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

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended February 28, 2010

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File No. 1-11288

ACTUANT CORPORATION
(Exact name of registrant as specified in its charter)

Wisconsin	**39-0168610**
(State of incorporation)	**(I.R.S. Employer Id. No.)**

13000 WEST SILVER SPRING DRIVE
BUTLER, WISCONSIN 53007
Mailing address: P. O. Box 3241, Milwaukee, Wisconsin 53201
(Address of principal executive offices)

(414) 352-4160
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "accelerated filer", "large accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.): Yes ☐ No ☒

The number of shares outstanding of the registrant's Class A Common Stock as of March 31, 2010 was 67,922,542.

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FORWARD LOOKING STATEMENTS AND CAUTIONARY FACTORS

This quarterly report on Form 10-Q contains certain statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties. Such forward-looking statements include statements regarding expected financial results and other planned events, including, but not limited to, anticipated liquidity, and capital expenditures. Words such as "may", "should", "could", "anticipate", "believe", "estimate", "expect", "plan", "project" and similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Therefore, actual future events or results may differ materially from these statements. We disclaim any obligation to publicly update or revise any forward-looking statements as a result of new information, future events or any other reason.

The following is a list of factors, among others, that could cause actual results to differ materially from the forward-looking statements:

- the duration or severity of the worldwide economic downturn and the timing or strength of a subsequent recovery;
- the realization of anticipated cost savings from restructuring activities and cost reduction efforts;
- market conditions in the industrial, production automation, oil & gas, energy, power generation, marine, infrastructure, vehicle and retail Do-It Yourself ("DIY") industries;
- increased competition in the markets we serve and market acceptance of existing and new products;
- successful integration of acquisitions and related restructurings;
- operating margin risk due to competitive product pricing, operating efficiencies and material and conversion cost increases;
- foreign currency, interest rate and commodity risk;
- supply chain and industry trends, including changes in purchasing and other business practices by customers;
- regulatory and legal developments including changes to United States taxation rules, health care reform and recent governmental climate change initiatives;
- our substantial indebtedness, ability to comply with the financial and other covenants in our debt agreements and current credit market conditions;
- the levels of future sales, profit and cash flows that we achieve.

Our Form 10-K for the fiscal year ended August 31, 2009 contains an expanded description of these and other risks that may affect our business, financial position and results of operations under the section entitled "Risk Factors."

When used herein, the terms "Actuant," "we," "us," "our" and the "Company" refer to Actuant Corporation and its subsidiaries.

Actuant Corporation provides free-of-charge access to its Annual Report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and all amendments thereto, through its website, www.actuant.com, as soon as reasonably practical after such reports are electronically filed with the Securities and Exchange Commission.

PART I - FINANCIAL INFORMATION

Item 1 - Financial Statements

ACTUANT CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended February 28,		Six Months Ended February 28,	
	2010	2009	2010	2009
Net sales	$ 294,216	$ 293,799	$ 599,409	$ 664,588
Cost of products sold	192,518	199,291	391,089	439,855
Gross profit	101,698	94,508	208,320	224,733
Selling, administrative and engineering expenses	70,349	73,002	142,849	146,678
Restructuring charges	8,447	3,039	12,020	3,713
Impairment charge	—	—	—	26,553
Amortization of intangible assets	5,372	4,983	10,829	9,214
Operating profit	17,530	13,484	42,622	38,575
Financing costs, net	7,798	9,904	16,335	22,139
Other (income) expense, net	(81)	(45)	223	(584)
Earnings from continuing operations before income tax	9,813	3,625	26,064	17,020
Income tax expense (benefit)	2,656	(604)	7,055	893
Earnings from continuing operations	7,157	4,229	19,009	16,127
Loss from discontinued operations, net of taxes	—	(985)	—	(1,285)
Net earnings	$ 7,157	$ 3,244	$ 19,009	$ 14,842
Earnings from continuing operations per share:				
Basic	$ 0.11	$ 0.08	$ 0.28	$ 0.29
Diluted	0.10	0.08	0.27	0.27
Earnings per share:				
Basic	$ 0.11	$ 0.06	$ 0.28	$ 0.26
Diluted	0.10	0.06	0.27	0.25
Weighted average common shares outstanding:				
Basic	67,595	56,170	67,569	56,096
Diluted	74,068	64,256	74,040	64,325

