional S.A.U.;
- 5. a Spanish law governed pledge and charge over shares between Codere Internacional S.A.U. as pledgor and the Security Agent, in its own name and on behalf of the secured parties, as pledgees in respect of shares in Codere Internacional Dos S.A.U.;
- 6. a Spanish law governed pledge and charge over shares between Codere Internacional Dos S.A.U. as pledgor and the Security Agent, in its own name and on behalf of the secured parties, as pledgees in respect of shares in Codere America S.A.U.;
- 7. a Spanish law governed pledge and charge over shares between Codere Internacional Dos S.A.U. as pledgor and the Security Agent, in its own name and on behalf of the secured parties, as pledgees in respect of shares in Colonder S.A.U.;
- 8. a Spanish law governed pledge and charge over shares between Codere Internacional Dos S.A.U. as pledgor and the Security Agent, in its own name and on behalf of the secured parties, as pledgees in respect of shares in Nididem S.A.U.;
- 9. a Spanish law governed pledge and charge over shares between Codere Newco S.A.U. as pledgor and the Security Agent in its own name and on behalf of the secured parties, as pledgee in respect of shares in Codere España S.A.U.;
- 10. a Spanish law governed pledge and charge over shares between Codere España S.A.U. as pledgor and the Security Agent, in its own name and on behalf of the secured parties, as pledgees in respect of shares in Operiberica S.A.U.;
- 11. a Spanish law governed pledge and charge over shares between Codere Internacional Dos S.A.U. and Codere Newco S.A.U. as pledgors and the Security Agent, in its own name and on behalf of the secured parties, as pledgees in respect of shares in Codere Latam S.A.;

- 12. a Spanish law governed pledge and charge over shares between Codere Newco S.A.U. as pledgor and the Security Agent, in its own name and on behalf of the secured parties, as pledgees in respect of shares in Codere Apuestas España S.L.U.;
- 13. a Spanish law governed pledge and charge over shares between Codere España S.A.U. as pledgor and the Security Agent, in its own name and on behalf of the secured parties, as pledgees in respect of shares in Codere Operadoras de Apuestas, S.L.U.;
- 14. a Spanish law governed pledge and charge over shares between Codere España S.A.U. as pledgor and the Security Agent, in its own name and on behalf of the secured parties, as pledgees in respect of shares in JPVMATIC 2005, S.L.U. (the documents listed in paragraphs 3 to 14 (both inclusive), Collectively referred to as the "Spanish Collateral Documents");
- 15. an English law governed master intra-group loan security document between Codere S.A., Codere Luxembourg 1 S.à r.l. as chargors and the Security Agent, in its own name and on behalf of the secured parties;
- 16. an amendment and restatement agreement in respect of the Luxembourg law governed share pledge agreement between Codere S.A. as pledgor and the Security Agent as pledgee in respect of shares in Codere Luxembourg 1 S.à r.l.;
- 17. a Mexican law governed pledge and charge over shares between Coderco, S.A. de C.V., SOFOM, E.N.R., Promociones Recreativas Mexicanas, S.A. de C.V., Codere Latam S.A. and Nididem S.A.U. as pledger and the Security Agent as pledgee in respect of shares in Codere México, S.A. de C.V.;
- 18. a Brazilian law governed pledge and charge over quotas between Codere Latam S.A., Codere Internacional Dos S.A.U. and Nididem S.A.U., as pledgors, and the Security Agent, as pledgee, in respect of quotas in Codere do Brasil Entretenimento Ltda;
- 19. a Uruguayan law governed amendment to the pledge agreement granted on December 13, 2016 between Codere Latam S.A. as pledgor and the Security Agent as pledgee in respect of shares in Codere Uruguay, S.A.;
- 20. a Colombian law governed pledge and charge over shares between Codere Internacional Dos, S.A.U., Codere Latam S.A., Nididem, S.A.U., Codere Internacional, S.A.U., Codere Colombia S.A., and Codere Latam Colombia S.A. as pledgors and the Security Agent as pledgee in respect of shares in Codere Colombia S.A.;
- 21. a Colombian law governed pledge and charge over shares between Colonder, S.A., Codere Latam S.A., Nididem, S.A.U., Codere Internacional, S.A.U. and Codere Internacional Dos S.A. as pledgors and the Security Agent as pledgee in respect of shares in Codere Latam Colombia S.A;
- 22. an Italian law governed pledge over shares between, *inter alios*, Codere Internacional S.A.U. as pledgor and the Security Agent as pledgee in respect of shares in Codere Italia S.p.A.;
- 23. an Italian law governed pledge over shares between, *inter alios*, Codematica S.r.L. as pledgor and the Security Agent as pledgee in respect of shares in Codere Network S.p.A.;

- 24. an Italian law governed pledge over shares between, *inter alios*, Codere Italia S.p.A. as pledgor and the Security Agent as pledgee in respect of the shares of Operbingo Italia S.p.A.;
- 25. an Argentinian law governed amendment share pledge offer and charge over shares between Iberargen S.A, and Colonder S.A.U. as pledgors and the Security Agent as pledgee in respect of shares in Codere Argentina S.A and the corresponding Argentinian law governed acceptance letter thereto, amending the pledge agreement resulting from the share pledge offer and charge over shares dated December 7, 2016 and accepted on December 14, 2016, as amended;
- 26. an Argentinian law governed amendment share pledge offer and charge over shares between Codere Argentina S.A. and Colonder S.A.U. as pledgors and the Security Agent as pledgee in respect of shares in Interjuegos S.A. and the corresponding Argentinian law governed acceptance letter thereto, amending the pledge agreement resulting from the share pledge offer and charge over shares dated December 7, 2016 and accepted on December 14, 2016, as amended;
- 27. an Argentinian law governed amendment share pledge offer and charge over shares between Codere Argentina S.A. and Colonder S.A.U. as pledgors and the Security Agent as pledgee in respect of shares in Intermar Bingos S.A. and the corresponding Argentinian law governed acceptance letter thereto, amending the pledge agreement resulting from the share pledge offer and charge over shares dated December 7, 2016 and accepted on December 14, 2016, as amended;
- 28. an Argentinian law governed amendment share pledge offer and charge over shares between Codere Argentina S.A. and Colonder S.A.U. as pledgors and the Security Agent as pledgee in respect of shares in Bingos Platenses S.A. and the corresponding Argentinian law governed acceptance letter thereto, amending the pledge agreement resulting from the share pledge offer and charge over shares dated December 7, 2016 and accepted on December 14, 2016, as amended;
- 29. an Argentinian law governed amendment share pledge offer and charge over shares between Colonder S.A.U. and Nididem S.L.U. as pledgors and the Security Agent as pledgee in respect of shares in Iberargen S.A. and the corresponding Argentinian law governed acceptance letter thereto, amending the pledge agreement resulting from the share pledge offer and charge over shares dated December 7, 2016 and accepted on December 14, 2016, as amended;
- 30. an Argentinian law governed amendment share pledge offer and charge over shares between Iberargen S.A. and Colonder S.A.U. as pledgors and the Security Agent as pledgee in respect of shares in Interbas S.A. and the corresponding Argentinian law governed acceptance letter thereto, amending the pledge agreement resulting from the share pledge offer and charge over shares dated December 7, 2016 and accepted on December 14, 2016, as amended;
- 31. an Argentinian law governed amendment share pledge offer and charge over shares between Codere Argentina S.A. and Bingos Platenses S.A. as pledgors and the Security Agent as pledgee in respect of shares in Bingos del Oeste S.A. and the corresponding Argentinian law governed acceptance letter thereto, amending the pledge agreement

- resulting from the share pledge offer and charge over shares dated June 26, 2019 and accepted on June 28, 2019, as amended; and
- 32. an Argentinian law governed amendment share pledge offer and charge over shares between Codere Argentina S.A. and Bingos del Oeste S.A. as pledgors and the Security Agent as pledgee in respect of shares in San Jaime S.A. and the corresponding Argentinian law governed acceptance letter thereto, amending the pledge agreement resulting from the share pledge offer and charge over shares dated June 26, 2019 and accepted on June 28, 2019, as amended (paragraphs (1) to (32), collectively the "Existing Collateral Documents").

Part II: New Collateral Documents

- 1. a master confirmation agreement to the Luxembourg security documents, documenting that the Luxembourg security documents shall be and shall remain in full force and effect on the Closing Date;
- 2. a Spanish law governed extension and ratification of the Spanish Collateral Documents;
- 3. an amendment and/or a confirmation and extension agreement in respect of the Italian law governed pledge over shares between, *inter alios*, Codere Internacional S.A.U. as pledgor and the Security Agent as pledgee in respect of shares in Codere Italia S.p.A.;
- 4. an amendment and/or a confirmation and extension agreement in respect of the Italian law governed pledge over shares between, *inter alios*, Codematica S.r.L. as pledgor and the Security Agent as pledgee in respect of shares in Codere Network S.p.A.; and
- 5. an amendment and/or a confirmation and extension agreement in respect of the Italian law governed pledge over shares between, *inter alios*, Codere Italia S.p.A. as pledgor and the Security Agent as pledgee in respect of the shares of Operbingo Italia S.p.A (paragraphs (1) to (5), collectively the "New Collateral Documents").

Part III: Post-Closing Collateral Documents

1. an amendment to the Brazilian law governed pledge and charge over quotas between Codere Latam S.A., Codere Internacional Dos S.A.U. and Nididem S.A.U., as pledgors, and the Security Agent, as pledgee, in respect of quotas in Codere do Brasil Entretenimento Ltda.

SCHEDULE B

Subsidiaries of the Parent Guarantor

Subsidiary	Percentage Owned
BINGOS DEL OESTE S.A.	100.00%
BINGOS PLATENSES S.A.	100.00%
CODERE ARGENTINA S.A.	100.00%
INTERJUEGOS S.A.	100.00%
INTERMAR BINGOS S.A.	80.00%
SAN JAIME S.A.	100.00%
IBERARGEN S.A.	100.00%
INTERBAS S.A.	100.00%
ITAPOAN S.A.	81.80%
CODERE MEXICO S.A. DE C.V.	100.00%
PROMOC. RECR. MEXICANAS S.A.	100.00%
RECREATIVOS CODERE S.A. DE C.V.	100.00%
RECREATIVOS MARINA S.A. DE C.V.	100.00%
CODERE OPERADORAS DE APUESTAS S.L.U.	100.00%
SERVICIOS DE JUEGO ONLINE S.A.U.	100.00%
LIBROS FORANEOS S.A. DE C.V.	100.00%
OPERADORA DE ESPECTACULOS DEPORTIVOS S.A. DE C.V.	100.00%
OPERADORA CANTABRIA DE C.V.	100.00%
CODERE ONLINE OPERATOR LTD.	100.00%
MIO GAMES S.A. DE C.V.	100.00%
PROMOJUEGOS DE MEXICO S.A. DE CV.	100.00%
ADMINISTRADORA MEXICANA HIPODROMO S.A. DE CV.	84.80%
CALLE ENTRETENIMIENTO LAS AMÉRICAS S.A. DE C.V.	84.80%
ENTRETENIMIENTO RECREATIVO S.A. DE C.V.	84.80%
ENTRETENIMIENTO VIRTUAL S.A. DE C.V.	84.80%
CODERE ONLINE MANAGEMENT SERVICES LTD.	100.00%
IMPULSORA RECREATIVA DE ENTRETENIMIENTO AMH S.A.	
DE C.V.	84.80%
JUEGAMAX DE LAS AMÉRICAS S.A. DE C.V.	84.80%
ICELA SAPI DE C.V.	84.80%
SERVICIOS ADMINISTRATICOS DEL HIPÓDROMO	84.80%
COMERCIALIZADORA SORTIJUEGOS	84.80%
CODERE INTERACTIVA S.L.	90.00%
CODERE LUXEMBOURG 2 S.A.R.L.	100.00%
ALTA CORDILLERA S.A.	75.00%
CIA. DE. RECREAT. PANAMA S.A.	100.00%
HIPICA DE PANAMA S.A.	75.00%
BINGOS CODERE S.A.	99.99%
CODERE COLOMBIA S.A.	99.99%
INTERSARE S.A.	59.89%

CODERE URLICUANA	100 000/
CODERE URUGUAY S.A.	100.00%
CODERE DO BRASIL ENTRETENIMIENTO LTD.	100.00%
HRU S.A.	100.00%
CALLE ICELA SAPI DE C.V.	50.00%
CODERE DISTRIBUCIONES S.L.U.	100.00%
HOTEL ENTRETENIMIENTO LAS AMÉRICAS S.A. DE C.V.	49.00%
CODERE GIRONA S.A.	66.67%
CODERE HUESCA S.L.	51.02%
CODERE LOGROÑO S.L.	75.03%
CODERE ALICANTE S.L.	59.00%
COMERCIAL YONTXA S.A.	51.00%
JMQUERO ASOCIADOS S.A.U.	100.00%
JPVMATIC 2005 S.L.U.	100.00%
OPER-SHERKA S.L.U.	100.00%
CODERE APUESTAS BALEARES S.A.U.	100.00%
OPEROESTE S.A.	50.00%
HOTEL ICELA SAPI DE C.V.	50.00%
RECREATIVOS OBELISCO S.L.	60.61%
CODERE APUESTAS ANDALUCÍA S.A.U.	100.00%
CODERE SERVICIOS S.L.U.	100.00%
CODERE LATAM COLOMBIA S.A.	100.00%
CODERE CASTILLA Y LEÓN S.L.U.	100.00%
CODERE NAVARRA S.A.U.	100.00%
CODERE (GIBRALTAR) MARKETING SERVICES LTD.	100.00%
MISURI S.A.U.	100.00%
CODERCO S.A. DE C.V. SOFOM E.N.R.	100.00%
CODERE APUESTAS ARAGÓN S.L.U.	100.00%
CODERE APUESTAS ESPAÑA S.L.U.	100.00%
CODERE APUESTAS GALICIA S.L.	51.00%
CODERE APUESTAS MURCIA S.L.U.	100.00%
CODERE APUESTAS CATALUÑA S.A.U.	100.00%
CODERE APUESTAS NAVARRA S.A.U.	100.00%
CODERE APUESTAS VALENCIA S.A.U.	100.00%
CODERE APUESTAS S.A.U.	100.00%
CODERE APUESTAS LA RIOJA S.A.U.	100.00%
GARAIPEN VICTORIA APUSTUAK S.L.	85.19%
CODERE APUESTAS CANTABRIA S.A.U.	100.00%
CODERE APUESTAS CASTILLA LA MANCHA S.A.U.	100.00%
CODERE APUESTAS EXTREMADURA S.A.U.	100.00%
CODERE APUESTAS CASTILLA Y LEON S.A.U.	100.00%
CODERE APUESTAS ASTURIAS S.A.U.	51.00%
CODERE APUESTAS MELILLA S.A.U.	100.00%
CODERE APUESTAS CEUTA S.L.U.	100.00%
CODERE ONLINE S.A.U.	100.00%
OPERADORES ELECTRÓNICOS DE ANDALUCIA S.A.	51.00%
EOVEX S.L.	6.72%

KING BINGO S.R.L.	85.00%
KING SLOT S.R.L.	85.00%
OPERBINGO ITALIA S.P.A.	100.00%
MILLENIAL GAMING S.A.U.	100.00%
ROYUELA RECREATIVOS S.L.U	100.00%
IPM MÁQUINAS S.L.U.	100.00%
JUEGO RESPONSABLE A.I.E.	50.00%
CODERE ITALIA S.P.A.	100.00%
CRISTALTEC SERVICE S.R.L.	51.00%
DP SERVICE S.R.L.	60.00%
FG SLOT SERVICE S.R.L.	55.00%
GAMING RE S.R.L.	75.00%
GAP GAMES S.R.L.	51.00%
SEVEN CORA S.R.L.	60.00%
VASA & AZZENA S.R.L.	51.00%
NEW JOKER S.R.L.	30.00%
BETSLOTS CR-COD S.L.U.	51.00%
G.A.R.E.T. S.R.L.	51.00%
CODEMATICA S.R.L.	93.50%
EL PORTALON S.L.	50.00%
CODERE ESPAÑA S.A.U.	100.00%
CODERE INTERNACIONAL S.A.U.	100.00%
HIPPOBINGO FIRENZE S.R.L.	34.00%
COLONDER S.A.U.	100.00%
CODERE INTERNACIONAL DOS S.A.U.	100.00%
CARRASCO NOBILE S.A.	100.00%
NIDIDEM S.A.U.	100.00%
CODERE LATAM S.A.	100.00%
CODERE CHILE LTD.	100.00%
CODERE FINANCE 2 (LUXEMBURG), S.A.	100.00%
SERVICIOS COMPARTIDOS EN FACTOR HUMANO	100.0070
HIPÓDROMO	84.80%
RESTI Y CIA S.L.	50.00%
CODERE LUXEMBOURG 1 S.A.R.L.	100.00%
CODERE NEWCO S.A.U.	100.00%
SPORT BET EXTREMADURA S.L.	100.00%
OPERIBERICA S.A.U. APUESTAS DEL PRINCIPADO DE ASTURIAS S.A.	100.00%
	51.00%
GAME ASTURIAS S.L.U.	100.00%
RECREATIVOS CASTELLANOS DEL AZAR S.L.	20.00%
ANDALUZA DE DESARROLLOS ELECTRON S.A.	1.67%
RECREATIVOS ACR S.L.	50.00%
AGRUPACIÓN DE OPERADORES DE MADRID S.A.	2.08%
CODERE GUADALAJA-RA S.L.	50.00%
CODERE SCOMMESE S.R.L.	100.00%
CODERE NETWORK S.R.L.	93.50%

NORI GAMES SERVICE S.R.L.	51.00%
SE.BI.LOT S.R.L.	51.00%
CODERE AMERICA S.A.U.	100.00%
CODERE ISRAEL MARKETING SUPPORT SERVICES LTD.	100.00%
CENTRO DE CONVENCIONES LAS AMÉRICAS SA DE C.V.	49.00%
CCJV S.A.P.I. DE C.V.	75.00%

Specified Materials

- The amended and restated Existing Notes indenture.
- Amended Existing Notes global certificates.
- The Indenture.
- The 1st Supplemental Indenture dated August 28, 2020.
- The form of the 2nd Supplemental indenture to be dated prior to the Closing Date.
- The Intercreditor Agreement.
- The practice statement letter issued by the Scheme Company dated August 6, 2020.
- The "Scheme Document" to be issued by the Scheme Company on or around September 4, 2020 in relation to the scheme of arrangement under Part 26 of the Companies Act 2006 to be proposed by the Scheme Company to certain of its creditors.
- Q1 2020 Earnings Results dated May 28, 2020 and Q2 2020 Earnings Results, upon its release, prior to the Closing Date.

[Form of Accession Offer for Argentine Guarantors]

To: GLAS Trustees Limited

From: Bingos del Oeste S.A., Bingos Platenses S.A., Codere Argentina S.A., Iberargen S.A., Interbas S.A., Interjuegos S.A., Intermar Bingos S.A. and San Jaime S.A. (each an "Argentine Cuerenters")

"Argentine Guarantor" and together the "Argentine Guarantors")

Dated: August 28, 2020

Ref.: Offer 03/2020

Dear Sirs or Madams,

Codere Finance 2 (Luxembourg) S.A.

€165,000,000 Fixed Rate Super Senior Secured Notes due 2023

We make reference to the Purchase Agreement dated as of August 28, 2020 (the "Purchase Agreement"), among Codere Finance 2 (Luxembourg) S.A. and the Purchasers as defined therein, in connection with the purchase by the Purchasers of €165,000,000 principal amount of the Issuer's Fixed Rate Super Senior Secured Notes due 2023 (the "Notes").

WHEREAS, the Purchase Agreement contemplates that the Argentine Guarantors will accede to the Purchase Agreement.

NOW, THEREFORE, we irrevocably offer you to enter into an Accession Agreement (the "Offer 03/2020"), which shall take effect as an Accession Agreement (the "Accession Agreement"), for the purposes of the Purchase Agreement; upon your acceptance in the manner described below. This Offer 03/2020 will be deemed to be accepted with the delivery by the addressee of an acceptance letter within five (5) business days from the issuance of this Offer 03/2020. Otherwise, it shall be of no effect whatsoever and no obligation will arise for us under this Offer 03/2020 until and unless it is accepted by you within such term and in the manner described above.

Upon acceptance of the Offer 03/2020, the following terms and conditions will apply:

- 1. Capitalized Terms. Capitalized terms used in this Accession Agreement and not otherwise defined in this Accession Agreement shall have the meanings ascribed to them in the Purchase Agreement.
- 2. Agreement to Accede. Each Argentine Guarantor, as of the date hereof, hereby agrees to accede to the Purchase Agreement on the terms and conditions set forth in this Accession Agreement and the Purchase Agreement and shall have the rights and obligations thereunder as if it had executed the Purchase Agreement on the date thereof. In connection with such accession, each Argentine Guarantor agrees to be bound by all of the representations, warranties, covenants, stipulations, promises, agreements and

other obligations applicable to each Argentine Guarantor as set forth in the Purchase Agreement, to the extent permitted by applicable law, as of the dates provided therein. On and after the date of this Accession Agreement, each reference to the "Purchase Agreement" or "this Agreement", or words of like import referring to the Purchase Agreement, shall mean the Purchase Agreement together with this Accession Agreement.

- 3. Guarantee Limitation. Notwithstanding any provision in the contrary, the aggregate total amount payable by each Argentine Guarantor under the Notes and the Indenture in no case shall exceed the maximum principal aggregate amount of the Notes then outstanding, plus any accrued and unpaid interest thereon and any expenses or fees in relation to enforcement of the Guarantee.
- 4. Waiver. Without limiting the generality of any other provision of this Offer 03/2020, the Purchase Agreement or the Indenture, the Argentine Guarantors irrevocably and unconditionally waive, to the fullest extent permitted by applicable law, all rights and benefits set forth in articles 1583, 1590 and 1594 of the Argentine Civil and Commercial Code and articles 1577 and 1587 (other than with respect to defenses or motions based on documented payment (pago), reduction (quita), extension (espera) or release or remission (remisión), 1583, 1585, 1587, 1584 and 1589 (beneficios de excusión y división), 1592, 1596, and 1598 of the Argentine Civil and Commercial Code.
- 5. Payment in Euros or U.S. dollar, as the case may be. The Argentine Guarantors agree that, notwithstanding any restriction or prohibition on access to the foreign exchange market (Mercado Libre de Cambios) in Argentina, any and all payments to be made under this Offer 03/2020, the Purchase Agreement, or the Indenture will be made in euros or U.S. dollar, as the case may be. Nothing in this Offer 03/2020, the Purchase Agreement or the Indenture shall impair any of the rights of the Purchasers or justify any Argentine Guarantor in refusing to make payments under this Offer 03/2020, the Purchase Agreement or the Indenture in euros or U.S. dollar, as the case may be, for any reason whatsoever, including, without limitation, any of the following: (i) the purchase of euros or U.S. dollar, as the case may be, in Argentina by any means becoming more onerous or burdensome for the Argentine Guarantors than as of the date hereof and (ii) the exchange rate in force in Argentina increasing significantly from that in effect as of the date hereof. The Argentine Guarantors waive the right to invoke any defense of payment impossibility (including any defense under Section 1091 of the Argentine Civil and Commercial Code), impossibility of paying in euros or U.S. dollar, as the case may be, (assuming liability for any force majeure or act of God), or similar defenses or principles (including, without limitation, equity or sharing of efforts principles).

Nothing in this Offer 03/2020 nor in the Purchase Agreement shall be construed to entitle any Argentine Guarantor to refuse to make payments in euros or U.S. dollar, as the case may be, as and when due for any reason whatsoever. In the event of payments under this Offer 03/2020, the Purchase Agreement or the Indenture by any Argentine Guarantor, if any restrictions or prohibition of access to the Argentine foreign exchange

market exists, the Argentine Guarantors will seek to pay all amounts payable under this this Offer 03/2020, the Purchase Agreement or the Indenture either (i) by purchasing at market price securities of any series of U.S. dollar or euro denominated Argentine sovereign bonds or any other securities or private or public bonds issued in Argentina, and transferring and selling such instruments outside Argentina, to the extent permitted by applicable law, or (ii) by means of any other reasonable means permitted by law in Argentina, in each case, on such payment date. All costs and taxes payable in connection with the procedures referred to in (i) and (ii) above shall be borne by the Argentine Guarantors.

In addition, the Argentine Guarantors acknowledge that Section 765 of the Argentine Civil and Commercial Code is not applicable with respect to any payments to be performed in connection with the this Offer 03/2020, the Purchase Agreement or the Indenture and forever and irrevocably waive any right that might assist it to allege that any payments in connection with this Offer 03/2020, the Purchase Agreement or the Indenture could be payable in any currency other than in euros or U.S. dollar, as the case may be, and therefore waive and renounce to applicability thereof to any payments in connection with this Offer 03/2020, the Purchase Agreement or the Indenture.

- 6. No Stamp Duties. No capital, transfer, stamp duty, stamp duty reserve or other documentary, issuance or transfer taxes or duties are required to be paid by or on behalf of the Purchasers in Argentina, or any political sub-division or taxing authority thereof or therein in connection with (A) the creation, issue or delivery by the Issuer of the Notes pursuant hereto or the initial sale thereof and the creation, issue or delivery of the Guarantees by the Guarantors, (B) the purchase by the Purchasers of the Notes contemplated by this Agreement, (C) the accession to the Purchase Agreement, the acceptances thereto and any documents entered into in connection therewith, or (D) the consummation of the transactions contemplated by this Offer 03/2020.
- 7. Governing Law. THIS ACCESSION AGREEMENT (INCLUDING THIS PROVISION) SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.
- 8. *Effect of Headings*. The section headings used herein are included convenience only and shall not affect the construction hereof.
- 9. *Successors*. All covenants and agreements in this Accession Agreement by the parties hereto shall bind their respective successors.
- 10. Jurisdiction. Each Argentine Guarantor expressly and irrevocably submits to the jurisdiction of any New York State or United States Federal court sitting in the Borough of Manhattan in the City of New York over any suit, action or proceeding arising out of or relating to this Accession Agreement or the offering of the Notes. Each Argentine Guarantor expressly and irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding brought in such a court and any claim that any such suit, action or proceeding brought in such a court has been brought in an inconvenient forum. To the

extent that each Argentine Guarantor has or hereafter may acquire any immunity (on the grounds of sovereignty or otherwise) from the jurisdiction of any court or from any legal process with respect to itself or its property, each Argentine Guarantor expressly and irrevocably waives, to the fullest extent permitted by law, such immunity in respect of any such suit, action or proceeding.

- 11. Appointment of Agent for Service of Process. On or prior to the date of this Accession Agreement, each Argentine Guarantor will have appointed [CT Corporation System] (the "Process Agent") as its agent for service of process in any suit, action or proceeding described in the preceding paragraph and agrees that service of process in any such suit, action or proceeding may be made upon it by courier and by certified mail (return receipt requested), fees and postage prepaid, at the office of such agent. Such appointment shall be irrevocable. Each Argentine Guarantor waives, to the fullest extent permitted by law, any other requirements of or objections to personal jurisdiction with respect thereto. On or prior to the date of this Accession Agreement, the Process Agent will have agreed to act as said agent for service of process, and each Argentine Guarantor agrees to take any and all action including the filing of any and all documents and instruments that may be necessary to continue such appointment in full force and effect as aforesaid. Each Argentine Guarantor further agrees that service of process upon the Process Agent and written notice of said service to [CT Corporation System] shall be deemed in every respect effective service of process upon each Argentine Guarantor in any such legal suit, action or proceeding. Nothing herein shall affect the right of any Purchaser or any person controlling any Purchaser to serve process in any other manner permitted by law.
- 12. Waiver of Trial by Jury. Each Argentine Guarantor irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Accession Agreement or the transactions contemplated hereby.

Title:	
[•]	
By:	
Name:	

SCHEDULE D-2

[Form of Acceptance Letter to the Accession Offer]

Date: August 28, 2020

Codere Argentina S.A. Iberargen S.A. Interbas S.A. Interjuegos S.A. Intermar Bingos S.A. Bingos Platenses S.A. Bingos del Oeste S.A. San Jaime S.A.

Ref: Offer 03/2020

Dear Sirs or Madams,

The undersigned hereby accepts your Offer 03/2020, dated as of August 28, 2020.

Title:	
[•]	
By:	
Name:	

SCHEDULE E

To: Codere Finance 2 (Luxembourg) S.A. 6c, rue Gabriel Lippman L-5365 Munsbach Grand Duchy of Luxembourg

August 28, 2020

Backstop Purchaser Side Letter

Ladies and Gentlemen:

We refer to the purchase agreement (the "<u>Purchase Agreement</u>") entered into on the date hereof among Codere Finance 2 (Luxembourg) S.A. (the "<u>Issuer</u>"), Codere, S.A. (the "<u>Parent Guarantor</u>"), the guarantors named therein (together with the Parent Guarantor, the "<u>Guarantors</u>") and the notes purchasers named in the Backstop Purchasers, including us (collectively, the "<u>Backstop Purchasers</u>"), regarding a proposed issuance and sale of €165,000,000 in aggregate principal amount of Super Senior Secured Notes due 2023 (the "<u>Notes</u>") by the Issuer to the Purchasers. This is a Backstop Purchaser Side Letter referred to in the Purchase Agreement.

On the basis of the representations, warranties and agreements set forth in the Purchase Agreement and subject to the conditions set forth therein, the Issuer agrees to issue and sell to us, as Backstop Purchaser, and we agree to purchase from the Issuer up to the proportional amount of the aggregate principal amount of Notes in such proportions as set forth in Annex A hereto *less* the proportional amount (corresponding to the percentages set forth in Annex A hereto) of the principal amount of the Notes which the New Note Purchasers agree to purchase pursuant to Section 2(a)(ii) of the Purchase Agreement at a purchase price calculated in accordance with Section 2(a) of the Purchase Agreement.

This Backstop Purchaser Side Letter, and any claim, controversy or dispute arising under or related to this Backstop Purchaser Side Letter, shall be governed by, and construed in accordance with the laws of New York. YOU AND THE UNDERSIGNED NOTES PURCHASERS IRREVOCABLY WAIVE THE RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, CLAIM OR COUNTERCLAIM BROUGHT BY OR ON BEHALF OF ANY PARTY RELATED TO OR ARISING OUT OF THIS BACKSTOP PURCHASER SIDE LETTER OR THE PERFORMANCE OF SERVICES UNDER IT.

Each party hereto irrevocably and unconditionally submits to the exclusive jurisdiction of any state or federal court sitting in the County of New York (including the Supreme Court of the State of New York sitting in New York County and the United States District Court for the Southern District of New York and the respective appellate courts thereof) over any suit, action or proceeding arising out of or relating to this Backstop Purchaser Side Letter. Service of any process, summons, notice or document by registered or certified mail addressed to any party hereto at the address above shall be effective service of process against such person for any suit, action or proceeding brought in any such court. Each party hereto irrevocably and unconditionally waives any objection to the laying of venue of any such suit, action or proceeding brought in any such court and any claim that any such suit, action or proceeding has been brought in an inconvenient forum. A final judgment in any such suit, action or proceeding brought in any such court may be enforced in any other courts to whose jurisdiction you or any of us are or may be subject, by suit upon judgment. Nothing herein shall effect any party's right to effect service of process in any other manner permitted by law.

This Backstop Purchaser Side Letter contains the entire agreement between the parties relating to the subject matter hereof and supersedes all oral statements and prior writings with respect thereto, except with respect to the provisions of the Purchase Agreement. This Backstop Purchaser Side Letter may not be amended or modified except by a written agreement executed by each of the parties hereto.

This Backstop Purchaser Side Letter may be executed in counterparts, each of which will be deemed an original, but all of which taken together will constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Backstop Purchaser Side Letter by facsimile transmission or electronic transmission will be effective as delivery of a manually executed counterpart hereof.

Please confirm that the foregoing is in accordance with your understanding by signing and returning to us the enclosed copy of this letter, whereupon this Backstop Purchaser Side Letter shall become a binding agreement between us.

[•]			
As Backstop Purchaser			
Ву:			
Name:			
Title:			

Accepted and agreed to as of the date first above written:		
For an	d on behalf of	
CODERE FINANCE 2 (LUXEMBOURG) S.A.		
By:		
	Name:	
	Title:	
	Date:	

Annex A

[To be updated for each Backstop Purchaser Side Letter]

Closing Conditions¹

- a. The Issuer shall have delivered on or prior to the Closing Date:
 - 1. an Officer's Certificate, dated the Closing Date, signed by the Parent Guarantor and substantially in the form of Annex A attached hereto;
 - 2. a Secretary's Certificate, dated the Closing Date, signed by the Issuer and each Guarantor and substantially in the form of Annex B;
 - 3. an Authentication and Delivery Order from the Issuer to the Trustee, substantially in the form of Annex C attached hereto;
 - 4. the executed Regulation S Global Note in the form attached to the Indenture;
 - 5. the executed Restricted Global Note in the form attached to the Indenture;
 - 6. an instruction to the common depositary to deliver the Notes to the Settlement Agent's account in respect of the Notes substantially in the form of <u>Annex D</u> attached hereto;
 - 7. an allocation list in the form of a spreadsheet containing the Notes' allocation amounts for each Purchaser, to be delivered to the Settlement Agent and provided to the Clearing Systems; and
 - 8. a Cross-Receipt, substantially in the form of <u>Annex E</u> attached hereto, acknowledging receipt from the Purchasers of consideration for the portion of the Issuer's issuance of the principal amount of the Notes as set forth in the Funding Notices.
- b. The Trustee shall have delivered on the Closing Date a Trustee's Certificate, substantially in the form of <u>Annex F</u> attached hereto.
- c. The Trustee shall have acknowledged compliance with the Authentication from the Issuer and the common depositary shall have acknowledged on the Closing Date receipt of the Notes, in substantially the form of <u>Annex G</u> attached hereto.

¹ For the avoidance of doubt, all transactions at the Closing Date were deemed to have taken place simultaneously, and no transaction was deemed to have been completed, and no document was deemed to have been delivered, until all such transactions had been completed and all such documents had been delivered.

OFFICER'S CERTIFICATE

OF

CODERE, S.A.

October [13], 2020

In accordance with Section 5(i) of the Purchase Agreement dated August 28, 2020 (the "Purchase Agreement"), by and among the Purchasers as defined therein (together, and jointly with their successors and assignees thereunder, the "Purchasers"), Codere, S.A. (the "Parent Guarantor") and Codere Finance 2 (Luxembourg) S.A. (the "Issuer"), relating to the issuance and sale by the Issuer of €165,000,000 aggregate principal amount of its Fixed Rate Super Senior Secured Notes due 2023 (the "Notes"), the undersigned, on behalf of the Parent Guarantor and not in his personal capacity, hereby confirms that, to the best knowledge of the undersigned, (1) for the period from and after the date of the Purchase Agreement and prior to the Closing Date, there has not occurred any Material Adverse Change, (2) as of the date hereof, the representations, warranties and covenants of the Issuer and the Guarantors set forth in Section 1 of the Purchase Agreement are true and correct as of the date hereof and (3) that the Issuer has complied with all agreements and satisfied all conditions to be performed or satisfied hereunder at or prior to the date hereof.

All capitalized terms used and not otherwise defined herein shall have the respective meanings set forth in the Purchase Agreement.

Legal counsel to the Issuer is entitled to rely on this certificate in connection with its opinions being rendered pursuant to Section 5 of the Purchase Agreement.

IN WITNESS WHEREOF, the above:	e undersigned has executed this certificate on the date f	irst writte
	CODERE, S.A.	
	By:	
	Name:	
	Title:	

SECRETARY'S CERTIFICATE

OF

[CODERE FINANCE 2 (LUXEMBOURG) S.A.]/[APPLICABLE GUARANTOR]

October [13], 2020

Reference is made to the Purchase Agreement dated August 28, 2020 (the "Purchase Agreement"), by and among, amongst others, the Purchasers, as defined therein (together, and jointly with their successors and assignees thereunder, the "Purchasers"), the guarantors named therein and Codere Finance 2 (Luxembourg) S.A. (the "Issuer"), in connection with the issuance and sale by the Issuer of €165,000,000 aggregate principal amount of its Fixed Rate Super Senior Secured Notes due 2023 (the "Notes"). All capitalized terms used and not otherwise defined herein shall have the respective meanings set forth in the Purchase Agreement.

- I, [●], certify that we are the authorized to execute this certificate on behalf of the [Issuer]/[applicable Guarantor] and DO HEREBY FURTHER CERTIFY THAT:
- (a) Attached hereto as Annex A is a full, true and correct copy of the [Issuer's]/[applicable Guarantor's] articles of association as of [●] and as in full force and effect on the date of the resolutions set forth in Annex B and the Closing Date. As of the date hereof, the [Issuer's]/[applicable Guarantor's] articles of association have not been amended or modified, no amendment or other modification of the articles of association has been filed with any relevant official with respect to the Issuer and no amendment or modification of the [Issuer's]/[applicable Guarantor's] articles of association has been authorized on behalf of the Issuer.
- (b) Attached hereto as Annex B are true and complete copies of resolutions authorizing the documents to be executed and transactions to be consummated in connection with the issuance and sale of the Notes, adopted by [the sole director/board of directors] of the [Issuer]/[applicable Guarantor] on [●]. These resolutions have not been amended, modified or rescinded and remain in full force and effect on the date hereof and are the only resolutions adopted by the [sole director/board of directors] relating to the issuance and sale of the Notes and the entry into the Transaction Documents (as defined in the Purchase Agreement).²
- (c) Attached hereto as Annex C are true and complete copies of resolutions authorizing the documents to be executed and transactions to be consummated in connection with the issuance and sale of the Notes, adopted by [the sole shareholder/general shareholders meeting] of the [Issuer]/[applicable Guarantor (other than the Parent Guarantor's)] on [●]. These resolutions have not been amended, modified or rescinded and remain in full force and effect on the date

² The authorization of the Boards of Directors / Sole Director is not required for purposes of the Mexican Guarantor under Mexican Law.

hereof and are the only resolutions adopted by the [sole shareholder/general shareholders meeting], relating to the issuance and sale of the Notes and the entry into the Transaction Documents (as defined in the Purchase Agreement).³

- (d) Each person who, as a director, manager or authorized signatory of the [Issuer's]/[applicable Guarantor's], signed the Purchase Agreement, the Indenture, the Intercreditor Agreement, the Revolving Credit Agreement, any Collateral Document or any other document or certificate delivered on the date hereof in connection with the execution and delivery of the Purchase Agreement, the Indenture, the Intercreditor Agreement or any Collateral Document and in connection with the issuance and sale of the Notes, was, at the respective times of such signing and delivery, and is now, duly authorized, elected or appointed, qualified and acting as such manager or authorized signatory and the signatures of such persons appearing on such documents are their genuine signatures.
- (e) Attached hereto as Annex D is a copy of the executed New York law process agent appointment letter, dated as of [•] executed and delivered by the Issuer.
- [(f) Attached hereto as Annex E are true and correct copies of the executed Notes, dated as of July 29, 2020, as executed and delivered by the Issuer.]⁴
- [(f) Attached hereto as Annex E are true and correct copies of the executed power of attorney granted to the process agent pursuant to the terms of the Accession Agreement.]⁵

Legal counsel to the Issuer is entitled to rely on this certificate in connection with its opinions being rendered pursuant to Sections 2 and 5 of the Purchase Agreement.

³ Other than the Issuer, to be included subject to local law requirements.

⁴ Only in the case of the Issuer.

⁵ Only in the case of the Mexican Guarantor.

IN WITNESS WHEREOF, the und above:	lersigned has executed this certificate on the date first written
	CODERE FINANCE 2 (LUXEMBOURG) S.A.
	By:
	Name:

Title:

Codere Finance 2 (Luxembourg) S.A.

6c, rue Gabriel Lippman, L-5365 Munsbach, Grand Duchy of Luxembourg

October [13], 2020

GLAS Trustees Limited (as Trustee) 45 Ludgate Hill London EC4M 7JU United Kingdom

Re: <u>Authentication and Delivery Order</u>

Ladies and Gentlemen:

The undersigned hereby delivers to you for authentication under the indenture, dated July 29, 2020 (the "Indenture"), by and among, *inter alios*, Codere Finance 2 (Luxembourg) S.A. the "Issuer", the Guarantors (as defined in the Purchase Agreement), GLAS Trustees Limited, as trustee (the "Trustee"), GLAS Trust Corporation Limited, as security agent (the "Security Agent"), and Global Loan Agency Services Limited, as principal paying agent, global notes evidencing of €165,000,000 aggregate principal amount of Super Senior Secured Notes due 2023 (the "Notes") of the Issuer, issued and sold pursuant to a purchase agreement, dated August 28, 2020, by and among the Purchasers (as defined therein), the Issuer, and the Guarantors relating to the issuance and sale of the Notes (the "**Purchase Agreement**").

Pursuant to Section 2.02 of the Indenture, you, as Trustee are hereby authorized and directed to authenticate, in the manner provided by the Indenture, (i) $\in [\bullet]$ in aggregate principal amount of the Notes in the form of Regulation S Global Notes (ISIN: XS2224514187, Common Code: 222451418) and (ii) $\in [\bullet]$ in aggregate principal amount of the Notes in the form of Restricted Global Notes (ISIN: XS2209052765, Common Code: 220905276), register the Notes in the name of Bank of America GSS Nominees Limited, as nominee for the common depositary for Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking, SA ("Clearstream"), and in your capacity as Registrar arrange for the appropriate entries to be made in the register and deliver the duly executed and authenticated Notes for deposit to Bank of America N.A., London Branch, as common depositary for Euroclear and Clearstream, for further credit to the Purchasers.

Pursuant to Section 2.02 of the Indenture, the undersigned hereby certifies that all conditions precedent to the issuance of the Notes contained in the Indenture have been complied with.

IN WITNESS WHEREOF, please acknowledges ackn	ledge receipt of the Notes for authentication below
	Very truly yours,
	CODERE FINANCE 2 (LUXEMBOURG) S.A.
	By:
	Name:
	Title:

The undersigned, as Trustee and Registrar, a on the date first written above.	acknowledges receipt of the Notes referred to above
	GLAS Trustees Limited,
	as Trustee
	By:
	Name:

Title:

Codere Finance 2 (Luxembourg) S.A.

6c, rue Gabriel Lippman, L-5365 Munsbach, Grand Duchy of Luxembourg

October [13], 2020

Bank of America N.A., London Branch, as Common Depositary 2 King Edward Street London EC1A 1HQ United Kingdom

Re: <u>Instruction to the common depositary to deliver the Issuer's Super Senior Secured Notes due 2023 (the "Notes") to the Settlement Agent's account</u>

Ladies and Gentlemen:

Reference is made to the offering ("Offering") of €165,000,000 aggregate principal amount of Codere Finance 2 (Luxembourg) S.A.'s Fixed Rate Super Senior Secured Notes due 2023 (the "Notes").

We refer to the Regulation S Global Note and the Restricted Global Note in relation to the Notes, which has been duly executed on behalf of the Issuer and authenticated by GLAS Trust Corporation Limited, as trustee, and delivered to you in your capacity as Common Depositary for Euroclear SA/NV and Clearstream Banking, SA.

We irrevocably authorize and instruct the Common Depositary:

- a. to hold each of the Regulation S Global Note and the Restricted Global Note on behalf of the accountholders of Euroclear Bank SA/NV and Clearstream Banking, SA; and
- b. to deliver the Notes in an aggregate principal amount of €165,000,000 on a free of payment basis to the Euroclear account (account number 17034) of Investec Bank plc, the third-party custodian of GLAS Specialist Services Limited, as settlement agent.

Yours faithfully,
Codere Finance 2 (Luxembourg) S.A.
By:
Name:
Title:

CROSS-RECEIPT

October [13], 2020

Reference is made to the Purchase Agreement dated August 28, 2020 (the "Purchase Agreement"), by and among, amongst others, the Purchasers as defined therein (together, and jointly with their successors and assignees thereunder, the "Purchasers"), the guarantors named therein and Codere Finance 2 (Luxembourg) S.A. (the "Issuer"), in connection with the issuance and sale by the Issuer of €165,000,000 aggregate principal amount of its Fixed Rate Super Senior Secured Notes due 2023 (the "Notes"). All capitalized terms used and not otherwise defined herein shall have the respective meanings set forth in the Purchase Agreement.

Bank of America N.A., London Branch, as Common Depositary hereby acknowledges receipt from the Issuer, of the €165,000,000 aggregate principal amount of the Issuer's Super Senior Secured Notes due 2023 (the "Notes") for delivery to the account of each Purchaser, representing in full the Notes purchased by the Purchasers pursuant to the Purchase Agreement.

The Issuer hereby acknowledges receipt from the Purchasers, of its portion of the Notes Escrow Proceeds in consideration for the Issuer's issuance of €165,000,000 of Notes, , through one or more wire transfers of immediately available same-day funds representing payment in full for the Notes purchased from the Issuer pursuant to the Purchase Agreement.

Bank of America N.A., London Branch, a Common Depositary
By:
Name:
Title:

CODERE FINANCE 2 (LUXEMBOURG) S.A.

By:		
Name:		
Title:		

CERTIFICATE

OF

GLAS Trustees Limited 45 Ludgate Hill London EC4M 7JU United Kingdom

AS TRUSTEE

October [13], 2020

The undersigned, GLAS Trust Corporation Limited, does hereby certify that:

- 1. The indenture, dated as of July 29, 2020 (the "Indenture") among, *inter alios*, Codere Finance 2 (Luxembourg) S.A. (the "Issuer" or "you"), and GLAS Trust Corporation Limited (the "Trustee"), has been duly executed and delivered in the name and on behalf of the Trustee by its authorized signatory.
- 2. Pursuant to the provisions of Section 2.02 of the Indenture, the Trustee duly authenticated and caused to be delivered to or upon the order of the Issuer, €165,000,000 aggregate principal amount of the Issuer's Super Senior Secured Notes due 2023 (the "Notes"). The Trustee has examined the form of the Notes so authenticated and delivered and has found the same to be in substantially the form called for by the Indenture.
- 3. Each person who, on behalf of the Trustee, executed and delivered the Indenture was at the date thereof and is now duly elected, appointed or authorized, qualified and acting as an officer or authorized signatory of the Trustee and duly authorized to perform such acts at the respective times of such acts and the signatures of such persons appearing on such documents are their genuine signatures.
- 4. Attached hereto is an authorized signatures list of the Trustee and a specimen signatures list, regarding the signing authority of the persons mentioned above in paragraph 1, which at the date hereof is in full force and effect.

(Signature page follows)

IN WITNESS WHEREOF, GLAS Trustees Limited has caused this certificate to be executed in its corporate name by an officer thereunto duly authorized on the date first written above.

GLAS TRUSTEES LIMITED
By:
Name:
Title:

[Trustee Signing Authority List]

GLAS Trustees Limited 45 Ludgate Hill London EC4M 7JU United Kingdom

October [13], 2020

Codere Finance 2 (Luxembourg) S.A. 6c, rue Gabriel Lippman, L-5365 Munsbach, Grand Duchy of Luxembourg

and copy to:

Bank of America N.A., London Branch, as Common Depositary 2 King Edward Street London EC1A 1HQ United Kingdom

Re: Compliance with Authentication Order and Delivery of the Notes

Ladies and Gentlemen:

In accordance with your Authentication Order dated the date hereof, and pursuant to Section 2.02 of the indenture, dated July 29, 2020 (the "Indenture"), among, *inter alios*, Codere Finance 2 (Luxembourg) S.A. (the "Issuer" or "you") and GLAS Trustees Limited (the "Trustee"), under which the Notes (as defined in the Indenture) are to be issued, and in accordance with the written directions contained in said order, we hereby confirm we have, in our capacity as Trustee, authenticated the Note as directed in the Authentication Order and in our capacity as Registrar have arranged for the appropriate entries to be made in the register and have delivered to Bank of America N.A., London Branch, as common depositary for Euroclear Bank SA/NV and Clearstream Banking, SA, for deposit and further credit and delivery to the indicated accounts of the several Purchasers named in a purchase agreement dated August 28, 2020 relating to the Indenture (the "Purchasers"), on your behalf and upon your instructions, €165,000,000 aggregate principal amount of your Super Senior Secured Notes due 2023, all duly authenticated by us, all in accordance with the Indenture.

(Signature page follows)

	Very truly yours,
	GLAS Trustees Limited, as Trustee
	By:
	Name:
	Title:
Clearstream Banking, SA, hereby acknowledge	on depositary for Euroclear Bank SA/NV and e receipt and acceptance of €165,000,000 aggregate otes due 2023 of Codere Finance 2 (Luxembourg)
S.A. on the date first written above.	nes due 2025 of Codere i manee 2 (Euxembodig)
	Very truly yours,
	Bank of America N.A., London Branch, as Common Depositary
	By:
	Name:
	Title:

FIRST AMENDMENT TO THE PURCHASE AGREEMENT

This FIRST AMENDMENT dated as of September 1, 2020 (this "Amendment") to the purchase agreement, dated as of August 28, 2020, is entered into by and among Codere Finance 2 (Luxembourg) S.A., a société anonyme organized under the laws of Luxembourg, having its registered office at 6c, rue Gabriel Lippman, L-5365 Munsbach, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies Register under number B199415 (the "Issuer"), Codere, S.A., a sociedad anónima incorporated under the laws of Spain (the "Parent Guarantor"), the Subsidiary Guarantors named herein and the Purchasers named herein (the "Purchase Agreement"). Each capitalized term used but not otherwise defined herein shall have the meaning ascribed to such term in the Purchase Agreement.

WHEREAS, pursuant to Section 4.14(a) of the indenture, dated July 29, 2020, as amended and supplemented from time to time, among, *inter alios*, the Issuer, the Parent Guarantor, the subsidiary guarantors named therein, GLAS Trustees Limited, as trustee (the "<u>Trustee</u>"), GLAS Trust Corporation Limited, as security agent and Global Loan Agency Services Limited, as principal paying agent (the "<u>Indenture</u>"), the Parent Guarantor agreed to cause each of Alta Cordillera, S.A., Codere Mexico, S.A. de C.V. and Codere Latam Colombia, S.A. (collectively, the "<u>First Post-Issue Date Guarantors</u>") to become a guarantor under the Indenture by executing and delivering to the Trustee a supplemental indenture by August 28, 2020 (the "<u>First Post-Issue Guarantor Accession Deadline</u>");

WHEREAS, the First Post-Issue Date Guarantors entered into a supplemental indenture (the "<u>First Supplemental Indenture</u>") evidencing their accession to the Indenture on August 29, 2020 (the "<u>First Post-Issue Guarantor Accession Date</u>"), one day after the First Post-Issue Guarantor Accession Deadline;

WHEREAS, pursuant to Section 5(f) of the Purchase Agreement, it is a condition to the obligations of the Purchasers that the supplemental indentures documenting the accession of various guarantors be entered into as contemplated under the terms of the Indenture;

WHEREAS, the penultimate paragraph of Section 5 of the Purchase Agreement erroneously provides that a breach of Section 5(f), instead of Section 5(j), of the Purchase Agreement cannot be waived by a written notice of the Majority Purchasers (as defined in the Purchase Agreement); and

WHEREAS, the parties desire to amend the Purchase Agreement to, among other things, amend the requirements of Section 5(f), amend the penultimate paragraph of Section 5 and agree that the execution of the First Supplemental Indenture on the First Post-Issue Guarantor Accession Date satisfies the requirements of Section 5(f) of the Purchase Agreement,

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

- 1. <u>Amendments.</u> Effective as of the date hereof, and without any further action by any party hereto, the Purchase Agreement is hereby amended as follows:
 - (a) Section 5(f) of the Purchase Agreement is hereby amended and restated in its entirety as follows:

Amendments to the Indenture. The supplemental indentures to the Indenture, documenting, among others, the accession of various Guarantors and other changes as reasonably agreed, shall be in full force and effect on the Closing Date.

(b) The penultimate paragraph of Section 5 of the Purchase Agreement is hereby amended and restated in its entirety as follows:

Any condition specified in this Section 5, other than Section 5(j), can be waived by a written notice from, or on behalf of, the Purchasers accounting for 50.1% aggregate principal amount of the Notes offered

hereby (the "Majority Purchasers") to the Issuer at any time prior to the Closing Date. This Agreement may be terminated by written notice from the Majority Purchasers on behalf of the Purchasers by notice to the Issuer at any time on or prior to the Closing Date on the earliest to occur of (i) 5:00 p.m. (London time) on October 28, 2020, if any condition specified in this Section 5 has not been satisfied or waived by the Majority Purchasers when and as required to be satisfied; and (ii) the Scheme having terminated in accordance with its terms. Such termination shall be without liability on the part of any party to any other party, except that Section 4 hereof shall at all times be effective and shall survive such termination.

- 2. <u>Agreements.</u> The parties hereby agree that execution by the Company, the First Post-Issue Date Guarantors and the Trustee of the First Supplemental Indenture on the First Post-Issue Guarantor Accession Date shall satisfy the requirements of Section 5(f) of the Purchase Agreement with respect to accession of the First Post-Issue Date Guarantors.
- 3. <u>Ratification</u>. Except as specifically provided for in this Amendment, no changes, amendments or other modifications have been or are being made to the terms of the Purchase Agreement, which such terms are hereby ratified and confirmed and remain in full force and effect.
- 4. <u>Effect of Amendment</u>. Whenever the Purchase Agreement is referred to in the Purchase Agreement or in any other agreement, document or instrument (including the terms "hereof," "herein," "hereunder," "hereby" and "this Agreement" and terms of similar import), such reference shall be deemed to be to the Purchase Agreement as amended by this Amendment. Notwithstanding the foregoing, references to the date of the Purchase Agreement (as amended hereby) and references in the Purchase Agreement to "the date hereof", "the date of this Agreement" and terms of similar import shall in all instances continue to refer to August 28, 2020.
- 5. <u>Miscellaneous</u>. Sections 12 and 18 of the Purchase Agreement are hereby incorporated (*mutatis mutandi*) by reference in their entirety to this Amendment.

* * * * *

$[SIGNATURE\ PAGES\ REDACTED]$

SECTION VIII: REVISED LOCK-UP AGREEMENT

SECTION VIII: REVISED LOCK-UP AGREEMENT

LOCK-UP AGREEMENT dated 21 July 2020

CODERE S.A. as the Company

CODERE FINANCE (LUXEMBOURG) 2 S.A. as the Issuer

THE ORIGINAL CONSENTING NOTEHOLDERS

THE NSSN UNDERWRITERS

and

GLAS SPECIALIST SERVICES LIMITED as the Information Agent

MILBANK LLP London

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4812-1216-7871v24 (ii)

THIS AGREEMENT (this "**Agreement**") is dated 21 July 2020 and made amongst:

- (1) **CODERE S.A.** (the "Company");
- (2) **CODERE FINANCE 2 (LUXEMBOURG) S.A.**, a public limited liability company (*société anonyme*) incorporated under the laws of Luxembourg and having its registered office at 6c, rue Gabriel Lippmann, L-5365 Munsbach, Luxembourg, and registered with the Luxembourg Trade and Companies Register under number B199 415 (the "**Issuer**");
- (3) **EACH OF THE ENTITIES identified** as an Original Guarantor Party in Schedule 1 (*The Obligors*) (the "Original Guarantor Parties");
- (4) **EACH OF THE ENTITIES** set out in Schedule 2 (*Original Consenting Noteholders*) (the "Original Consenting Noteholders");
- (5) **EACH OF THE ENTITIES** set out in Schedule 3 (*NSSN Underwriters*) (the "NSSN Underwriters"); and
- (6) GLAS SPECIALIST SERVICES LIMITED as information agent (the "Information Agent").

Background

- (A) The Company and the Ad Hoc Group have negotiated the terms of a restructuring of the Group which will include, amongst other things, an extension of the maturity, and certain other amendments to the terms, of the Notes (as defined below) and the issuance of New Super Senior Notes (as defined below) by the Issuer.
- (B) The Parties have agreed to enter into this Agreement to confirm their support for and facilitate the implementation of the Transaction (as defined below) subject to the terms and conditions of this Agreement.
- (C) The Company, the Issuer, the Original Guarantor Parties, the Original Consenting Noteholders, the NSSN Underwriters, and the Information Agent were party to the Old LUA (as defined below), which is intended to be replaced and superseded by this Agreement.

IT IS AGREED as follows:

1. **DEFINITIONS AND INTERPRETATION**

1.1 **Definitions**

In this Agreement, unless otherwise defined, capitalised terms shall have the meanings set forth in the Intercreditor Agreement, and:

"Accession Confirmation" means a written confirmation in form and substance satisfactory to the Company (and which may, for the avoidance of doubt, be delivered by email) from a Noteholder who had delivered an Old LUA Accession in accordance with the Old LUA, that:

(a) it agrees to be bound by this Agreement as an Additional Consenting Noteholder;

- (b) it continues to fully support the Transaction; and
- (c) it agrees that the information contained in its Old LUA Accession (including in the 'Confidential Annexure' thereto) shall apply to this Agreement as if it had been delivered to the Information Agent in a Noteholder Accession Letter.
- "Ad Hoc Group" means the ad hoc group of Consenting Noteholders advised by the Ad Hoc Group Advisers.
- "Ad Hoc Group Advisers" means together the Ad Hoc Group Counsel and the Ad Hoc Group Financial Advisers.
- "Ad Hoc Group Counsel" means Milbank LLP and Gómez-Acebo & Pombo S.L.P. as legal advisers to the Ad Hoc Group in connection with the Transaction.
- "Ad Hoc Group Financial Advisers" means PJT Partners.
- "Additional Company Party" means each of the Co-Issuer and the Obligors which has become a Company Party in accordance with Clause 5.2 (*Additional Company Parties*), and together the "Additional Company Parties".
- "Additional Consenting Noteholder" means any Noteholder which has become a Consenting Noteholder in accordance with Clause 5.1 (Additional Consenting Noteholders) or Clause 6 (Transfers).
- "Additional Notes Debt" has the meaning given in Clause 6.2 (Additional Notes Debt).
- "Affiliates" means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company or a Related Fund. For the avoidance of doubt, SoftBank and members of the SoftBank Group shall not be deemed Affiliates of FDF I Limited, FDF II Limited, FDF III Limited and/or FDF IV Limited and/or their respective Affiliates. "SoftBank" means SoftBank Group Corp., and "SoftBank Group" means any Person controlling, controlled by or under common control with SoftBank that is not also controlled by Fortress Investment Group LLC. For purposes of this definition, "control" means the power, through ownership of securities, contract or otherwise, to direct the policies of the applicable person or entity.
- "Agreed Form" means, with respect to any document, agreement, instrument, announcement, consent, notice or other written material, a form and substance which each of (i) the Company, (ii) the Majority Consenting Noteholders and (iii) the Majority NSSN Underwriters have confirmed in writing is acceptable to them.
- "Authorisation" includes an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.
- "Bankruptcy Code" means Title 11 of the United States Code entitled "Bankruptcy", as now and hereafter in effect, or any successor statute.
- "Bankruptcy Court" means the United States Bankruptcy Court for the Southern District of New York or other court of competent jurisdiction presiding over the Chapter 15 Proceedings seeking, among other things, entry of the Chapter 15 Order.

- "Base Currency" means EUR.
- "Baskets Table" means a document setting out levels of indebtedness and other covenants for the Notes (as amended pursuant to the Transaction) and the New Super Senior Notes.
- "Business Day" means each day that is not a Saturday, Sunday or other day on which banking institutions in London, Madrid, Dublin, or New York are authorised by law to close.
- "Chapter 15 Documentation" means all documents relating to the Chapter 15 Proceedings, including the Chapter 15 Order.
- "Chapter 15 Order" means, in respect of the Scheme, a recognition order from the Bankruptcy Court.
- "Chapter 15 Proceedings" means a case commenced in the Bankruptcy Court under chapter 15 of the Bankruptcy Code for recognition of the Scheme.
- "Clearing System" means Clearstream Banking SA or Euroclear Bank, SA/NV.
- "Clearing System Account" means an account with a Clearing System.
- "Co-Issuer" means a direct or indirect subsidiary of the Company incorporated or to be incorporated in England which shall accede as a co-issuer under the Notes Indenture pursuant to the Co-Issuer Consent Solicitation.
- "Co-Issuer Accession" means the accession of the Co-Issuer as a co-issuer of the Notes pursuant to the Co-Issuer Supplemental Indenture.
- "Co-Issuer Consent Solicitation" means a consent solicitation seeking the consent of the Noteholders to the Co-Issuer Accession.
- "Co-Issuer Consent Solicitation Memorandum" means the consent solicitation memorandum in relation to the Co-Issuer Consent Solicitation.
- "Co-Issuer Supplemental Indenture" means a supplemental indenture to the Notes Indenture giving effect to the Co-Issuer Accession.
- "Company's Counsel" means Clifford Chance LLP.
- "Company Party" means each of the Company, the Issuer, each Original Guarantor Party and any Additional Company Party.
- "Company Party Accession Letter" means a document substantially in the form set out in Schedule 7 (Form of Company Party Accession Letter).
- "Confidential Annexure" means, in relation to a Consenting Noteholder, the confidential annexure to its signature page to this Agreement and/or any Noteholder Accession Letter (as applicable); or any digital form capturing substantially the same information via the Information Agent's Website in form and substance acceptable to the Company (acting reasonably).

"Consent Fee" means, in respect of any Consenting Noteholder entitled to such fee in accordance with Clause 4.1, a fee calculated by applying the following formulae with respect to any Locked-Up Notes Debt held by that Consenting Noteholder:

$$\frac{A}{B} \times (£500m + ($300m * C)) \times 0.5\%$$

where:

A = the principal amount of Locked-Up Notes Debt denominated in EUR and USD held by that Consenting Noteholder, where USD is converted to EUR at a publicly available spot rate of exchange selected by the Information Agent (acting reasonably) at or about 11:00 a.m. on the Business Day immediately preceding the Consent Fee Notification Date;

B = the principal amount of Locked-Up Notes Debt denominated in EUR and USD held by all Consenting Noteholders who are eligible to receive the Consent Fee, where USD is converted to EUR at a publicly available spot rate of exchange selected by the Information Agent (acting reasonably) at or about 11:00 a.m. on the Business Day immediately preceding the Consent Fee Notification Date; and

C = A publicly available spot rate of exchange for USD to EUR selected by the Information Agent (acting reasonably) at or about 11:00 a.m. on the Business Day immediately preceding the Consent Fee Notification Date.

"Consent Fee Deadline" means 4.00pm (London time) on 27 July 2020, or such later date as may be agreed in writing by each of (i) the Company and (ii) the Majority Consenting Noteholders.

"Consent Solicitation" means the Co-Issuer Consent Solicitation or the Implementation Consent Solicitation.

"Consenting Noteholders" means (i) the Original Consenting Noteholders; (ii) any Noteholder which has become a Consenting Noteholder in accordance with Clause 5.1 (Additional Consenting Noteholders); and (iii) any Noteholder which has become a Consenting Noteholder in accordance with Clause 6 (Transfers), in each case in respect of its Locked-Up Notes Debt unless, in each case, it has ceased to be a Consenting Noteholder in accordance with the terms of this Agreement.

"Court" means the High Court of England and Wales.

"Early Bird Consent Fee" means, in respect of any Consenting Noteholder entitled to such fee in accordance with Clause 4.1(a), a fee calculated by applying the following formulae with respect to any Locked-Up Notes Debt held by that Consenting Noteholder:

$$\frac{A}{B} \times (£500m + ($300m * C)) \times 0.5\%$$

where:

A = the principal amount of Locked-Up Notes Debt denominated in EUR and USD held by that Consenting Noteholder, where USD is converted to EUR at a publicly

available spot rate of exchange selected by the Information Agent (acting reasonably) at or about 11:00 a.m. on the Business Day immediately preceding the Consent Fee Notification Date;

B = the principal amount of Locked-Up Notes Debt denominated in EUR and USD held by all Consenting Noteholders who are eligible to receive the Early Bird Consent Fee, where USD is converted to EUR at a publicly available spot rate of exchange selected by the Information Agent (acting reasonably) at or about 11:00 a.m. on the Business Day immediately preceding the Consent Fee Notification Date: and

C = A publicly available spot rate of exchange for USD to EUR selected by the Information Agent (acting reasonably) at or about 11:00 a.m. on the Business Day immediately preceding the Consent Fee Notification Date.

"Early Bird Consent Fee Deadline" means 4.00pm (London time) on 20 July 2020 or such later date as may be agreed in writing by each of (i) the Company and (ii) the Majority Consenting Noteholders.

"Effective Date" means the date at which this Agreement becomes effective and binding on the relevant Parties in accordance with Clause 2 (*Effectiveness of this Agreement*).

"Effective Date Conditions" means that this Agreement has been executed by each of the Company, the Issuer, the Original Guarantor Parties, the Original Consenting Noteholders and the NSSN Underwriters.

"Enforcement Action" means:

- (a) the acceleration of any Notes Debt or the making of any declaration that any Notes Debt is prematurely due and payable;
- (b) the making of any declaration that any Notes Debt is payable on demand;
- (c) the making of a demand in relation to any Notes Debt that is payable on demand;
- (d) the making of any demand against any member of the Group in relation to any guarantees, indemnities or other assurance against loss that any member of the Group has provided in respect of any of the Notes Debt;
- (e) the exercise of any right of set-off, account combination or payment netting against any member of the Group in respect of any Notes Debt;
- (f) the taking of any action of any kind to recover or demand cash cover in respect of all or any part of the Notes Debt;
- (g) the suing for, commencing or joining of any legal process against any member of the Group to recover any Notes Debt;
- (h) the taking of any step to obtain recognition or enforcement of a judgment against any member of the Group in any jurisdiction in respect of any Notes Debt;

- (i) the taking of any steps to obtain recognition or enforce or require the enforcement of any security interest (excluding any registrations or other steps in relation to the perfection of security interests that do not relate to any such enforcement); or
- (j) the petitioning (or taking any formal corporate action to petition for), applying or voting for, or the taking of any steps (including the appointment of any liquidator, receiver, administrator or similar officer in any jurisdiction) in relation to, the winding up, dissolution, administration or reorganisation of any member of the Group which owes any Notes Debt, or has given any security, guarantee, indemnity or other assurance against loss in respect of any of the Notes Debt, or any of such member of the Group's assets or any suspension of payments or moratorium of any indebtedness of any such member of the Group, or any analogous procedure or step in any jurisdiction,

provided that, the filing of any proof of claim or other documentation necessary to preserve the validity, existence or priority of claims in respect of the Notes Debt or any security interest in connection with the Notes Debt shall not constitute an Enforcement Action.

"Fee Arrangement" means any fee arrangement agreed from time to time between the Company and any Legal Adviser or the Ad Hoc Group Financial Advisers.

"Group" means the Company and each of its subsidiaries.

"Holding Company" means, in relation to a company, corporation or partnership, any other company, corporation or partnership in respect of which it is a Subsidiary.

"Implementation Consent Solicitation" means a consent solicitation seeking the consent of the Noteholders to the Notes Amendments.

"Implementation Consent Solicitation Memorandum" means the consent solicitation memorandum in relation to the Implementation Consent Solicitation.

"Information Agent's Website" means the website maintained by the Information Agent in connection with the Transaction, as notified to the Parties from time to time.

"Intercreditor Agreement" means the intercreditor agreement originally dated 7 November 2016 between, amongst others, the Company, Codere Newco S.A.U., the Issuer, the Revolving Agent, the Senior Secured Notes Trustee and the Security Agent (as amended and supplemented from time to time).

"Intercreditor Amendment Documentation" means all documents necessary or reasonably desirable to implement the Intercreditor Amendments including the Intercreditor Consent Request and an amendment and restatement deed relating to the Intercreditor Agreement, and including the form of amended and restated Intercreditor Agreement to be attached thereto.

"Intercreditor Amendments" means the amendments to the Intercreditor Agreement contemplated by the Term Sheets and necessary or incidental thereto as agreed between the Company and the Majority Consenting Noteholders.

"Intercreditor Consent Request" means a request for consent under the Intercreditor Agreement to the Intercreditor Amendments.

"Interim Funding Date" means the earlier to occur of:

- (a) the Business Day which is four Business Days after the Lock-Up Date; or
- (b) 28 July 2020,

or such later date as may be agreed in writing by each of (i) the Company, (ii) the Super-Majority Consenting Noteholders, and (iii) the NSSN Underwriters.

"Interim New Super Senior Notes" has the meaning given to that term in the NSSN Term Sheet.

"Interim New Super Senior Notes Purchase Agreement" means a purchase agreement to be entered into pursuant to which the NSSN Underwriters will agree to purchase the Interim New Super Senior Notes, subject to the terms and conditions set out therein.

"Interim NSSN Issue Date" means the date on which the Interim New Super Senior Notes are issued.

"Legal Adviser" means the Ad Hoc Group Counsel and/or the Company's Counsel, each as relevant.

"Limitation Acts" means the applicable limitation law (including the Limitation Act 1980 and the Foreign Limitation Periods Act 1984).

"Lock-Up Date" means the earlier to occur of:

- (a) the date on which all of the Lock-Up Date Conditions have been satisfied or waived in accordance with Clause 9 (Amendments and Waivers); or
- (b) 23 July 2020,

or such later date as may be agreed in writing by each of (i) the Company, (ii) the Super-Majority Consenting Noteholders, and (iii) the NSSN Underwriters.

"Lock-Up Date Conditions" means each of the following:

- (a) the Effective Date has occurred;
- (b) the Baskets Table is in Agreed Form;
- (c) the Locked-Up Notes Debt of Consenting Noteholders aggregates more than 75% by value of Notes Debt;
- (d) the Majority Lenders (as defined in the Revolving Credit Facility) have entered into the RCF Standstill Agreement;
- (e) the Majority Super Senior Creditors have delivered duly executed copies of the Intercreditor Consent Request to the Company, or (when taken together with any consents received pursuant to the Intercreditor Consent Request) have otherwise consented to the Intercreditor Amendments;

- (f) no Enforcement Action has been taken against any member of the Group nor has any similar action been taken against any member of the Group by (i) any Primary Creditor or (ii) any other creditor of a member of the Group in respect of financial indebtedness which, in any case, is in excess of EUR 25 million;
- (g) the Company has called the Shareholder Meeting;
- (h) persons that directly or indirectly legally or beneficially own or control more than 51% of the shares in the Company have provided Shareholder Undertakings to the Company; and
- (i) confirmation from the Ad Hoc Group Counsel and the Ad Hoc Group Financial Advisers that all fees, costs and expenses that the Company is liable to have paid in accordance with the terms of any Fee Arrangement have been paid.

"Locked-Up Notes Debt" means:

- (a) in relation to each Consenting Noteholder, the amount of Notes Debt stated in the Confidential Annexure attached to its signature page to this Agreement plus any accrued and unpaid interest (including any default interest) thereon and the principal amounts of any other Notes Debt transferred to it after the date of this Agreement; and
- (b) all Additional Notes Debt that has become locked-up pursuant to Clause 6.2 (Additional Notes Debt) (to the extent not already reflected in the Confidential Annexure),

in each case to the extent not reduced or transferred by a Consenting Noteholder under and in accordance with this Agreement.

"Long-Stop Date" means 31 December 2020 or such later date as may be agreed in writing by each of (i) the Company, (ii) the Super-Majority Consenting Noteholders, and (iii) the NSSN Underwriters.

"Majority Consenting Noteholders" means the Consenting Noteholders whose Locked-Up Notes Debt represents at least 50% by value of the aggregate Locked-Up Notes Debt of all Consenting Noteholders.

"Majority NSSN Underwriters" means the NSSN Underwriters who have committed to underwrite in aggregate 50% or more of the aggregate New Super Senior Notes.

"Material Adverse Effect" means, by reference to the position as at the date of this Agreement, any changes, events, or circumstances that, taken together or as a whole, could have a material adverse effect on (i) the business, operations, or financial condition of the Group as a whole, (ii) the Company Parties' ability to perform their obligations under this Agreement, the Notes Indenture or the Revolving Credit Facility or (iii) the ability of the Transaction to be implemented before the Long-Stop Date.

"New Super Senior Notes" means the super senior notes to be issued by the Issuer and/or the Co-Issuer as contemplated by, and on terms consistent with, the NSSN Term Sheet and the Baskets Table.

"Noteholder" means a legal and/or beneficial owner of the ultimate economic interest in the Notes.

"Noteholder Accession Letter" means a document substantially in the form set out in Schedule 6 (*Form of Noteholder Accession Letter*), including (for the avoidance of doubt) any digital form capturing the same information via the Information Agent's Website in form and substance acceptable to the Company (acting reasonably).

"Notes" means the €500 million 6.750% senior secured notes due 2021 and \$300 million 7.625% senior secured notes due 2021 issued under the Notes Indenture.

"Notes Amendment Documentation" means all documents necessary or reasonably desirable to implement the Notes Amendments in accordance with the Notes Amendments Term Sheet and the Baskets Table, including a supplemental indenture relating to the Notes Indenture.

"Notes Amendments" means the amendments to the Notes Indenture contemplated by the Notes Amendments Term Sheet and the Baskets Table and necessary or incidental thereto as agreed between the Company and the Majority Consenting Noteholders.

"Notes Amendments Term Sheet" means the term sheet attached as Schedule 4 (*Notes Amendments Term Sheet*).

"Notes Debt" means all present and future moneys, debts and liabilities due, owing or incurred from time to time by any member of the Group to any Noteholder under or in connection with the Notes (in each case, whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently, and whether as principal, surety or otherwise).

"Notes Indenture" means the indenture originally dated November 8, 2016 between, amongst others, the Company, the Issuer and GLAS Trust Company Limited as trustee (as amended and supplemented).

"NSSN Documentation" means all documents necessary or reasonably desirable to implement the New Super Senior Notes in accordance with the NSSN Term Sheet and the Baskets Table, including the Interim New Super Senior Notes Purchase Agreement, a purchase agreement for the Second Tranche New Super Senior Notes, an indenture and any and all security documents required by the Majority NSSN Underwriters to create security interests for the benefit of holders of the New Super Senior Notes as contemplated by the NSSN Term Sheet.

"NSSN Term Sheet" means the term sheet attached Schedule 5 (NSSN Term Sheet).

"Obligor" means each entity whose name is listed in Schedule 1 (*The Obligors*).

"Old LUA" means the lock-up agreement dated 13 July 2020 between *inter alios* the Company, the Original Guarantor Parties, the Issuer, the Original Consenting Noteholders, the NSSN Underwriters, and the Information Agent.

"Old LUA Accession Letter" means a 'Noteholder Accession Letter' as defined in and for the purposes of the Old LUA.

"Original Consenting Noteholders" has the meaning given to that term in the preamble to this Agreement.

"Original Form" means, in respect of the Term Sheets, the form as at the Effective Date.

"Original Guarantor Party" has the meaning given to that term in the preamble to this Agreement.

"Party" means a party to this Agreement.

"Proof of Holdings" means a statement from a Consenting Noteholder's custodian, trustee, prime broker, or similar party, confirming all or part of that Consenting Noteholder's holding of Notes Debt, in form and substance satisfactory to the Information Agent (acting reasonably). For the avoidance of doubt, any Consenting Noteholder which holds its Notes Debt as a participant in the relevant Clearing System may provide its own Proof of Holdings.

"Qualified Market-maker" 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, Notes Debt (or enter with customers into long and short positions in respect of the Notes Debt, in its capacity as a dealer or market-maker in the Notes Debt); and
- (b) is, in fact, regularly in the business of making a two-way market in the Notes Debt.

"RCF Standstill Agreement" means an agreement between the Company and those creditors under the Revolving Credit Facility named therein whereby (among other things) the relevant Revolving Lenders agree to the temporary deferral of the exercise of certain rights arising under the Revolving Facility Agreement, the temporary waiver of certain Defaults and Events of Default (each as defined in the Revolving Credit Facility) and to take certain action to support and facilitate the Transaction.

"Related Fund" means in relation to a fund (the "First Fund") a fund which is (i) managed or advised by the same investment manager or investment adviser as the First Fund or (ii) if it is managed by a different investment manager or investment adviser, a fund whose investment manager or investment adviser is an Affiliate of the investment manager or investment adviser of the First Fund.

"Representatives" means, with respect to the Company, all members of the board of managers and the non-statutory advisory board and, in each case, their advisors, and with respect to a Party, its affiliates and its and their directors, officers, partners, members, employees, advisors (including accountants and auditors), general partners and investment funds and accounts managed or advised by them (and their directors, officers, partners, members, advisors, general partners and employees) and/or its managers or advisors.

"Reservations" means:

- (a) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;
- (b) the time barring of claims under the Limitation Acts and defences of set-off or counterclaim; and
- (c) similar principles, rights and defences under the laws of any relevant jurisdiction.
- "Revolving Credit Facility" means the revolving credit agreement originally dated 24 October 2016 between, amongst others, the Company, Codere Newco S.A.U. and the lenders thereto (as amended from time to time).
- "Scheme" means any scheme of arrangement under Part 26 of the Companies Act 2006 which may be proposed by the Issuer and/or any Co-Issuer in order to implement the Notes Amendments.
- "Scheme Convening Hearing" means a hearing of the Court for the purposes of convening the Scheme Meetings.
- "Scheme Convening Order" means an order of the Court convening one or more Scheme Meetings.
- "Scheme Document" means a document setting out the terms and conditions of the Scheme.
- "Scheme Documentation" means all documents necessary or reasonably desirable to implement the Scheme, including
- (a) any letter prepared in accordance with the Chancery Division High Court Practice Statement issued 26 June 2020 to be sent to all creditors who will be affected by the Scheme informing them of the proposed Scheme and the proposed Scheme Convening Hearing;
- (b) the Scheme Document;
- (c) the explanatory statement required to be provided to all creditors who will be affected by the Scheme, together with the Scheme Document, pursuant to section 897 of the Companies Act 2006;
- (d) the Scheme Convening Order; and
- (e) the Scheme Sanction Order.
- "Scheme Meeting" means any meeting of a class of creditors who will be affected by the Scheme to vote on the Scheme convened pursuant to an order of the Court (and any adjournment of such meeting).
- "Scheme Sanction Order" means an order of the Court sanctioning the Scheme.

- "Second Tranche New Super Senior Notes" has the meaning given to that term in the NSSN Term Sheet.
- "Shareholder Meeting" means a general shareholders meeting of the Company to consider the Shareholder Resolution to be held on or before 31 July 2020.
- "**Shareholder Resolution**" means a resolution to approve granting of any security by the Company in connection with the Transaction.
- "Shareholder Undertaking" means an irrevocable undertaking to the Company in substantially the form set out at Schedule 9 (Form of Shareholder Undertaking) to vote in favour of the Shareholder Resolution.
- "**Spanish Insolvency Act**" means law 22/2003, dated 9 July, Concursal, as amended from time to time.
- "**Subsidiary**" means a subsidiary within the meaning of section 1159 of the Companies Act 2006.
- "Super-Majority Consenting Noteholders" means the Consenting Noteholders whose Locked-Up Notes Debt represents at least 66 2/3% by value of the aggregate Locked-Up Notes Debt of all Consenting Noteholders.
- "Surviving Provisions" means each of the following provisions of this Agreement:
- (a) Clause 1 (Definitions and Interpretation);
- (b) Clause 2 (Effectiveness of this Agreement);
- (c) Clause 11 (*Publicity*);
- (d) Clause 12 (*Information relating to Locked-up Debt*);
- (e) Clause 14 (Consenting Noteholders and Ad Hoc Group);
- (f) Clause 15 (Separate Rights);
- (g) Clause 19 (*Remedies and Waivers*);
- (h) Clause 20 (*Reservation of Rights*);
- (i) Clause 24 (Governing Law); and
- (i) Clause 25 (*Enforcement*).
- "Term Sheets" means the Notes Amendment Term Sheet and the NSSN Term Sheet.
- "**Termination Date**" means the date on which this Agreement is terminated pursuant to and in accordance with Clause 8 (*Termination*).
- "Transaction" means the restructuring of the Group as contemplated by the Notes Amendments Term Sheet and the NSSN Term Sheet.
- "Transaction Documents" means any documents, agreements and instruments necessary to implement or consummate the Transaction, including:

- (a) the Co-Issuer Supplemental Indenture;
- (b) the Co-Issuer Consent Solicitation Memorandum;
- (c) the Notes Amendment Documentation;
- (d) the Intercreditor Amendment Documentation;
- (e) the RCF Standstill Agreement;
- (f) the NSSN Documentation;
- (g) if a Consent Implementation Notice has been issued in accordance with Clause 3.1(a), the Implementation Consent Solicitation Memorandum;
- (h) if a Scheme Implementation Notice has been issued in accordance with Clause 3.1(b):
 - (i) the Scheme Documentation;
 - (ii) the Chapter 15 Documentation;
- (i) all documentation required by the Majority Consenting Noteholders (acting reasonably) to confirm or supplement in connection with the implementation of the Transaction any security interest created or expressed to be created by a Security Document; and
- (j) any and all other documents, agreements, court filings and instruments necessary or reasonably desirable to implement or consummate the Transaction, including instructions to the Senior Secured Note Trustee, and/or Security Agent, declarations, consents and waivers and this Agreement and its schedules,

in each case in Agreed Form.

"Transaction Effective Date" means the date on which the last of the Transaction Documents has become effective in accordance with its terms and all conditions to completion or effectiveness thereunder have been satisfied (or waived).

"**Transaction Period**" means the period commencing from and including the date of this Agreement and ending at the Termination Date.

"Transfer" means the assignment, novation, sub participation, encumbering, creating a trust over or otherwise disposing of in any manner whatsoever of any interest in the Notes Debt.

"Transfer Certificate" means written confirmation issued by two Consenting Noteholders to the Company of the principal amount of Locked-Up Notes Debt transferred by one Consenting Noteholder to the other Consenting Noteholder at the time of the confirmation, in the form of Schedule 8 (Form of Transfer Certificate).

"Work Fee" means, in respect of Original Consenting Noteholders entitled to such fee in accordance with Clause 4.2 (Work Fee), a fee calculated by applying the following

formulae with respect to any Locked-Up Notes Debt held by that Original Consenting Noteholder:

$$\frac{A}{B} \times (£500m + ($300m * C)) \times 1.0\%$$

where:

A = the principal amount of Locked-Up Notes Debt denominated in EUR and USD held by that Original Consenting Noteholder, where USD is converted to EUR at a publicly available spot rate of exchange selected and agreed between the Company and the Ad Hoc Group Financial Adviser (each acting reasonably) at or about 11:00 a.m. on 13 July 2020;

B = the principal amount of Locked-Up Notes Debt denominated in EUR and USD held by all Original Consenting Noteholders who are eligible to receive the Work Fee, where USD is converted to EUR at a publicly available spot rate of exchange selected and agreed between the Company and the Ad Hoc Group Financial Adviser (each acting reasonably) at or about 11:00 a.m. on 13 July 2020; and

C = A publicly available spot rate of exchange for USD to EUR selected and agreed between the Company and the Ad Hoc Group Financial Adviser (each acting reasonably) at or about 11:00 a.m. on 13 July 2020.

1.2 Construction

Unless it is clear from the context, any reference in this Agreement to:

- (a) this Agreement includes all of its schedules, appendices, exhibits and other attachments;
- (b) an agreement, deed or other document is a reference to the agreement, deed or other document as amended and an amendment includes a supplement, novation, extension (whether of maturity or otherwise), restatement, re-enactment or replacement (however fundamental and whether or not more onerous) and as amended will be construed accordingly;
- (c) a "person" includes any individual, company, corporation, unincorporated association or body (including a partnership, trust, fund, joint venture or consortium), government, state, agency, organisation or other entity whether or not having separate legal personality;
- (d) the "Ad Hoc Group" includes, where the context requires, each member of the Ad Hoc Group;
- (e) a currency is a reference to the lawful currency for the time being of the relevant country;
- (f) a provision of law is a reference to that provision as extended, applied, amended or re-enacted and includes any subordinate legislation;
- (g) "include" or "including" shall mean include or including without limitation;

- (h) a "process" includes any litigation/arbitration proceeding commenced, brought, conducted or heard by or before, or otherwise involving any court or other governmental authority or any arbitrator or arbitration panel or other process of law;
- (i) to the extent recognised pursuant to the applicable law, a reference to a communication, notice, amendment, waiver or other document being "in writing" shall include being by email and a reference to such communication, notice, amendment, waiver or other document being given "by" a Party shall include being given on behalf of that Party;
- (j) the singular includes the plural (and vice versa);
- (k) a Clause, a Sub-clause, or a Schedule is a reference to a clause or sub-clause of, or a schedule to, this Agreement. Clause, Sub-clause and Schedule headings are for ease of reference only and are to be given no effect in the construction or interpretation of this Agreement;
- (l) a Party or any other person includes its successors in title, permitted assigns and permitted transferees;
- (m) a time of day is a reference to London time; and
- (n) a month is a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month except that if there is no numerically corresponding day in that month, the period will end on the last day in that month.

1.3 Third party rights

Unless expressly provided for in this Agreement, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Agreement. Notwithstanding any term of this Agreement, this Agreement may be terminated and any term of this Agreement may be amended or waived without the consent of any person who is not a Party.

1.4 Execution by Consenting Noteholders

- (a) Where a Consenting Noteholder enters into or accedes to this Agreement through an identified business unit in respect of Notes Debt beneficially owned in such capacity (as specified in the Confidential Annexure to its signature page to this Agreement or its Noteholder Accession Letter), the terms of this Agreement shall apply only to that identified business unit and not to any other business unit within that legal entity which has not signed or acceded to this Agreement (in accordance with the terms of this Agreement) separately in respect of any Notes Debt or other instrument which it beneficially owns and, therefore, that Consenting Noteholder shall not be required to procure compliance with this Agreement on behalf of such other business unit within that legal entity.
- (b) Any person who is an investment manager or investment adviser to a Noteholder that is an Affiliate or Related Fund of that investment manager or investment adviser may enter into or accede to this Agreement as a Consenting Noteholder (an

- "Investment Manager Party") in respect of Notes Debt held by such Noteholder (as specified in the Confidential Annexure to its signature page to this Agreement or its Noteholder Accession Letter) and such Notes Debt shall be deemed to be the Locked-Up Notes Debt of that Investment Manager Party.
- (c) The Company may (in its discretion) accept a Confidential Annexure which is defective in any respect, other than as to the amount of Locked-Up Notes Debt held by a Consenting Noteholder. The Company may make any such acceptance conditional on such further assurances or undertakings as the Company may require with respect to the cure of any such defect. The Company shall promptly notify the Information Agent of any decision to accept a defective Confidential Annexure, and of the terms of any such further assurances or undertakings

1.5 Currencies

For the purposes of determining:

- (a) the percentage of Notes Debt held by the Consenting Noteholders; or
- (b) the Consenting Noteholders who constitute the Super-Majority Consenting Noteholders or the Majority Consenting Noteholders,

the amount of all Notes Debt not denominated in the Base Currency shall be deemed to be converted into the Base Currency at a publicly available spot rate of exchange selected by the Information Agent (acting reasonably) at or about 11:00am on the Effective Date. The Information Agent shall promptly and upon reasonable request provide any such calculation to the Company, the Company's Counsel, and/or the Ad Hoc Group Advisers.

2. EFFECTIVENESS OF THIS AGREEMENT

- 2.1 The provisions of this Agreement shall become effective and binding on:
 - (a) each of the Company, the Issuer, each of the Original Consenting Noteholders and each of the NSSN Underwriters on the date on which the Effective Date Conditions have been satisfied, and with retroactive effect on and from the date of the Old LUA;
 - (b) an Additional Consenting Noteholder when that Additional Consenting Noteholder:
 - (i) delivers a duly executed Noteholder Accession Letter to the Information Agent, with effect on and from the date of the Noteholder Accession Letter; or (if applicable)
 - delivers an Accession Confirmation to the Information Agent and/or the Company's Counsel, and with retroactive effect on and from the date of its accession to the Old LUA; and
 - (c) an Additional Company Party when that Additional Company Party delivers a duly executed Company Party Accession Letter to the Information Agent.

3. SUPPORTING AND IMPLEMENTING THE TRANSACTION

3.1 Implementation Notices

- (a) If on or before 31 July 2020:
 - (i) the Consenting Noteholders hold over 90% in principal amount of each series of Notes (or such lower percentage as the Company and the Majority Consenting Noteholders may agree), as confirmed to the Company and the Ad Hoc Group Counsel by the Information Agent; and
 - (ii) the Company and Majority Consenting Noteholders (acting reasonably) do not otherwise consider that a Scheme would offer material benefits for Group or the Transaction as a whole.

the Company will give notice (or procure that the Issuer or Co-Issuer gives notice) of its intention to implement the Transaction pursuant to the Implementation Consent Solicitation and related contractual steps (a "Consent Implementation Notice"). Following the issuance of a Consent Implementation Notice, all references in this Agreement to the Transaction shall be understood to refer to the Transaction as implemented pursuant to the Implementation Consent Solicitation and related contractual steps.

- (b) In any other case, provided that the Lock-Up Date Conditions have been satisfied, the Company will give notice (or procure that the Issuer or Co-Issuer gives notice) to each of the Consenting Noteholders that the Group intends to implement the Transaction pursuant to the Scheme, Chapter 15 proceedings, and related contractual steps (a "Scheme Implementation Notice"). Following the issuance of the Scheme Implementation Notice, all references in this Agreement to the Transaction shall be understood to refer to the Transaction as implemented pursuant to the Scheme, Chapter 15 proceedings, and related steps.
- (c) If a Consent Implementation Notice has been issued in accordance with paragraph (a) above and the Implementation Consent Solicitation is rejected by sufficient Noteholders that the Implementation Consent Solicitation cannot be approved in accordance with the Notes Indenture, then without prejudice to the Company's rights under this Agreement:
 - (i) subject to paragraph (ii) below, the Company will give (or procure that the Issuer or Co-Issuer gives) a Scheme Implementation Notice and, thereafter, the Transaction shall be understood to refer to the Transaction as implemented pursuant to the Scheme, Chapter 15 proceedings, and related steps; but
 - (ii) if the Company considers (acting reasonably) that the Transaction is not capable of implementation prior to the date specified in Clause 8.1(b), the Company shall seek to negotiate an extension to that date with the Parties specified in that clause for 10 Business Days, following which if no agreement is reached the Company, the Majority Consenting Noteholders, or

- the Majority NSSN Underwriters shall be entitled to terminate this Agreement by notice to the Parties.
- (d) On the same date that it issues a Consent Implementation Notice or a Scheme Implementation Notice, the Company, Issuer, or Co-Issuer (as applicable) will publish the Consent Implementation Notice or Scheme Implementation Notice by way of public announcement by a regulated information service, on its website, and by any other means chosen by the Company, Issuer, or Co-Issuer (as applicable) acting reasonably.

3.2 General Undertakings to Support the Transaction

- (a) Subject to Clause 7 (*Limitations*), each Party shall (and the Company shall procure that each member of the Group shall, to the extent applicable) promptly take all actions which it is able to take and which are necessary or reasonably desirable to support, facilitate, implement, consummate or otherwise give effect to the Transaction as soon as reasonably practicable, including (in each case, if and to the extent applicable):
 - (i) if so requested by the Company, confirming that it fully supports the Transaction, in a form agreed between the Company and the Party whose support is requested, for any purpose necessary or reasonably desirable to support, facilitate, implement, consummate or otherwise give effect to the Transaction (or otherwise as agreed between the Company and the Party whose support is requested to be confirmed);
 - (ii) executing and/or delivering, within any reasonably requested time period, all Transaction Documents and all instructions, proxies, directions, consents, notices and other similar things which are necessary or reasonably desirable to support, facilitate, implement, consummate or otherwise give effect to the Transaction;
 - (iii) on a timely basis, preparing and filing for any legal process or proceedings, and supporting petitions or applications to (and, where applicable, instructing the Legal Advisers to support such petition or applications on its behalf before) any court, to support, facilitate, implement, consummate or otherwise give effect to the Scheme and the Chapter 15 Proceedings.
 - (iv) to the extent it is legally entitled to do so, voting (or causing the relevant person to vote, to the extent it is legally entitled to cause that person to vote) and exercising any powers or rights available to it irrevocably and unconditionally in favour of:
 - (A) any matter requiring approval under the Notes Indenture, or the Intercreditor Agreement, including in relation to the Co-Issuer Accession, the Notes Amendments, or the Intercreditor Amendments and providing any consent or instruction to the Senior Secured Note Trustee, or the Security Agent, including (without limitation) to waive

- any Default or Event of Default arising or which arises from this Agreement or the Transaction;
- (B) any matter requiring shareholder or board approval (including, in the case of each member of the Group, holding all relevant shareholder meetings and board meetings and voting affirmatively on all shareholder and board resolutions);
- (C) the Co-Issuer Consent Solicitation; and
- (D) (as applicable) the Scheme or the Implementation Consent Solicitation,

in each case, within any reasonably requested timeframe and as necessary or desirable to support, facilitate, implement, consummate or otherwise give effect to the Transaction.

- (b) Subject to Clause 7 (*Limitations*), no Party shall (and the Company shall procure that no member of the Group shall):
 - (i) take, encourage, assist or support (or procure that any other person takes, encourages, assists or supports) directly or indirectly any action that would, or could reasonably be expected to, frustrate, delay, impede or prevent the Transaction, or that is inconsistent with the Transaction; or
 - (ii) encourage, assist, support, vote for or commit to any alternative extension transaction or restructuring procedure in relation to the Notes or the Revolving Credit Facility, or the provision of new third party financing or refinancing to any member of the Group from any person who is not a Party to this Agreement, in each case solely to the extent that this is inconsistent with the Term Sheets.

3.3 Negotiation of the Transaction Documents

- (a) The Company, the Issuer, the Consenting Noteholders and the NSSN Underwriters shall negotiate in good faith with a view to agreeing:
 - (i) the Baskets Table; and
 - (ii) the Transaction Documents in a form consistent with the Term Sheet and (once it is in Agreed Form) the Baskets Table,
 - in order to finalise those documents and achieve Agreed Form as soon as reasonably practicable.
- (b) Upon confirmation from the Company and the Ad Hoc Group Counsel (on behalf of the Majority Consenting Noteholders and the Majority NSSN Underwriters) that the Transaction Documents are in Agreed Form, each of the Parties shall execute each Transaction Document to which it is a party and deliver such executed Transaction Document (if applicable, via its own legal counsel) to the Company's Counsel or the Information Agent, as the Company (via the Company's Counsel or the Information Agent) may direct.

(c) No Party shall be obliged to execute a Transaction Document, or (in the case of a Consenting Noteholder) support, provide a written direction (including giving relevant instructions to the Senior Secured Note Trustee or the Security Agent) and/or vote for any process (including (as applicable) the Scheme or a Consent Solicitation) that includes any provision or brings into effect any document or take any action set out in this Clause 3:

(i) which

- (A) is inconsistent with the Term Sheets and (once it is in Agreed Form) the Baskets Table; and/or
- (B) is reasonably likely to materially worsen the economic result of the Transaction for a Consenting Noteholder or NSSN Underwriter relative to the position reflected in the Term Sheets (in each case, in its Original Form); and
- (ii) where a term of the Term Sheets and the Baskets Table does not expressly contemplate a matter (including where such matter is expressed 'to be agreed' by certain parties) and in the case of a Consenting Noteholder, the corresponding term of the proposed Transaction Document would materially worsen that Consenting Noteholder's position relative to its position as reflected in the Notes Indenture, as applicable, or relative to any other Consenting Noteholder; or
- (d) If in the reasonable opinion of each of the Company and the Majority Consenting Noteholders and the Majority NSSN Underwriters, alternative or additional steps are required or would be a more effective way of implementing the Transaction, the Company's Counsel and the Ad Hoc Group Counsel will, in good faith, seek to agree those steps and, if agreed, the Company shall promptly notify each Consenting Noteholder in writing of the details of the alternative or additional steps and why they are to be implemented.

3.4 Specific Undertakings by the Company Parties

- (a) Subject to Clause 7 (*Limitations*), the Company Parties shall not and the Company shall procure that each other member of the Group shall not:
 - (i) assign any of its rights or transfer any of its rights or obligations under this Agreement;
 - (ii) take or consent to the taking of any action that supports or favours any proposed winding-up, dissolution, *concurso* or *pre-concurso* (Section 5 bis of the Spanish Insolvency Act), administration or reorganisation of any member of the Group or any proposed composition, compromise, assignment or arrangement (including any scheme of arrangement) with any creditor of any member of the Group, other than where necessary or reasonably desirable for the implementation and consummation of the Transaction or if required by law; or

- (iii) take or consent to the taking of, or omit to take, any action that would breach this Agreement or be inconsistent with the Transaction.
- (b) Paragraph (a) above does not apply to any action that:
 - (i) is contemplated by this Agreement (including the Term Sheets); or
 - (ii) the Majority Consenting Noteholders and the Company agree is necessary or reasonably desirable to implement or consummate the Transaction.
- (c) The Company shall use all commercially reasonable endeavours to procure that the Shareholder Resolution is passed at the Shareholder Meeting provided that, if the Shareholder Resolution is not passed at the Shareholder Meeting and the Majority NSSN Underwriters request by notice to the Company, the Company shall call a further general shareholders meeting of the Company to be held as soon as reasonably practicable to reconsider the Shareholder Resolution (a "Further Shareholder Meeting") and shall use all commercially reasonable endeavours to procure that the Shareholder Resolution is passed at any Further Shareholder Meeting, including by requesting Shareholder Undertakings from shareholders.
- (d) The Company shall procure that no amendments are made to the RCF Standstill Agreement or additional agreements are entered into with the Revolving Lenders without the prior consent of the Majority Consenting Noteholders and/or the Majority NSSN Underwriters, other than (in each case) to the extent such amendments or agreements would not be materially adverse to the interests of the Consenting Noteholders or NSSN Underwriters, respectively.
- (e) Immediately upon receipt of a notice confirming the satisfaction and/or waiver of conditions precedent under the Interim New Super Senior Notes Purchase Agreement, the Company shall deliver a copy of that notice to the Revolving Lenders (or to Freshfields Bruckhaus Deringer LLP, in its capacity as legal counsel to the Revolving Lenders) who are party to the RCF Standstill Agreement.
- (f) Promptly upon the occurrence of the Lock-Up Date (and to the extent practicable, on the same Business Day), the Company shall procure that the Information Agent notifies the other Parties of, and the Company shall make a public announcement disclosing:
 - (i) the occurrence of the Lock-Up Date; and
 - (ii) the date of the Interim Funding Date.

3.5 Specific Undertakings by the Consenting Noteholders

- (a) Subject to Clauses 7 (*Limitations*) and 20 (*Reservation of Rights*) each Consenting Noteholder agrees not to:
 - (i) take any Enforcement Action;

- (ii) direct, encourage, assist or support (or procure that any other person directs, encourages, assists or supports) any other person to take any Enforcement Action, and
- (iii) vote (or instruct its proxy or other relevant person to vote) in favour of any Enforcement Action,

except as required by the Transaction Documents.

- (b) Each Consenting Noteholder shall:
 - (i) on or before the Effective Date (in the case of an Original Consenting Noteholder), or the date of its Noteholder Accession Letter (in the case of an Additional Consenting Noteholder), deliver a Confidential Annexure stating the amount of its Locked-Up Notes Debt;
 - (ii) provide to the Information Agent within two Business Days of receipt of a request, an updated Confidential Annexure stating the amount of its Locked-Up Notes Debt from time to time during the Transaction Period;
 - (iii) if the Consenting Noteholder enters into any Transfer of any Locked-Up Notes Debt, within two (2) Business Days of the date of the relevant Transfer, provide to the Information Agent a duly completed and signed Transfer Certificate, including a Confidential Annexure, as confirmation of any increase or decrease in the amount of its Notes Debt; and
 - (iv) as soon as reasonably practicable following provision of or any update to its Confidential Annexure in accordance with the foregoing paragraphs (i) through to (iii), or upon request from the Company or the Information Agent, supply one or more Proofs of Holdings to the Information Agent confirming the amount of its Locked-Up Notes Debt. The Information Agent shall be entitled (but shall not be required) to disregard any Confidential Annexure which is not supported by Proofs of Holdings.

3.6 Specific Undertakings by the NSSN Underwriters

- (a) Subject to Clauses 3.6(b) below and 7 (*Limitations*) and the terms of the NSSN Documentation, each NSSN Underwriter agrees to underwrite and make available (either itself or through any of its Affiliates or Related Funds) the amount of the New Super Senior Notes set out opposite its name in Schedule 3 (*NSSN Underwriters*).
- (b) Notwithstanding anything else in this Agreement, the NSSN Underwriters shall not be obliged to execute or deliver any NSSN Documentation unless and until:
 - (i) the NSSN Documentation is in Agreed Form; and
 - (ii) the Lock-Up Date Conditions (other than the occurrence of the Interim NSSN Issue Date) have been satisfied or waived in accordance with Clause 9 (Amendments and Waivers).

3.7 Notification of Impediments and Breaches

- (a) Each Party shall promptly notify each other Party of any matter or circumstance that it knows will be, or could reasonably be expected to be, a material impediment to the implementation or consummation of the Transaction.
- (b) Each Party shall promptly notify each other Party of:
 - (i) any representation or statement made or deemed to be made by it under this Agreement that is or proves to have been incorrect or misleading in any material respect when made or deemed to be made; and
 - (ii) any breach by it of an undertaking given by it under this Agreement together with reasonable details of the related circumstances.
- (c) Each Party may, but shall be under no obligation to, disclose any information supplied pursuant to this Clause 3.7 to any other Party and/or any Legal Adviser of any other Party.

3.8 Submission to the English Court

By executing this Agreement and notwithstanding any term to the contrary in any Senior Secured Note Document, each Consenting Noteholder acknowledges and submits to the jurisdiction of the Courts of England and Wales in respect of and for the purposes of the Scheme.

4. FEES

4.1 Consent Fees

- (a) The Company shall pay or procure payment of the Early Bird Consent Fee to:
 - (i) each Original Consenting Noteholder; and
 - (ii) any Noteholder which (A) acceded to the Old LUA prior to the Early Bird Consent Fee Deadline; and (B) accedes to this Agreement by no later than 4.00 p.m. (London time) on the Lock-Up Date,

within five (5) Business Days of the Transaction Effective Date in full and in cash, free and clear of all withholding taxes.

- (b) The Company shall pay or procure payment of the Consent Fee to:
 - (i) each Original Consenting Noteholder; and
 - (ii) any Noteholder which has become a Consenting Noteholder in accordance with Clause 5.1 (*Additional Consenting Noteholders*) or Clause 6 (*Transfers*) on or prior to the Consent Fee Deadline,

within five (5) Business Days of the Transaction Effective Date in full and in cash, free and clear of all withholding taxes.

(c) The Information Agent, in consultation with the Company and the Ad Hoc Group Advisers, shall calculate the amounts to be paid to each eligible Consenting

- Noteholder under this Clause 4.1 on the basis of the most recent Confidential Annexures and/or Transfer Certificates provided by the Consenting Noteholders and dated at least five (5) Business Days prior to the Transaction Effective Date.
- (d) The Information Agent shall notify each eligible Consenting Noteholder of its prorata share of the Early Bird Consent Fee and/or Consent Fee at least three (3) Business Days in advance of the anticipated Transaction Effective Date (the "Consent Fee Notification Date").
- (e) Unless otherwise agreed between the Consenting Noteholder and the Company, payment of the Consent Fee and the Early Bird Consent Fee will be made in EUR for Locked-Up Notes Debt denominated in EUR and USD for Locked-Up Notes Debt denominated in USD, with EUR converted to USD at the spot rate of exchange per C of the definitions of "Consent Fee" and "Early Bird Consent Fee", respectively.
- (f) All payments of the Early Bird Consent Fee and the Consent Fee shall be paid to the Clearing System Account(s) detailed in the most recent Confidential Annexure supplied to the Information Agent at least five (5) Business Days prior to the Transaction Effective Date, provided that:
 - (i) if a Consenting Noteholder has listed multiple Clearing System Accounts, all Early Bird Consent Fees and Consent Fees shall be paid to each Clearing System Account in the proportion that the Locked-Up Notes Debt associated with each such Clearing System Account bears to the overall Locked-up Notes Debt of that Consenting Noteholder; and
 - (ii) the Company may (though shall not be required to) agree, subject to receipt by it of all such "know your counterparty" and anti-money laundering information as it may require, that payment shall be made to such other account(s) in the name of a Consenting Noteholder as a Consenting Noteholder may request.
- (g) Each of the Company and the Information Agent shall be entitled to rely upon any account information that it reasonably believes to be genuine, and shall not be liable for the results of any inaccurate or incomplete information.
- (h) For the avoidance of doubt, any Consenting Noteholder entitled to payment of the Early Bird Consent Fee may also be entitled to payment of the Consent Fee.
- (i) Without prejudice to any other rights of the Company Parties under this Agreement or otherwise, a Consenting Noteholder shall not be entitled to receive any Early Bird Consent Fee or Consent Fee if it commits any material breach of this agreement, which shall (without limitation) include:
 - (i) any failure to vote in favour of a Consent Solicitation or the Scheme (as applicable in accordance with Clause 3.1 (Implementation Notices)); and
 - (ii) any Transfer or purported Transfer in breach of this Agreement.

4.2 Work Fee

- (a) The Company shall pay the Work Fee to the Original Consenting Noteholders on the Interim NSSN Issue Date in full and in cash, free and clear of all withholding taxes.
- (b) Unless otherwise agreed between the Original Consenting Noteholder and the Company, payment of the Work Fee will be made in EUR for Locked-Up Notes Debt denominated in EUR and USD for Locked-Up Notes Debt denominated in USD, with EUR converted to USD at the spot rate of exchange per C of the definition of "Work Fee".

5. ACCESSIONS

5.1 Additional Consenting Noteholders

- (a) A Noteholder, who is not an Original Consenting Noteholder, may become a Party as an Additional Consenting Noteholder by:
 - (i) delivering a duly executed and completed Noteholder Accession Letter to the Information Agent. On delivery of a Noteholder Accession Letter to the Information Agent the acceding Noteholder agrees to be bound by the terms of this Agreement as an Additional Consenting Noteholder from the date of the relevant Noteholder Accession Letter; or
 - (ii) if it delivered an Old LUA Accession Letter in accordance with the Old LUA, delivering an Accession Confirmation to the Information Agent and/or the Company's Counsel. On delivery of an Accession Confirmation to the Information Agent and/or the Company's Counsel, the acceding Noteholder agrees to be bound by the terms of this Agreement as an Additional Consenting Noteholder with retroactive effect from the date of its Old LUA Accession Letter.
- (b) If a Noteholder that accedes to this Agreement pursuant to (a) above has, prior to the date of its accession, entered into a Transfer in respect of all or any part of its Locked-Up Notes Debt such that it does not have the power to vote, or direct the voting of, or approve changes in respect of that Locked-Up Notes Debt, either directly or indirectly, it shall use reasonable endeavours to procure that the entity that does control the vote or approval delivers to the Information Agent a Noteholder Accession Letter in respect of that Locked-Up Notes Debt.
- (c) The Company may, in its discretion, accept Noteholder Accession Letters subject to non-material defects in the form and/or means of delivery without requiring such non-material defects to be resolved. The Company may, in its discretion, deem Noteholder Accession Letters received subject to material defects that are later resolved to have been received at the time of receipt of the defective document.

5.2 Additional Company Parties

(a) The Company shall procure that on or prior to the Lock-Up Date, the Co-Issuer and each Obligor that is not an Original Guarantor Party shall become a Party as an

- Additional Company Party, in each case by delivering a duly executed and completed Company Party Accession Letter to the Information Agent.
- (b) On delivery of a Company Party Accession Letter to the Information Agent, the Co-Issuer or the acceding Obligor agrees to be bound by the terms of this Agreement as an Additional Company Party from the date of the relevant Company Party Accession Letter.

6. TRANSFERS

6.1 Consenting Noteholders

Subject to Clause 3.5(b), during the Transaction Period no Consenting Noteholder may enter into a Transfer in connection with its Locked-Up Notes Debt or this Agreement in favour of any person unless the Information Agent has confirmed to the transferor that the transferee:

- (a) is a Consenting Noteholder as of the date of the Transfer and the Notes Debt subject to the Transfer will remain Locked-Up Notes Debt; or
- (b) has delivered an executed Noteholder Accession Letter to the Information Agent which shall become effective immediately upon receipt by it of Notes, such that it will then immediately become a Consenting Noteholder in accordance with Clause 5.1; and

in each case, each of the transferor and the transferee has delivered a duly completed and signed Transfer Certificate to the Information Agent confirming the total principal amount of Locked-Up Notes Debt held by or owed to it as at the date of and reflecting such Transfer. The Information Agent shall provide any confirmation requested pursuant to this paragraph 6.1 promptly.

6.2 Additional Notes Debt

- (a) A Consenting Noteholder may acquire Notes Debt, pursuant to Transfers, in addition to their Locked-Up Notes Debt at any time ("Additional Notes Debt").
- (b) A Consenting Noteholder who has acquired Additional Notes Debt shall, as soon as reasonably practicable after the date of the Transfer deliver a duly completed and signed Transfer Certificate, including an updated Confidential Annexure, to the Information Agent. Any Additional Notes Debt shall automatically become Locked-Up Notes Debt.

6.3 Ceasing to be a Party

Following the Transfer of all of its Locked-Up Notes Debt to another person in a manner permitted by this Agreement, a Consenting Noteholder shall cease to be a Consenting Noteholder, save that an Original Consenting Noteholder shall continue to be a Party as an Original Consenting Noteholder for the purposes of Clause 4.2 (*Work Fee*), to the extent the Work Fee has not already been paid, and the Surviving Provisions shall remain in force in respect of that Consenting Noteholder and it shall remain liable for any breaches of this Agreement that occurred prior to the Transfer.

6.4 Qualified Market-makers

A Consenting Noteholder may Transfer Locked-Up Notes Debt to a Qualified Market-maker if such Qualified Market-maker has the purpose and intent of acting as a Qualified Market-maker in respect of the relevant Locked-Up Notes Debt, in which case such Qualified Market-maker shall not be required to accede to this Agreement or otherwise agree to be bound by the terms and conditions of this Agreement in respect of such Locked-Up Notes Debt, provided that:

- (a) the relevant Consenting Noteholder shall make such Transfer conditional on any person to whom the relevant Locked-Up Notes Debt is transferred by the Qualified Market-maker either:
 - (i) being a Consenting Noteholder; or
 - (ii) agreeing to execute and deliver a Noteholder Accession Letter,

and shall certify to the Information Agent that it has made its Transfer so conditional;

- (b) the Qualified Market-maker in fact Transfers the relevant Locked-Up Notes Debt within five (5) Business Days of the settlement date in respect of its acquisition of Locked-Up Notes Debt to a Consenting Noteholder or a transferee who executes and delivers a Noteholder Accession Letter (as the case may be); and
- (c) no such Transfer is made within seven (7) Business Days of the date of any Scheme Meeting or any meeting to consider a Consent Solicitation.

7. LIMITATIONS

- (a) Nothing in this Agreement shall:
 - be construed to prohibit any Party from asserting or contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement or prevent any Party from enforcing this Agreement;
 - (ii) require any Party to take any action that would breach any legal or regulatory requirement beyond the control of that Party or any order or direction of any relevant court or governmental authority and which impediment cannot be avoided or removed by taking reasonable steps;
 - (iii) require any Party to take or procure the taking of or refrain from taking any action if doing so is reasonably likely to result in: (i) any Representative incurring personal liability or sanction due to a breach of any law, regulation or legal or fiduciary duty; or (ii) a breach of law, regulation or legal duty applicable to that Party;
 - (iv) restrict, or attempt to restrict, any director (or equivalent or similar office holder) of the Company, the Issuer or any other member of the Group from commencing any legal process under insolvency, bankruptcy or any analogous law in respect of that entity if that director (or equivalent or similar

office holder) reasonably considers (on the basis of legal professional advice) it is required to do so by any law, regulation or legal duty, provided that the Company will, to the extent practicable and legally possible, notify the Consenting Noteholders at least 3 Business Days prior to the commencement of that process;

- (v) restrict, or attempt to restrict, any director (or equivalent or similar office holder) of a Company Party from complying with any applicable securities laws in respect of any member of the Group; or
- (vi) require any Consenting Noteholder to make any additional equity or debt financing available to the Group, except as contemplated by this Agreement;
- (vii) require any Consenting Noteholder to incur any material out-of-pocket expenses or other material financial obligations (including granting any indemnity);
- (viii) prevent any Consenting Noteholder (or any of its Affiliates or Related Funds) from providing debt financing, equity capital or other services (including advisory services) or from carrying on its activities in the ordinary course and providing services to clients (including to others who may have a conflicting interest to the Transaction);
- (ix) prevent or restrict any Party from bringing proceedings or taking such action or steps which the Company and the Majority Consenting Noteholders consider to be necessary or desirable to implement or consummate the Transaction;
- (x) restrict the Company, the Issuer, the Co-Issuer or any member of the Group from taking any step or action that is permitted pursuant to, or not prohibited by, Clause 3 (Supporting and Implementing the Transaction); or
- (xi) unless and until the Lock-Up Date Conditions have been satisfied or waived in accordance with Clause 9 (*Amendments and Waivers*) and the Interim New Super Senior Notes Purchase Agreement has become effective, prevent or restrict the Company, the Issuer, the Co-Issuer, or any member of the Group from considering and negotiating (but not committing to or entering into) any alternative extension transaction or restructuring procedure in relation to the Notes or the Revolving Credit Facility or the provision of new third party financing or refinancing to any member of the Group from any person who is not a Party to this Agreement that is inconsistent with the Term Sheets, provided that such action shall not materially delay, impede or prevent the Transaction for so long as this Agreement remains in full force and effect.
- (b) No Consenting Noteholder shall be obliged to vote in favour of the Scheme if, before the Scheme Meeting, or before the deadline for submitting a vote, there has been a Material Adverse Effect as notified to the Company in writing by the Majority Consenting Noteholders.

- 7.2 If a Party anticipates that it will, or is reasonably likely to, fail to take or refrain from taking action which would otherwise have been required were it not for this Clause 7, it shall so notify the Company, with a copy to the Ad Hoc Group Counsel, promptly upon becoming so aware.
- 7.3 If a Party fails to take or refrains from taking action which would otherwise have been required were it not for this Clause 7, it shall so notify the Company, with a copy to the Ad Hoc Group Counsel, promptly upon becoming so aware, and the Company or the Majority Consenting Noteholders shall be entitled to require the relevant Party to provide reasonably satisfactory evidence (without any obligation on such Party whatsoever to breach any relevant privilege) as to why taking or refraining from taking the action would have given rise to the breach of the applicable law, regulation, statute or legal or fiduciary duty referred to in this Clause 7.

8. TERMINATION

8.1 **Automatic termination**

This Agreement shall automatically terminate on the earlier of:

- (a) the Transaction Effective Date;
- (b) 11.59pm (London time) on the Long-Stop Date; or
- (c) if a Scheme Implementation Notice has been issued in accordance with Clause 3.1(a) above:
 - (i) the date of a Scheme Meeting if the Scheme is not approved by the requisite majorities of creditors at the Scheme Meeting;
 - (ii) the date the Court makes a final order declining to convene the Scheme Meeting or Scheme Meetings (as applicable) or to sanction the Scheme; or
 - (iii) the date the Bankruptcy Court enters a final, non-appealable order or an order which the Company confirms to the Consenting Noteholders that it does not intend to appeal (i) dismissing any Chapter 15 filing; or (ii) declining to recognise and give full force and effect within the territorial jurisdiction of the United States to any Scheme Sanction Order in connection with the Transaction.

8.2 Voluntary termination

This Agreement may be terminated as to all Parties:

- (a) by the mutual written agreement of the Company and the Majority Consenting Noteholders and Majority NSSN Underwriters;
- (b) at the election of the Company or the Majority Consenting Noteholders or the Majority NSSN Underwriters, by notice to the other Parties, if:
 - (i) the Lock-Up Date Conditions have not been satisfied or waived in accordance with Clause 9 (*Amendments and Waivers*) by 11.59pm (London time) on the Lock-Up Date;

- (ii) the Transaction has not been completed by 11.59pm (London time) on 15 October 2020, or such later date as may be agreed by the Company, the Majority Consenting Noteholders, and the Majority NSSN Underwriters; or
- (c) at the election of the Company by the delivery of a notice of termination to the Parties, if an order of a governmental authority or court of competent jurisdiction restraining or otherwise preventing the implementation of the Transaction has been made and has not been revoked or dismissed within 30 days of it being made (other than an order made at the instigation of, or on the application of, the Party purporting to terminate this Agreement under this Clause 8.2(b));
- (d) at the election of the Company or the Majority NSSN Underwriters by the delivery of a notice of termination to the Parties if the Interim NSSN Issue Date has not occurred by 23:59 (London time) on the Interim Funding Date, other than as a result of a breach by a Company Party (in the case of a notice delivered by the Company) or a breach by an NSSN Underwriter (in the case of a notice delivered by the Majority NSSN Underwriters);
- (e) at the election of the Company, the Majority Consenting Noteholders, or the Majority NSSN Underwriters by the delivery of a notice of termination to the Parties if the Shareholder Resolution is not approved at the Shareholder Meeting;
- (f) at the election of the Company, the Majority Consenting Noteholders, or the Majority NSSN Underwriters pursuant to Clause 3.1(c)(ii);
- (g) at the election of any of the Majority Consenting Noteholders or the Majority NSSN Underwriters by and upon delivery of a written notice of termination to the other Parties, if:
 - (i) the RCF Standstill Agreement terminates in accordance with its terms;
 - (ii) any Company Party does not comply with any undertaking in this Agreement, unless the failure to comply is capable of remedy and is remedied within five
 (5) Business Days of notice being given to the Company of failure to comply;
 - (iii) any warranty, representation or statement made or deemed to be made by a Company Party in this Agreement is or proves to have been incorrect or misleading in any material respect when made;
 - (iv) a Material Adverse Effect exists or has occurred since the date of this Agreement;
 - (v) an order of a governmental authority or court of competent jurisdiction restraining or otherwise preventing the implementation of the Transaction has been made and has not been revoked or dismissed within 30 days of it being made (other than an order made at the instigation of, or on the application of, the Party purporting to terminate this Agreement under this Clause (v) or an order described in Clause (ii) or (iii));

(vi) any Enforcement Action is taken against any member of the Group (other than as a result of a breach of this Agreement by any Party or as expressly contemplated by this Agreement) or any similar action is taken against any member of the Group by (A) any Primary Creditor (other than a Senior Secured Note Creditor) or (B) any other creditor of a member of the Group in respect of financial indebtedness, other than Notes Debt, in excess of EUR 25 million; and

(vii)

- (A) in respect of the Majority Consenting Noteholders, an Event of Default occurs under the Notes Indenture and is continuing; or
- (B) in respect of the Majority Consenting Noteholders or Majority NSSN Underwriters, an Event of Default occurs under the NSSN Documentation and is continuing;

in each case, other than in respect of an Event of Default which is waived in accordance with the terms of the Notes Indenture or the NSSN Documentation (as applicable) or which arises solely from this Agreement or the Transaction.

8.3 Effect of termination

This Agreement will cease to have any further effect on the date on which it is terminated under Clause 8.1 or Clause 8.2 save for the Surviving Provisions which shall remain in full force and effect and save in respect of any liability arising or breaches of this Agreement that occurred prior to termination.

8.4 Notification of Termination

The Company shall promptly notify the other Parties upon becoming aware that this Agreement may be, or has been, terminated under Clause 8.1 or Clause 8.2.

9. AMENDMENTS AND WAIVERS

9.1 Subject to Clause 9.2, any term of this Agreement may be amended or waived if agreed in writing by the Company and the Majority Consenting Noteholders and any such amendment or waiver shall be binding on all Parties.

9.2 Exceptions

- (a) An amendment or waiver that:
 - (i) imposes a more onerous obligation on any Consenting Noteholder or NSSN Underwriter than is anticipated by this Agreement; or
 - (ii) affects any Consenting Noteholder or NSSN Underwriter disproportionally in comparison to other Consenting Noteholders or NSSN Underwriters who are affected by the amendment or waiver,

may not be effected without the prior written consent of that Consenting Noteholder or NSSN Underwriter.

- (b) The date specified in Clause 8.1(b) may be extended if agreed in writing by the Company, the Majority Consenting Noteholders and the Majority NSSN Underwriters and any such amendment shall be binding on all Parties.
- (c) Any Lock-Up Date Condition may be waived and this Clause (c) may be amended if agreed in writing by the Company, the Majority Consenting Noteholders and the Majority NSSN Underwriters and any such amendment or waiver shall be binding on all Parties.
- (d) Any amendment or waiver to this Agreement that relates to the rights or obligations of the NSSN Underwriters as a class (including this Clause (d)) may not be effected without the prior written consent of the Majority NSSN Underwriters.
- (e) An amendment to or waiver in respect of the definitions of "Consent Fee Deadline", "Early Bird Consent Fee Deadline", "Interim Funding Date", "Lock-up Date" and "Long-Stop Date" and this Clause (e) may be effected with only the consent of the Parties indicated in the relevant definition and any such amendment or waiver shall be binding on all Parties.
- 9.3 Where any amendment or waiver requires the consent of any Party, consent shall not be unreasonably withheld or delayed.

10. REPRESENTATIONS

10.1 Representations of the Consenting Noteholders

Each Consenting Noteholder makes the representations and warranties set out in this Clause 10.1 to each other Party on the date on which it becomes a Party by reference to the facts and circumstances existing on that date:

- (a) it is duly incorporated (if a corporate person) or duly established (in any other case) and validly existing under the law of its jurisdiction of incorporation or formation;
- (b) it has the power to own its assets and carry on its business as it is being, and is proposed to be, conducted;
- (c) the obligations expressed to be assumed by it in this Agreement are legal, valid, binding and enforceable, subject to any applicable Reservations;
- (d) the entry into and performance by it of the transactions contemplated by, this Agreement do not and will not conflict with any law or regulation applicable to it or its constitutional documents or any agreement or instrument binding on it or any of its assets;
- (e) it has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of this Agreement and (subject to the fulfilment of the conditions to the implementation and consummation of the Transaction specified in the Term Sheet) the transactions contemplated by this Agreement;

- (f) all Authorisations required for the performance by it of this Agreement and the transactions contemplated by this Agreement and to make this Agreement admissible in evidence in its jurisdiction of incorporation and any jurisdiction where it conducts its business have been obtained or effected and are in full force and effect;
- (g) it is authorised, legally entitled and able to control the exercise and casting of votes, and consenting to amendments to the Debt Documents in relation to its Locked-Up Notes Debt to the extent necessary to comply with the terms of this Agreement and promote all relevant approvals for the implementation of the Transaction;
- (h) it has made its own independent appraisal of and investigation into all risks arising in respect of the business of the Company and the Group or under or in connection with the Transaction, this Agreement and any associated documentation, and has independently concluded that its entry into the Transaction, this Agreement, and any associated documentation is in its own best interests and (if applicable) the interests of any person it acts for or represents; and
- (i) it is the legal or beneficial holder of, or investment manager or investment adviser in respect of, its Locked-Up Notes Debt.

10.2 Representations of the Company Parties

The Company, the Issuer and each other Company Party make the representations and warranties set out in this Clause 10.2 (*Representations of the Company Parties*) to each other Party on the date of this Agreement, subject to the other provisions of this Agreement (including without limitation Clause 7 (*Limitations*)):

- (a) it is duly incorporated and validly existing under the law of its jurisdiction of incorporation;
- (b) it has the power to own its assets and carry on its business as it is being, and is proposed to be, conducted;
- (c) the obligations expressed to be assumed by it in this Agreement are legal, valid, binding and enforceable, subject to any applicable Reservations;
- (d) the entry into and performance by it of, and the transactions contemplated by, this Agreement do not and will not conflict with any law or regulation applicable to it or its constitutional documents or any agreement or instrument binding on it or any of its assets;
- (e) it has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of this Agreement;
- (f) all Authorisations required for the performance by it of this Agreement and the transactions contemplated by this Agreement and to make this Agreement admissible in evidence in its jurisdiction of incorporation and any jurisdiction where it conducts its business have been obtained or effected and are in full force and effect;

- (g) it is not the legal owner of, and it does not have any beneficial interest in, any Notes Debt as at the date of this Agreement; and
- (h) so far as the Company is aware, no order has been made, petition presented or resolution passed for the winding up of or appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of it or any other member of the Group or Group, and no analogous procedure has been commenced in any jurisdiction.

11. PUBLICITY

- 11.1 Without prejudice to Clause 12 (*Information relating to Locked-up Debt*), each Party acknowledges that the Company may make this Agreement and the Baskets Table publicly available, including by publication on its website, by a regulatory information service, and by any other reasonable means chosen by the Company, the Issuer or the Co-Issuer (as applicable), subject to redaction of Schedule 2 (*Original Consenting Noteholders*), Schedule 3 (*NSSN Underwriters*) and any signature page of a Consenting Noteholder or NSSN Underwriter.
- 11.2 Except as permitted by Clause 3.1(d) above, Clause 11.1 above, and Clause 11.3 below, no announcement regarding or referencing this Agreement or the Transaction (including the identity of any Consenting Noteholder or NSSN Underwriter) will be made by or on behalf of any Party (whether publicly or otherwise) other than in the form agreed amongst the Majority Consenting Noteholders, the Majority NSSN Underwriters and the Company and, to the extent that such announcement identifies or refers to a Consenting Noteholder or NSSN Underwriter by name, the relevant Consenting Noteholder or NSSN Underwriter.
- 11.3 Clause 11.2 above does not apply to any announcement or public statement (i) required or requested to be made by any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation; or (ii) required to be made in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes. Any Party required to make such an announcement shall, unless the requirement is to make an immediate announcement with no time for consultation or unless otherwise not permitted to do so by law or regulation, consult with the Original Consenting Noteholders and the Company before making the relevant announcement.

12. INFORMATION RELATING TO LOCKED-UP DEBT

- 12.1 Subject to Clause 12.2 (Information relating to the Locked-Up Notes Debt of each Consenting Noteholder), each Party:
 - (a) authorises the Company to inform the Parties (and the Ad Hoc Group) of the aggregate principal amount of Locked-Up Notes Debt held by the Consenting Noteholders from time to time;
 - (b) agrees that the Company may in any public announcement make reference to the aggregate principal amount of Locked-Up Notes Debt from time to time; and

(c) authorises the Company to inform the Parties of any accessions to this Agreement under Clause 5 (*Accessions*) and of any Transfers of Locked-Up Notes Debt under Clause 6 (*Transfers*).

12.2 Information relating to the Locked-Up Notes Debt of each Consenting Noteholder

Each Party agrees that: (i) the amount and percentage of the Locked-Up Notes Debt held by a Consenting Noteholder (an "**Individual Holding**") as set out in its Confidential Annexure is strictly confidential; and (ii) it will not make any disclosure to any person, including to any other Party or other Noteholder, which would identify an Individual Holding without the prior written consent of the relevant Consenting Noteholder, except:

- (a) in any legal proceeding relating to this Agreement or the Transaction;
- (b) to the extent required by law, rules, regulation or court order;
- (c) in response to a subpoena, discovery request, or a request from a government agency, regulatory authority or securities exchange for information regarding Individual Holdings;

provided, however, that the relevant disclosing party shall use its reasonable best efforts to maintain the confidentiality of such Individual Holding in the context of any such proceeding and will, to the extent permitted by applicable law or regulation, provide any such Consenting Noteholder with prompt notice of any such request or requirement so that such Consenting Noteholder may seek a protective order or other appropriate remedy and the disclosing party will fully cooperate with such Consenting Noteholder's efforts to obtain the same.

12.3 The Parties agree and acknowledge that all Noteholder Accession Letters, Company Party Accession Letters, Confidential Annexures, Transfer Certificates, and Proofs of Holdings may be disclosed by the Information Agent to the Company Parties, the Company's Counsel, the Ad Hoc Group Advisers, provided they each agree not to make any disclosure to any person other than the foregoing, including to any Consenting Noteholder or other Noteholder, which would identify an Individual Holding on the same terms as Clause 12.2.

13. INFORMATION AGENT

- 13.1 The Company Parties have appointed the Information Agent, and the Information Agent shall be responsible for, among other things:
 - (a) receipt and processing of Noteholder Accession Letters, Company Party Accession Letters, Transfer Certificates, Confidential Annexures, and Proofs of Holdings;
 - (b) directing payments of fees and other amounts (including, without limitation, the Early Bird Consent Fee and the Consent Fee) to Consenting Noteholders via the Clearing Systems;
 - (c) calculating the amount of the Early Bird Consent Fee and the Consent Fee payable to each eligible Consenting Noteholder, and the amount of the Work Fee payable to the Original Consenting Noteholders;

- (d) monitoring compliance by Consenting Noteholders with the provisions of Clause 3.2 (*General Undertakings to Support the Transaction*) and Clause 6 (*Transfers*); and
- (e) calculating the amount of Locked-Up Notes Debt held by Consenting Noteholders, and as applicable the percentage that Locked-Up Notes Debt represents of the Notes Debt or the principal amount of each series of Notes,

and the decision of the Information Agent in relation to any such calculations which may be required shall be final (in the absence of manifest error) and may not be disputed by any Consenting Noteholder, the NSSN Underwriters, or the Ad Hoc Group, and each Consenting Noteholder in its capacity as such hereby unconditionally and irrevocably waives and releases any claims which may arise against the Company, the Issuer, or the other Company Parties, or the Information Agent, (save in the case of wilful misconduct, fraud or gross negligence) in each case in relation to the Information Agent's performance of its roles in connection with this Agreement.

- 13.2 The Information Agent shall be entitled to rely in good faith upon any information supplied to it (including, without limitation, in any Confidential Annexure and any Proof of Holdings).
- 13.3 The Information Agent shall provide the NSSN Underwriters, and any Consenting Noteholder with such information relating to the calculations referred to above as that person may reasonably request for the purposes of evaluating and checking such calculations and reconciliations, provided that no such information shall be provided where it would or might (in the Information Agent's reasonable opinion) result in a breach of Clause 12.2 (*Information relating to the Locked-Up Notes Debt of each Consenting Noteholder*).

14. CONSENTING NOTEHOLDERS AND AD HOC GROUP

14.1 Agreements amongst the Consenting Noteholders

This Clause 14 (*Consenting Noteholders and Ad Hoc Group*) sets out certain rights and obligations amongst Consenting Noteholders only and is not intended to impact the rights and obligations of each Consenting Noteholders vis-à-vis any other Party.

14.2 No representation

Nothing in this Agreement shall create or imply any fiduciary duty, any duty of trust or confidence in any form on the part of the Ad Hoc Group or any member of the Ad Hoc Group (in its capacity as a member of the Ad Hoc Group and not in its capacity as a Noteholder and/or agent (as applicable)) to any other Party or the other Consenting Noteholders under or in connection with this Agreement or the Notes Indenture.

14.3 Ad Hoc Group not an agent

The Ad Hoc Group is not an agent and does not and will not "act for" or act on behalf of or represent the Consenting Noteholders in any capacity, will have no fiduciary duties to the Consenting Noteholders and will have no authority to act for, represent, or commit the Consenting Noteholders. The Ad Hoc Group will have no obligations other than those

for which express provision is made in this Agreement (and for the avoidance of doubt the Ad Hoc Group is not under any obligation to advise or to consult with any Consenting Noteholders on any matter related to this Agreement).

14.4 No requirement to disclose information received in other capacities

- (a) No information or knowledge regarding the Company or the Group or their affairs received or produced by any Consenting Noteholder in connection with this Agreement shall be imputed to any other Consenting Noteholder and no Consenting Noteholder shall be bound to distribute or share any information or produced pursuant to this Agreement to any other Consenting Noteholder or to any other Noteholder under the Indenture or any other person.
- (b) No information or knowledge regarding the Company or the Group or its affairs received or produced by any member of the Ad Hoc Group in connection with this Agreement or the Transaction shall be imputed to any other member of the Ad Hoc Group.

14.5 Ad Hoc Group may continue to deal with the Company

The Ad Hoc Group members will remain free to deal with the Company Parties and the Group each on its own account and will therefore not be bound to account to any Party for any sum, or the profit element of any sum, received by it for its own account.

14.6 Consenting Noteholders can seek their own advice

For the benefit of the Ad Hoc Group, each Consenting Noteholder acknowledges and agrees that it will remain free to seek advice from its own advisers regarding its exposure as a Consenting Noteholder and will, as regards its exposure as a Consenting Noteholder, at all times continue to be solely responsible for making its own independent investigation and appraisal of the business, financial condition, credit-worthiness, status and affairs of the Company and the Group.

14.7 Assumptions as to authorisation

The Ad Hoc Group may assume that (and shall not be required to verify):

- (a) any representation, notice or document delivered to them is genuine, correct and appropriately authorised;
- (b) any statement made by a director, authorised signatory or employee of any person regarding any matters are within that person's knowledge or within that person's power to verify; and
- (c) any communication made by any Company Party or member of the Group is made on behalf of and with the consent and knowledge of all the Company Parties.

14.8 Responsibility for documentation

The Ad Hoc Group:

(a) will not be responsible for the adequacy, accuracy and/or completeness of any information (whether oral or written) supplied by any Consenting Noteholder, the

- Company Parties, the Group or any other person given in or in connection with this Agreement and any associated documentation or the transactions contemplated therein;
- (b) will not be responsible for the legality, validity, effectiveness, completeness, adequacy or enforceability of the Transaction, this Agreement or any agreement, arrangement or document entered into, made or executed in anticipation of or in connection with the Transaction:
- (c) will not be responsible for any determination as to whether any information provided or to be provided to any Consenting Noteholder is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing, market abuse or otherwise;
- (d) will not be responsible for verifying that any information provided to the Consenting Noteholder (using reasonable endeavours and usual methods of transmission such as email or post) has actually been received and/or considered by each Consenting Noteholder. The Ad Hoc Group shall not be liable for any information not being received by any Consenting Noteholder;
- (e) shall not be bound to distribute to any Consenting Noteholder or to any other person, any information received by it; and
- (f) shall not be bound to enquire as to the absence, occurrence or continuation of any Default or Event of Default (as such terms are defined in the Notes Indenture), or the performance by the Company or any Company Party, in each case, of its obligations under the Notes Indenture or any other document or agreement.

14.9 Own responsibility

- (a) It is understood and agreed by each Consenting Noteholder, for the benefit of the Ad Hoc Group, that at all times it has itself been, and will continue to be, solely responsible for making its own independent appraisal of and investigation into all risks arising in respect of the business of the Company and the Group or under or in connection with the Transaction, this Agreement and any associated documentation including, but not limited to:
 - (i) the financial condition, creditworthiness, condition, affairs, status and nature of each member of the Group;
 - (ii) the legality, validity, effectiveness, completeness, adequacy and enforceability of any document entered into by any person in connection with the business or operations of the Company or the Group or any other agreement, arrangement or document entered into, made or executed in anticipation of, pursuant to or in connection with the Transaction;
 - (iii) whether such Consenting Noteholder has recourse (and the nature and extent of that recourse) against any Company Party or any other person or any of their respective assets under or in connection with the Transaction and/or any associated documentation, the transactions therein contemplated or any other

- agreement, arrangement or document entered into, made or executed in anticipation of, pursuant to or in connection with the Transaction;
- (iv) the adequacy, accuracy and/or completeness of any information provided by any Company Party and advisors or by any other person in connection with the Transaction, and/or any associated documentation, the transactions contemplated therein, or any other agreement, arrangement or document entered into, made or executed in anticipation of, pursuant to or in connection with the Transaction; and
- (v) the adequacy, accuracy and/or completeness of any advice obtained by the Ad Hoc Group or the Company Parties in connection with the Transaction or in connection with the business or operations of the Company Parties or the Group.
- (b) Each Consenting Noteholder acknowledges to the Ad Hoc Group that it has not relied on, and will not hereafter rely on, the Ad Hoc Group or any of them in respect of any of the matters referred to in paragraph (a) above and that consequently the Ad Hoc Group members shall not have any liability (whether direct or indirect, in contract, tort or otherwise) or responsibility to any Consenting Noteholder or any other person in respect of such matters.

14.10 Exclusion of liability

- (a) Without limiting Clause 14.10(b) below, a member of the Ad Hoc Group will not be liable for any action taken by it (or any inaction) under or in connection with the Transaction or this Agreement, unless directly caused by its gross negligence or wilful misconduct.
- (b) No Party (other than a member of the Ad Hoc Group) in respect of any director, officer, employee, agent, investment manager, investment adviser, general partner, affiliate or related fund of that member of the Ad Hoc Group may take any proceedings against any director, officer, employee, agent, investment manager, investment adviser, general partner, affiliate or related fund or any member of the Ad Hoc Group, in respect of (i) any claim it might have against the Ad Hoc Group or a member of the Ad Hoc Group or (ii) in respect of any act or omission of any kind by that director, officer, employee, agent, investment manager, investment adviser, general partner, affiliate or related fund, in each case, in relation to this Agreement or the Transaction and any associated documentation or transactions contemplated therein and, without prejudice to Clause 1.3 (*Third party rights*) and the provisions of the Contracts (Rights of Third Parties) Act 1999, no such director, officer, employee or agent shall be bound by any amendment or waiver of this Clause 14.10(b) without the consent of such director, officer, employee or agent.

15. SEPARATE RIGHTS

- 15.1 The obligations of each Party under this Agreement are several. Failure by a Party to perform its obligations under this Agreement does not affect the obligations of any other Party under this Agreement. No Party is responsible for the obligations of any other Party under this Agreement.
- 15.2 The rights of each Party under or in connection with this Agreement are separate and independent rights. A Party may separately enforce its rights under this Agreement.
- 15.3 Nothing in this Agreement will be interpreted as creating the obligation of all or part of the Consenting Noteholders or NSSN Underwriters that are shareholders of the Company to assume or implement any kind of common management policy with respect to the Company.

16. SPECIFIC PERFORMANCE

Without prejudice to any other remedy available to any Party, the obligations under this Agreement shall, subject to applicable law, be the subject of specific performance by the relevant Parties. Each Party acknowledges that damages shall not be an adequate remedy for breach of the obligations under this Agreement.

17. NOTICES

17.1 Communications in writing

Any communication to be made under or in connection with this Agreement shall be made in writing by letter or by email:

(a) in the case of the Company, the Issuer or any other Company Party, to:

Codere, S.A.

Avenida de Bruselas, 26

28108 Alcobendas

Madrid, Spain

Attention: Chief Financial Officer

Email: angel.corzo@codere.com

with a copy to the Company's Counsel:

Clifford Chance LLP

10 Upper Bank Street

London

E14 5JJ

United Kingdom

Attn: Iain White and Tim Lees

Email: ProjectClimb2020@CliffordChance.com;

(b) in the case of each Consenting Noteholder, to the address or email address for notices identified in writing by the Ad Hoc Group Advisers (on behalf of an

- Original Consenting Noteholder) by letter or by email to the Company and the Information Agent or in its Noteholder Accession Letter (as applicable);
- (c) in the case of the NSSN Underwriters, to the address or email address for notices identified in writing by the Ad Hoc Group Advisers (on behalf of an Original Consenting Noteholder) by letter or by email to the Company and the Information Agent;
- (d) in the case of the Information Agent, by:
 - (i) email to codere@glas.agency; or
 - (ii) with respect to a Noteholder Accession Letter, Company Party Accession Letter, a Confidential Annexure, a Proof of Holdings, or any other communication expressly permitted by the Information Agent, by digital upload to the Information Agent's Website

17.2 Addresses

The address and email address (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Agreement is, in the case of each Consenting Noteholder, identified in this Agreement or any substitute address or email address or department or officer as the Party may notify to the other Parties by not less than five (5) Business Days' written notice.

17.3 **Delivery**

- (a) Any communication under or in connection with this Agreement (including the delivery of any Noteholder Accession Letter, Company Party Accession Letter or Transfer Certificate given pursuant to Clause 17.1 (*Communications in writing*)) will be deemed to be given when actually received (regardless of whether it is received on a day that is not a Business Day or after business hours) in the place of receipt.
- (b) For the purposes of this Clause 17.3, any communication under or in connection with this Agreement made by or attached to an email will be deemed received only on the first to occur of the following:
 - (i) when it is dispatched by the sender to each of the relevant email addresses specified by the recipient, unless for each of the addressees of the intended recipient, the sender receives an automatic non-delivery notification that the email has not been received (other than an out of office greeting for the named addressee) and the sender receives the notification of non-delivery within one hour after dispatch of the email by the sender;
 - (ii) the sender receiving a message from the intended recipient's information system confirming delivery of the email; and
 - (iii) the email being available to be read at one of the email addresses specified by the recipient,

provided that, in each case, the email is in an appropriate and commonly used format, and any attached file is a pdf, jpeg, tiff or other appropriate and commonly used format.

- (c) For the purposes of this Clause 17.3, any notice, approval, consent or other communication under or in connection with this Agreement:
 - (i) made by the Company's Counsel or the Information Agent (on behalf of any Company Party) or the Ad Hoc Group Counsel (on behalf of the Original Consenting Noteholders or the NSSN Underwriters (or any one of each of them)) will be deemed to be validly received as if it had been made by the Group, the Original Consenting Noteholders or the NSSN Underwriters, as applicable; and
 - (ii) to be made to an Original Consenting Noteholder or a NSSN Underwriter will be deemed to have been validly received by the relevant Original Consenting Noteholder or NSSN Underwriter if it is delivered to and actually received by the Ad Hoc Group Counsel in writing by letter or by email to:

Milbank LLP 10 Gresham Street London EC2V 7JD United Kingdom

Attn: Yushan Ng and Jacqueline Ingram Email: Casino Milbank@milbank.com.

17.4 English language

Any communication provided under or in connection with this Agreement must be in English.

18. PARTIAL INVALIDITY

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

19. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of any Party, any right or remedy under this agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

20. RESERVATION OF RIGHTS

- (a) Unless expressly provided to the contrary, this Agreement does not amend or waive any Party's rights under the Notes Indenture or any other documents and agreements, or any Party's rights as creditors of the Company, the Issuer or any member of the Group unless and until the Transaction is consummated (and then only to the extent provided under the terms of the Transaction Documents).
- (b) The Parties fully reserve any and all of their rights, until such time as the Transaction is implemented.
- (c) If this Agreement is terminated by any Party for any reason, the rights of that Party against the other Parties to this Agreement and those other Parties' rights against the terminating Party shall be fully reserved.

21. COSTS AND EXPENSES

- (a) Subject to the other terms of this Agreement and the terms of any Fee Arrangement (which terms shall, in the event of any inconsistency with this Clause 21, prevail) and Clause 21(b), to the extent that any incurred fees and expenses of each Legal Adviser incurred in connection with the Transaction have not already been paid in full by the Company, the Company agrees that it will pay (or will procure the payment of) all unpaid fees and expenses by no later than the earlier of (i) three (3) Business Days after the Termination Date, and (ii) the Transaction Effective Date.
- (b) The Company shall only be required to pay any costs or expenses under Clause 21(a) if those fees or expenses are notified in writing to the Company prior to the payment date set out in Clause 21(a) (provided that in the case of termination by the Company, each Legal Adviser has been given reasonable prior notice of such termination), which notice must be accompanied by an invoice addressed to or marked as payable by the Company and a description of the fees or expenses incurred.

22. COUNTERPARTS

This Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

23. ENTIRE AGREEMENT

- (a) This Agreement and the documents referred to in and/or entered into under this Agreement contain the whole agreement between the Parties relating to the subject matter of this Agreement at the date hereof to the exclusion of any terms implied by law which may be excluded by contract and supersedes any previous written or oral agreement between the Parties in relation to matters dealt with in this Agreement.
- (b) Without limitation to the generality of the foregoing paragraph (a), this Agreement replaces and supersedes the Old LUA as between the Parties hereto who were also party to the Old LUA.

24. GOVERNING LAW

This Agreement and all non-contractual obligations arising out of or in connection with it are governed by English law.

25. ENFORCEMENT

- (a) 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 or a dispute regarding the existence, validity or termination of this Agreement) (a "Dispute").
- (b) 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.

26. SERVICE OF PROCESS

- (a) Without prejudice to any other mode of service allowed under any relevant law, each Company Party (other than a Company Party incorporated in England and Wales):
 - (i) will at its own cost and expense, within 21 days of becoming a Party appoint an agent for service of process in relation to any process before the English courts in connection with this Agreement, and shall notify the other Parties of the name and address details of such agent for service of process; and
 - (ii) agrees that failure by an agent for service of process to notify any relevant Party of the process will not invalidate the process concerned.
- (b) If any person appointed as an agent for service of process by a Company Party is unable for any reason to act as agent for service of process, such Company Party must immediately appoint another agent and notify the Parties of the name and address details of such agent for service of process.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

$[SIGNATURE\ PAGES\ REDACTED]$

Schedule 1 The Obligors

Obligor	Registration number	Original Guarantor Party
Codere Newco, S.A.U.	NIF: A-87172003	Yes
Codere, S.A.	NIF: A82110453	Yes
Codere Luxembourg 1 S.à r.l.	B205 925	Yes
Codere Luxembourg 2 S.à r.l.	B205 911	Yes
Codere Finance 2 (Luxembourg) S.A.	B199 415	Yes
Codematica S.R.L.	R.E.A. 1076630	No
Codere Network S.p.A.	R.E.A. 1074224	No
Codere Internacional, S.A.U.	A83825695	Yes
Codere Apuestas España, S.L.U.	B84953132	Yes
Codere España, S.A.U.	A82427147	Yes
Nididem, S.A.U.	A83846667	Yes
Codere Operadoras De Apuestas, S.L.U.	NIF: B87808267	Yes
JPVMATIC 2005, S.L.U.	NIF: B97564637	Yes
Codere Italia S.p.A.	974654	No
Operbingo Italia S.p.A.	1045885	No
Codere Internacional Dos, S.A.U.	NIF: A-28698793	Yes
Codere America, S.A.U.	NIF: A-82822859	Yes
Colonder, S.A.U.	NIF: A-84044833	Yes
Operiberica, S.A.U.	NIF: A-28721066	Yes

Obligor	Registration number	Original Guarantor Party
Codere Latam, S.A.	NIF: B-87446571	Yes
Codere Argentina S.A.	IGJ n° 9454	No
Interjuegos S.A.	IGJ n° 4334	No
Intermar Bingos S.A.	IGJ n° 3366	No
Bingos Platenses S.A.	IGJ n° 3105	No
Bingos del Oeste S.A.	30-64250805-5	No
San Jaime S.A.	30-64515883-7	No
Iberargen S.A.	IGJ n° 926	No
Interbas S.A.	IGJ n° 2622	No
Alta Cordillera S.A.	RUC: 55285-61-333193	No
	DV 66	
Codere Mexico S.A.	Folio nº 314238	No

[SCHEDULE 2 REDACTED]

[SCHEDULE 3 REDACTED]

Schedule 4 Notes Amendments Term Sheet

AMENDMENTS TO THE SENIOR SECURED NOTES – TERM SHEET

Set forth below is a summary of the principal terms of the proposed amendments to the €500 million 6.750% Senior Secured Notes due 2021 (the "Euro Notes") and \$300 million 7.625% Senior Secured Notes due 2021 (the "Dollar Notes") issued by the Issuer (as defined below) (together, the "Notes") that certain existing holders of the Notes representing approximately 55% of the Notes (the "Ad Hoc Group") may be prepared to support, subject to the paragraph immediately below.

This is an indicative commercial term sheet for discussion purposes only and is not legally binding. It does not constitute and should not be construed as a commitment or offer by, nor does it impose any legal obligation or duty on, any member of the Ad Hoc Group or any other person. The terms set out in this term sheet are subject to further consideration, due diligence and internal approvals, and are provided solely for information and discussion purposes. The matters set out in this term sheet are summary terms only and are not intended to include all the terms and conditions which will be set out in full in the final documentation. This proposal has been prepared on the basis that no further equity support will be provided at this time by the shareholders of the Parent.

All capitalized terms used but not defined herein shall have the meanings given to them in the indenture dated November 8, 2016, as supplemented by the first supplemental indenture dated September 20, 2017 (the "Existing Indenture").

Issuer:	Codere Finance 2 (Luxembourg) S.A., a <i>société anonyme</i> incorporated under the laws of Luxembourg and a wholly-owned subsidiary of the Parent (as defined below) (the " Issuer ")
Parent:	Codere S.A., a <i>sociedad anónima</i> incorporated under the laws of Spain (the " Parent ")
Trustee and Security Agent:	GLAS Trust Corporation Limited ("GLAS")
Paying Agent:	Banco Bilbao Vizcaya Argentaria, S.A.
Solicitation Agent and Tabulation Agent:	GLAS Specialist Services Limited
Purpose:	The purpose of the proposed amendments is to extend the maturity date under the Notes, amend certain terms of the Notes to allow the incurrence of an incremental amount of new liquidity financing on a super senior basis on the terms set out below (the "New Super Senior Notes"), and amend certain other terms of the Notes as further described below (collectively, the "Notes Amendments").
Documentation:	All documentation, including all documents with respect to the Notes (including the supplemental indenture and relevant security documents), and all other relevant documentation, including in relation to implementation (including any court

	filings), to be consistent with this term sheet and otherwise reasonably acceptable to the Issuer and the Trustee.
Implementation:	Extension of the Notes expected to be implemented through an English scheme of arrangement or consent solicitation.
Notes Amendments	
Conditions to support:	For the avoidance of doubt, the willingness of the Ad Hoc Group to support the Notes Amendments is subject to the Parent's agreement to the provision of the New Super Senior Notes by the Ad Hoc Group on the terms set out below.
Maturity Date:	The maturity date will be extended from November 1, 2021 to November 1, 2023 (the "Extended Maturity Date").
Euro Notes Interest Rate:	4.50% mandatory cash coupon plus, at the option of the Issuer, either:
	(a) 5.00% cash, or
	(b) 6.25% PIK, capitalising on each coupon payment date.
Dollar Notes Interest Rate:	4.50% mandatory cash coupon plus, at the option of the Issuer, either:
	(a) 5.875% cash, or
	(b) 7.125% PIK, capitalising on each coupon payment date.
Call protection:	None, other than as provided in the Existing Indenture.
Covenants and Events of Default:	To be amended to allow additional super senior debt capacity to incur the New Super Senior Notes (as defined below).
	To be amended to include any additional restrictions to covenants and baskets that may be appropriate for the circumstances, whilst allowing implementation of the Parent's agreed business plan, as agreed between the Parent and the Ad Hoc Group in the 'Project Casino – Baskets Table' document currently under negotiation.
	To include without limitation an absolute restriction on any dividends, payments or other value transfers to any direct or indirect shareholder, other than by virtue of their holding of any Notes or any New Super Senior Notes.
Liquidity Covenant:	Addition of a liquidity covenant, requiring minimum €40 million (cash, cash equivalents and undrawn committed financing), tested monthly from Effective Time (assuming simultaneous

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	with provision of Second Tranche New Super Senior Notes) unless (i) the Consolidated Net Leverage Ratio is below 3.0x or (ii) the credit rating of the Notes is at B-/B3 or higher. In the event that the liquidity covenant is breached on a determination date, the Issuer will notify the trustee in writing within 10 days from the determination date. Breach of the liquidity covenant will only constitute an Event of Default 30 days after the relevant determination date if otherwise not cured. Whilst the New Super Senior Notes remain outstanding, the Notes' Liquidity Covenant will be deemed waived or amended to the extent the New Super Senior Notes' Liquidity Covenant is waived or amended.
Intercreditor Agreement:	To be amended such that the New Super Senior Notes will constitute Super Senior Credit Participations and Super Senior Liabilities and the holders of the New Super Senior Notes will constitute Super Senior Creditors.
Additional Guarantors:	Additional guarantors, if any, to be confirmed following diligence.
Additional Security:	Additional security, to include (not limited to) pledges of intercompany receivables (to be agreed), and any required modifications to security structure, if applicable, to be confirmed following diligence.
Other Terms	
Interconditional:	All Notes Amendments will be conditional on receipt of the consent threshold to extend the maturity of the Notes to the Extended Maturity Date.
Early Participation Time:	
	4:00 p.m. (London time) on 20 July, 2020 (the "Early Participation Time").
Effective Time:	
	Participation Time"). The time at which the second supplemental indenture in respect of the Notes Amendments becomes effective (the "Effective").

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Early Consent Payment: Each noteholder that validly consents to the Notes Amendments (a "Consenting Noteholder"), accedes to a lock-up agreement by the Early Participation Time and does not withdraw such consent, will be entitled to a pro rata share of an early consent payment of 0.50% of the aggregate principal amount of the Notes, based on such Consenting Noteholder's outstanding principal amount of the Notes five Business Days prior to the Effective Time, which shall be paid in full in cash within five business days of the Effective Time (the "Early Consent Payment"), in accordance with the terms of the lock-up agreement. The Early Consent Payment will be paid free and clear of withholding taxes. **Consent Payment:** Each Consenting Noteholder that does not withdraw such consent and that accedes to the lock-up agreement after the Early Participation Time but before the Expiration Time, will be entitled to a pro rata share of a consent payment of 0.50% of the aggregate principal amount of the Notes based on such Consenting Noteholder's outstanding principal amount of the Notes five Business Days prior to the Effective Time, to be paid in full in cash within five business days of the Effective Time (the "Consent Payment"), in accordance with the terms of the lock-up agreement. For the avoidance of doubt, any Consenting Noteholder entitled to payment of the Early Consent Payment may also be entitled to payment of the Consent Payment. The Consent Payment will be paid free and clear of withholding taxes. **Conditions** Precedent To include customary conditions precedent and: **Notes Amendments:** Issuance of the New Super Senior Notes; (i) (ii) Amendment of the Intercreditor Agreement (as described above); and Payment of advisor fees and expenses. (iii) Fees and expenses of (i) PJT Partners as financial advisor and **Advisor Fees and Expenses:** (ii) Milbank LLP and Gomez Acebo & Pombo (and any other local counsel required in relevant jurisdictions outside of the USA, England and Spain) as legal counsel to the Ad Hoc Group to be paid by the Parent or by the Issuer in accordance with agreements signed between the parties, as applicable.

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Schedule 5 NSSN Term Sheet

NEW SUPER SENIOR SECURED NOTES – TERM SHEET

Set forth below is a summary of the principal terms on which the Ad Hoc Group may be prepared to consider backstopping the issuance of certain new super senior secured notes (the "New Super Senior Notes"). All capitalized terms used but not defined herein shall have the meanings given to them in the Existing Indenture or in the term sheet above.

This is an indicative commercial term sheet for discussion purposes only and is not legally binding. It does not constitute and should not be construed as a commitment or offer by, nor does it impose any legal obligation or duty on, any member of the Ad Hoc Group or any other person. The terms set out in this term sheet are subject to further consideration, due diligence and internal approvals, and are provided solely for information and discussion purposes. The matters set out in this term sheet are summary terms only and are not intended to include all the terms and conditions which will be set out in full in the final documentation. This proposal has been prepared on the basis that no further equity support will be provided at this time by the shareholders of the Parent.

Issuer:	Codere Finance 2 (Luxembourg) S.A., a <i>société anonyme</i> incorporated under the laws of Luxembourg and a wholly-owned subsidiary of Parent (the " Issuer ")	
Parent:	Codere S.A., a <i>sociedad anónima</i> incorporated under the laws of Spain (the " Parent ")	
Trustee/Settlement Agent:	To be mutually agreed between the Ad Hoc Group and the Parent	
Paying Agent:	To be mutually agreed between the Ad Hoc Group and the Parent	
Amount:	 Up to €250 million of which: (i) €85 million will be issued upon signing of definitive documentation (the "Interim New Super Senior Notes"); and (ii) €165 million will be issued upon completion of the Notes Amendments (the "Second Tranche New Super Senior Notes"). 	
Standalone Facilities	To be discussed structuring of standalone super senior facilities to allow for surety bonds in an amount not to exceed €50 million and letters of credit in an amount not to exceed €25 million.	
Backstop:	Certain members of the Ad Hoc Group will backstop the full Amount of the New Super Senior Notes.	
Participation:	All existing Noteholders as at a record date to be agreed will be offered the right to participate in the Second Tranche New Super Senior Notes pro-rata to their holdings in the Notes. ¹ Each	

¹ Subject to noteholders being able to provide applicable securities law representations.

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	Noteholder will have the option to nominate an Affiliate or Related Fund to provide its allocation of the Second Tranche New Super Senior Notes.
Use of Proceeds:	Interim New Super Senior Notes: General corporate purposes and fees and expenses in connection with the implementation of the Notes Amendments and the placement of the Interim New Super Senior Notes.
	Second Tranche New Super Senior Notes: Refinancing of amounts outstanding under the Revolving Credit Facility, general corporate purposes and fees and expenses in connection with the implementation of the Notes Amendments and placement of the Second Tranche New Super Senior Notes.
Ranking:	The New Super Senior Notes will be senior obligations of the Issuer and will rank equally in right of payment with all other existing and future senior indebtedness of the Issuer (including debt incurred under the Revolving Credit Facility, the Surety Bonds Facility, the Standalone Facilities and the Notes), and super senior in respect of the enforcement of Collateral, together with the existing Revolving Credit Facility, Surety Bond Facility and future Standalone Facilities.
Agreement amongst lenders:	For as long as the Revolving Credit Facility remains outstanding, the New Super Senior Notes will be subordinated to the Revolving Credit Facility in respect of the enforcement of Collateral and will agree to turnover any proceeds of Collateral received pursuant to the Intercreditor Agreement to the lenders or appropriate agent under the Revolving Credit Facility pursuant to an agreement amongst lenders to be in a form agreed between the Ad Hoc Group and the Revolving Credit Facility lenders.
Maturity Date:	September 30, 2023 (the "Maturity Date")
Issue Price:	(i) Interim New Super Senior Notes: 97%(ii) Second Tranche New Super Senior Notes: 100%
Interest Payment Date	Every six months (each September 30 and March 31) it being understood that the first interest payment due under the New Super Senior Notes shall be on September 30, 2020.
Interest Rate:	Interim New Super Senior Notes: (i) 12.75% cash until completion of the Notes Amendments; or

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	(ii) 10.75% cash after completion of the Notes Amendments	
	Second Tranche New Super Senior Notes:	
	(i) 10.75%	
Optional Redemption:	Callable as follows:	
	(i) up to and including September 30, 2021, with corresponding make-whole payment calculated by reference to the relevant government bond yield plus 50 basis points;	
	(ii) from 1 October 2021 to 30 September 2022 at par value plus 4.0%;	
	(iii) from 1 October 2022 par value plus 2.0%; and	
	(iv) at Maturity Date, par value	
	in each case plus accrued but unpaid interest.	
Backstop Fee:	2.5% of aggregate principal amount	
Guarantors:	As per the Notes (as amended)	
Security:	As per the Notes (as amended)	
Unrestricted Subsidiaries:	Mechanics as already outlined in the Existing Indenture	
Change of Control:	Put right at par plus 1.0%	
Covenants and Events of Default:	Substantially as per the existing Notes (following the Notes Amendments), other than as specified below under "Liquidity Covenant" and subject to any additional covenants that may be required following due diligence.	
Liquidity Covenant:	Addition of a liquidity covenant, requiring minimum €40 million (cash, cash equivalents and undrawn committed financing), tested monthly from Effective Time (assuming simultaneous with provision of Second Tranche New Super Senior Notes) unless Consolidated Net Leverage Ratio is below 3.0x. In the event that the liquidity covenant is breached on a determination date, the Issuer will notify the trustee in writing within 10 days from the determination date. Breach of the liquidity covenant will only constitute an Event of Default 30 days after the relevant determination date if otherwise not cured.	

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Documentation:	The definitive documentation for the New Super Senior Notes (indenture and global notes) will be based on the existing Notes, amended to reflect the provisions of this Term Sheet. The existing Security Documents will be amended or affirmed as	
	may be necessary or appropriate to secure the New Super Senior Notes.	
	For the avoidance of doubt, all definitive documentation for the New Super Senior Notes will be consistent with and subject to the terms and conditions set forth in this Term Sheet.	
Conditions Precedent to Interim New Super Senior	J 1	
Notes:	(i) entry by 75% (or such lower amount as the Ad Hoc Group may agree) of existing Noteholders into a lock-up agreement in respect of the Notes Amendments, in form and substance satisfactory to the Ad Hoc Group;	
	(ii) amendment of the Intercreditor Agreement (as described below); and	
	(iii) the New Super Senior Notes having a Moody's Issue rating of Caa3 or higher	
Conditions Precedent to the	To include customary conditions precedent and:	
Second Tranche New Super Senior Notes:	(i) the Notes Amendments having become effective; and	
	(ii) any and all necessary waivers and/or approvals required from third parties.	
Board Observer:	Board Observer to be appointed by the Ad Hoc Group provided that (i) such Board Observer will enter into a non- disclosure agreement with the relevant group company and (ii) the Board Observer will not attend discussions that relate solely to the ongoing shareholder litigation save to the extent such litigation has a direct financial impact on the group However, the Ad Hoc Group will not have the right to appoint a Board Observer if the credit rating of the Notes is at B-/B3 or higher.	
Intercreditor Agreement:	Trustee to accede to the existing Intercreditor Agreement in its capacity as trustee to the New Super Senior Notes.	
	To be amended such that the New Super Senior Notes shall constitute Super Senior Credit Participations and Super Senior Liabilities and the holders of the New Super Senior Notes shall constitutes Super Senior Creditors.	

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Governing Law and Jurisdiction:	New York law		
Advisor Fees and Expenses:	Fees and expenses of PJT Partners as financial advisor and Milbank LLP and Gomez Acebo & Pombo (and any other legal counsel required in relevant jurisdictions outside of the USA, England and Spain) as legal counsel to the Ad Hoc Group to be paid by the Parent or the Issuer, in each case in accordance with agreements signed between the parties, as applicable.		
Reporting:	As per Existing Indenture; plus requirement to report on liquidity in annual and quarterly bondholder reports.		
Voting:	As per Existing Indenture		
Events of Default:	As per Existing Indenture, other than as agreed between the Parent and the Ad Hoc Group in the 'Project Casino – Baskets Table' document currently under negotiation.		
Rating:	The parties expect that the New Super Senior Notes will be rate on the same basis as the Notes on or before issuance.		
Listing:	The New Super Senior Notes are to be listed on The International Stock Exchange, the Channel Islands securities exchange, prior to the date that is twelve months following the issuance date.		

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Schedule 6 Form of Noteholder Accession Letter

To:	GLAS Specialist Services as Information Agent
Email	l: codere@glas.agency
From	: [Additional Consenting Noteholder]
Email	l: [Additional Consenting Noteholder's email address]
Dated	l:
Dear	Sir/Madam
Finar	-up Agreement dated 21 July 2020 between, among others, Codere S.A., Codere nce (Luxembourg) 2 S.A., and the Original Consenting Noteholders (the eement")
1.	This is a Noteholder Accession Letter for the purposes of the Agreement and terms defined in the Agreement, but not in this letter have the same meaning in this Noteholder Accession Letter.
2.	We agree to be bound by the terms of the Agreement as an Additional Consenting Noteholder.
3.	Our Locked-Up Notes Debt is set out in the Confidential Annexure to this Noteholder Accession Letter.
4.	Our notice details for the purposes of clause 15 are as follows:
	Address: [●]
	Attn: [●]
	Email address: [●]
5.	This Noteholder Accession Letter is governed by English law.
Addit	cional Consenting Noteholder
By:	
[By:	
]

CONFIDENTIAL ANNEXURE TO THE ACCESSION LETTER

Our Locked-Up Notes Debt is as follows:

Series of Notes	ISIN	Principal Amount	Euroclear / Clearstream Account Number	Name of custodian, trustee, prime broker or similar

CONFIDENTIAL ANNEXURE TO THE ACCESSION LETTER

Our Locked-Up Notes Debt is as follows:

Series of Notes	ISIN	Principal Amount	Euroclear / Clearstream Account Number	Name of custodian, trustee, prime broker or similar

Schedule 7 Form of Company Party Accession Letter

To:	GLAS Specialist Services as Information Agent
Emai	l: codere@glas.agency
From	: [Acceding Obligor][Co-Issuer]
Dated	1 :
Dear	Sir / Madam,
Finai	-up Agreement dated 21 July 2020 between, among others, Codere S.A., Codere nce (Luxembourg) 2 S.A., and the Original Consenting Noteholders (the element")
1.	This is a Company Party Accession Letter for the purposes of the Agreement and terms defined in the Agreement, but not in this letter have the same meaning in this Company Party Accession Letter.
2.	We agree to be bound by the terms of the Agreement as an Additional Company Party.
3.	Our notice details for the purposes of clause 12 are as follows:
	Address: [●] Attn: [●] Email address: [●]
4.	[Our agent for service of process for the purposes of clause 26 (Service of Process) is as follows:
	Address: [●] Attn: [●] Email address: [●] Telephone number: [●] ¹]
5.	This Company Party Accession Letter is governed by English law.
[Acce	eding Obligor][Co-Issuer]
By:	
[By:	
]

¹ Please use this paragraph if you are not incorporated in England and Wales. A telephone number is required for the purposes of service of notices by courier.

Schedule 8 Form of Transfer Certificate

To: [●]
Email: [●]
Dated:
Dear Sir/Madam
Lock-up Agreement dated [•] 2020 between, among others, Codere S.A., Codere Finance (Luxembourg) 2 S.A., and the Original Consenting Noteholders (the "Agreement")
1. We refer to the Agreement. Terms defined in the Agreement have the same meaning in

Noteholders as at the date hereof.

Transferor to the Transferee on [date]²:

this letter. This is a Transfer Certificate. 2. [The transferor] (the Transferor) and [the transferee] (the Transferee) are both Consenting

3. We write to inform you that the principal amounts of Locked-Up Notes Debt set out in the table below, plus any accrued unpaid interest thereon, have been transferred by the

Series of Notes	ISIN	Principal Amount	Euroclear / Clearstream Account Number	Name of custodian, trustee, prime broker or similar

4. We write to inform you that the principal amounts of Notes Debt (which has not previously been Locked-Up Notes Debt) set out in the table below, plus any accrued unpaid interest thereon, have been transferred to the Transferee on [date]³:

Series of Notes	ISIN	Principal Amount	Euroclear / Clearstream Account Number	Name of custodian, trustee, prime broker or similar

² Please use this paragraph and delete paragraph 4 if you are a Consenting Noteholder informing of a decrease in your Locked-Up Notes Debt.

4812-1216-7871v24

³ Please use this paragraph and delete paragraphs 2 and 3 if you are a Consenting Noteholder informing of an increase in your Locked-Up Notes Debt.

The Transferor: [TRANSFEROR]

By: [signature of authorised person signing on behalf of Transferor]

Name: [print name of authorised person]

Email address: [email address of Transferor]

The Transferee: [TRANSFEREE]

By: [signature of authorised person signing on behalf of Transferee]

Name: [print name of authorised person]

Email address: [email address of transferee]

Schedule 9 Form of Shareholder Undertaking

To: Codere, S.A.

Avenida de Bruselas, 26 28108 Alcobendas Madrid, Spain

Attention: Secretary of the Board of Directors

[Date] July 2020

Dear Sir,

Extraordinary Shareholders General Meeting of Codere, S.A.

- 1. We refer to the resolution by the Board of Directors of Codere, S.A. (the "Company") to convene an Extraordinary Shareholders' Meeting to be held on [●] July 2020 on first call or on [●] July 2020 on second call in accordance with the agenda announced by the Company on [●] July 2020 (the "Extraordinary Shareholders' Meeting").
- 2. We (or one or more funds, investment vehicles, or managed accounts advised or managed by us) are, directly or indirectly, the holders of [●] ordinary shares of the Company, representing [●] of its share capital (the "Shares").
- 3. We hereby undertake to exercise (or procure the exercise of) the voting rights attached to the Shares to vote in favour of the resolutions, to be included in the agenda of the Extraordinary Shareholders' Meeting, set out at Annex I hereto. A translation of the text of the resolutions is set out at Annex II.
- 4. All of our obligations pursuant to this letter will lapse and cease to have effect upon termination of the Extraordinary Shareholders' Meeting.
- 5. This letter and all non-contractual obligations arising from or in connection with this letter are governed by and construed in accordance with [English] law. We submit to the exclusive jurisdiction of the English courts to settle any dispute arising from or connected with this letter (a "Dispute"). We agree that the English courts are the most appropriate and convenient courts to settle any Dispute and accordingly, will not argue to the contrary.

Kind regards,	
[Shareholder]	
[Name]	

PROPUESTA DE ACUERDOS A LA JUNTA GENERAL EXTRAORDINARIA DE ACCIONISTAS DE CODERE S.A., A CELEBRAR EN PRIMERA CONVOCATORIA EL DÍA DE JULIO DE 2020 O EN SEGUNDA CONVOCATORIA EL DÍA DE JULIO DE 2020.

PRIMERO.- Aprobación, a los efectos de lo dispuesto en el artículo 160.f) de la Ley de Sociedades de Capital, del otorgamiento de garantías reales relativas a determinadas operaciones de financiación.

En el contexto de la refinanciación de ciertas operaciones de financiación concedidas a Codere, S.A. (la "Sociedad") y a otras entidades del Grupo Codere (el "Grupo"), y en particular, la emisión por Codere Finance 2 (Luxembourg) S.A. (el "Emisor") de nuevos bonos *super senior* garantizados por importe de hasta 250.000.000 de Euros, con vencimiento el 30 de septiembre de 2023, en virtud de dos tramos:

- (i) un primer tramo por importe de 85.000.000 de Euros, con tipo de interés efectivo del 12,75% hasta la implementación de determinadas modificaciones a los Bonos Existentes y del 10,75% con posterioridad a la implementación de determinadas modificaciones a los Bonos Existentes, a emitir no más tarde del 15 de agosto de 2020 (y que puede haber sido emitido a la fecha de la presente Junta General Extraordinaria); y
- (ii) un segundo tramo por importe de 165.000.000 de Euros, con tipo de interés efectivo del 10,75%, a emitir, sujeto al cumplimiento de determinadas condiciones, con motivo de la implementación de determinadas modificaciones a los Bonos Existentes,

y en que la Sociedad interviene como Garante Principal (*Parent Guarantor*) (los "**Nuevos Bonos**"), está previsto que la Sociedad otorgue una serie de garantías reales (entre ellas, y sin carácter limitativo, la pignoración de las acciones de Codere Luxembourg 1 S.à r.l y sobre los derechos de crédito derivados de cualesquiera préstamos o créditos intragrupo) a favor de los acreedores de los Nuevos Bonos y/o sus agentes o representantes.

A los efectos previstos en el artículo 160.f) de la Ley de Sociedades de Capital, la Junta General acuerda autorizar expresamente el otorgamiento de las garantías reales que sean necesarias en relación con los Nuevos Bonos (entre ellas, y sin carácter limitativo, la pignoración de las acciones de Codere Luxembourg 1 S.à r.l y sobre los derechos de crédito derivados de cualesquiera préstamos o créditos intragrupo). Dicha autorización se extiende igualmente a cuantas garantías reales hayan sido o sean otorgadas indirectamente por las filiales de la Sociedad en relación con los Nuevos Bonos (entre ellas, y sin carácter limitativo, la pignoración de acciones o participaciones en cualesquiera filiales indirectamente participadas por la Sociedad y sobre los derechos de crédito derivados de cualesquiera préstamos o créditos intragrupo).

En el contexto de la refinanciación indicada, y si el apoyo financiero requerido de los bonistas actuales es obtenido, se realizarán ciertas modificaciones de los términos y condiciones de la emisión de bonos *senior* garantizados por importe de 500.000.000 de Euros, con vencimiento el 1 de noviembre de 2021 y tipo de interés del 6,75% anual y por importe de 300.000.000 de Dólares Americanos, con vencimiento el 1 de noviembre de 2021 y tipo de interés del 7,625%, emitidos con fecha 8 de noviembre de 2016 por el Emisor y en la que la Sociedad interviene como Garante Principal (*Parent Guarantor*) (los "**Bonos Existentes**"). En consecuencia, la Junta confirma la

autorización otorgada por la Junta General Extraordinaria de la Sociedad de fecha 15 de diciembre de 2016, a los efectos del artículo 160.f) de la Ley de Sociedades de Capital, en relación con las garantías reales concedidas por la Sociedad e indirectamente por cualquiera de sus filiales en garantía de los Bonos Existentes, entre ellas, y sin carácter limitativo, la pignoración de las acciones de Codere Luxembourg 1 S.à r.l y sobre los derechos de crédito derivados de cualesquiera préstamos o créditos intragrupo (las "Garantías Existentes")

Con carácter adicional a todo lo anterior, la Junta General autoriza al Consejo de Administración de la Sociedad, incluyendo el otorgamiento de apoderamientos con facultades expresas de delegación, sustitución, autocontratación, doble o múltiple representación, así como en caso de existencia de cualquier y/o se halle en situación en la que exista, o de la que pueda surgir conflicto de intereses en las personas que el Consejo estime oportunas, para realizar cuantos trámites resulten convenientes o necesarios con el objeto de llevar a efecto la constitución de las garantías reales necesarias en relación con los Nuevos Bonos y las restantes actuaciones en relación con las Garantías Existentes, incluyendo sin limitación, modificar el importe, el tipo, el plazo u otras condiciones de los Bonos Existentes y de los Nuevos Bonos en función de las condiciones finales que se acuerden con los bonistas y el otorgamiento, en España o en el extranjero, de cualesquiera documentos públicos o privados que resulten necesarios con el objeto de hacer efectiva la constitución de las mencionadas garantías reales o confirmar la vigencia de las ya existentes.

SEGUNDO.- Delegación de facultades para formalizar, interpretar, subsanar y ejecutar los acuerdos adoptados por la Junta General Extraordinaria de accionistas.

Facultar a todos y cada uno de los miembros del Consejo de Administración y al Secretario y Vicesecretario del Consejo de Administración, en los más amplios términos, para que cualquiera de ellos, de forma indistinta y solidaria, lleve a cabo todos los trámites y actuaciones necesarios, así como para que adopten cuantas medidas sean precisas para la ejecución y buen fin de los acuerdos adoptados, incluyendo la publicación de cuantos anuncios fueran preceptivos, la comparecencia ante Notario para elevar los acuerdos a escritura pública, subsanando, en su caso, los defectos en la formalización de tales acuerdos en el sentido que indique la calificación verbal o escrita del Registro Mercantil, realizando cuantas actuaciones sean necesarias para lograr la inscripción en el Registro Mercantil de los acuerdos adoptados, en caso de ser necesario.

Annex II

Translation

PROPOSAL OF RESOLUTIONS TO THE EXTRAORDINARY GENERAL MEETING OF CODERE, S.A., TO BE HELD AT FIRST CALL ON __ JULY 2020, OR AT SECOND CALL ON __ JULY 2020.

FIRST.- Approval, in connection with the provisions set forth in Article 160.f) of the Spanish Companies Law, of the granting of security interests related to certain financing transactions.

In the context of the refinancing of certain financing transactions granted to Codere, S.A. (the "Company") and to other entities belonging to the Codere Group (the "Group") and, in particular, the issuance by Codere Finance 2 (Luxembourg), S.A. (the "Issuer") of up to €250,000,000 super senior secured notes due 30 September 2023 (the "New Notes"), by means of two tranches:

- (a) a first tranche, for an amount of €85,000,000, at an effective interest rate of 12,75% until the implementation of certain amendments in the Existing Notes, and of 10,75%, after said implementation to be issued by no later than 15 August 2020 (and which might have been issued at the date of the Extraordinary General Meeting); and
- (b) a second tranche, for an amount of €165,000,000, at an effective interest rate of 10,75%, to be issued, subject to the satisfaction of certain conditions, upon implementation of certain amendments of the Existing Notes (as this term is defined below)

and to which the Company is party as Parent Guarantor, it is intended that the Company grants certain security interests (among them, without limitation, a pledge over the shares in Codere Luxembourg 1 S.à r.l. and over the credit rights arising from any intragroup loans) in favour of the creditors of the New Notes and/or their agents or representatives.

For the purposes of Article 160.f) of the Spanish Companies Law, the General Meeting agrees to expressly authorise the execution of the security interests required in relation to the New Notes (among them, without limitation, a pledge over the shares in Codere Luxembourg 1 S.à r.l. and over the credit rights arising from any intragroup loans). Such authorisation is also extended to any security interest that have been or are to be indirectly granted by any subsidiary of the Company in connection with the New Notes (among them, without limitation, pledges over the shares or stakes in any of the indirect subsidiaries of the Company and over the credit rights arising from any intragroup loans).

In the framework of the referred refinancing transaction, if the requisite support from existing noteholders is obtained, certain amendments will be made to the terms and conditions of the issuances of € 500,000,000 6.750% senior secured notes due 1 November 2021 and US\$300,000,000 7.625% senior secured notes due 1 November 2021, both issued on 8 November 2016 by the Issuer and to which the Company is party as Parent Guarantor (the "Existing Notes"). Accordingly, the General Meeting confirms the authorisation given by the Extraordinary General Meeting of the Company held on 15 December 2016 for the purposes of Article 160.f) of the Spanish Companies Act (*Ley de Sociedades de Capital*) in connection with the security interests granted by the Company, or indirectly by any of its subsidiaries, as security

of the Existing Notes, among them, without limitation, a pledge over the shares in Codere Luxembourg 1 S.à r.l. and over the credit rights arising from any intragroup loans (the "Existing Security Interests").

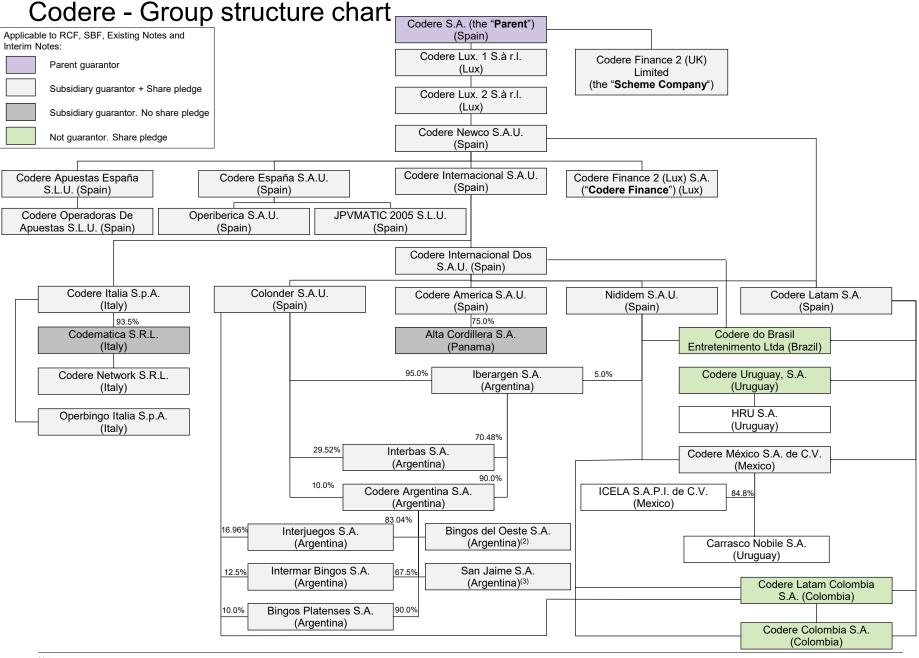
Additionally, the General Meeting authorises the Board of Directors of the Company, including the granting of powers of attorney with express powers of substitution, delegation, sub-delegation and expressly allowing self-contracting, double or multiple representation and/or a situation in which a conflict of interest exists, or may arise, on the person or persons deemed convenient, to carry out as many acts and formalities as convenient or necessary for the purposes of granting the required security interests in relation to the New Notes or the performance of any other acts related to the Existing Security Interests, including without limitation, the amendment of the principal amount, the interest rate, the term or other terms and conditions of the Existing Notes and the New Notes in accordance with the final agreement reached with the holders of the New Notes, the execution in Spain or abroad of any public or private document required to execute the aforementioned security interests or confirm the validity of any existing security interests.

SECOND.- Delegation of faculties to formalise, interpret, rectify and execute the resolutions adopted by the Extraordinary General Meeting.

The General Meeting empowers each member of the Board of Directors, the Secretary and the Vice-Secretary of the Board of Directors, in the broadest possible terms, so any of them, indistinctly and severally, may carry out as many formalities and acts as necessary and may approve as many actions as needed to the execution and performance of the adopted resolutions, including the publication of any mandatory announcement, acting before a Notary Public for the purposes of raising these resolutions to the status of public document and, in such case, rectifying the errors in the formalising of such resolutions following the written or oral qualification of the Mercantile Registry, carrying out as many acts as necessary for the inscription of the adopted resolutions in the Mercantile Registry, if necessary.

SECTION VIII: REVISED LOCK-UP AGREEMENT

SECTION IX: SIMPLIFIED GROUP STRUCTURE CHART



Notes:

Shareholding structure reflects 100% direct or indirect ownership, except as otherwise stated.

Owned by Codere Argentina S.A. (95%) and Bingos Platenses S.A. (5%). (1) (2)

Owned by Codere Argentina S.A. (95%) and Bingos del Oeste (5%).