See accompanying Notes to Condensed Consolidated Financial Statements

ACTUANT CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share amounts)
(unaudited)

	February 28, 2010	August 31, 2009
ASSETS		
Current Assets		
Cash and cash equivalents	$ 15,710	$ 11,385
Accounts receivable, net	200,877	155,520
Inventories, net	158,223	160,656
Deferred income taxes	20,533	20,855
Prepaid expenses and other current assets	15,869	15,246
Total Current Assets	411,212	363,662
Property, Plant and Equipment		
Land, buildings and improvements	54,585	61,649
Machinery and equipment	244,599	254,591
Gross property, plant and equipment	299,184	316,240
Less: Accumulated depreciation	(185,174)	(187,122)
Property, Plant and Equipment, net	114,010	129,118
Goodwill	701,436	711,522
Other Intangibles, net	332,638	350,249
Other Long-term Assets	10,965	13,880
Total Assets	$1,570,261	$1,568,431
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Short-term borrowings	$ 159	$ 4,964
Trade accounts payable	118,362	108,333
Accrued compensation and benefits	36,010	30,079
Income taxes payable	22,388	20,578
Other current liabilities	69,435	71,140
Total Current Liabilities	246,354	235,094
Long-term Debt	392,952	400,135
Deferred Income Taxes	117,083	117,335
Pension and Postretirement Benefit Liabilities	36,681	37,662
Other Long-term Liabilities	26,778	30,835
Shareholders' Equity		
Class A common stock, $0.20 par value per share, authorized 168,000,000 shares, issued and outstanding 67,887,685 and 67,718,207 shares, respectively	13,577	13,543
Additional paid-in capital	(181,707)	(188,644)
Retained earnings	966,076	947,070
Accumulated other comprehensive loss	(47,533)	(24,599)
Stock held in trust	(1,887)	(1,766)
Deferred compensation liability	1,887	1,766
Total Shareholders' Equity	750,413	747,370
Total Liabilities and Shareholders' Equity	$1,570,261	$1,568,431

See accompanying Notes to Condensed Consolidated Financial Statements

ACTUANT CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Six Months Ended February 28,	
	2010	2009
Operating Activities		
Net earnings	$ 19,009	$ 14,842
Adjustments to reconcile net earnings to cash provided by operating activities:		
Depreciation and amortization	27,015	25,744
Stock-based compensation expense	3,898	3,448
Deferred income tax provision (benefit)	527	(10,360)
Impairment charge	—	26,553
Amortization of debt discount and debt issuance costs	1,959	1,690
Other non-cash adjustments	(746)	(636)
Changes in components of working capital and other:		
Accounts receivable	(11,963)	48,232
Expiration of accounts receivable securitization program	(37,106)	—
Inventories	(5,359)	10,296
Prepaid expenses and other assets	2,288	2,115
Trade accounts payable	12,089	(56,585)
Income taxes payable	3,534	(7,603)
Accrued compensation and benefits	8,293	(20,007)
Other liabilities	(5,554)	(4,110)
Net cash provided by operating activities	17,884	33,619
Investing Activities		
Proceeds from sale of property, plant and equipment	683	290
Proceeds from product line divestiture	7,516	—
Capital expenditures	(6,776)	(12,507)
Cash paid for business acquisitions, net of cash acquired	(2,000)	(235,872)
Net cash used in investing activities	(577)	(248,089)
Financing Activities		
Net borrowings on revolving credit facilities and short-term borrowings	11,761	168,209
Principal repayments on term loans	—	(155,000)
Proceeds from issuance of term loans	—	115,000
Open market repurchase of 2% Convertible Notes	(22,894)	—
Debt issuance costs	—	(5,333)
Stock option exercises, tax benefits and other	1,010	2,876
Cash dividend	(2,702)	(2,251)
Net cash provided by (used in) financing activities	(12,825)	123,501
Effect of exchange rate changes on cash	(157)	(9,251)
Net increase (decrease) in cash and cash equivalents	4,325	(100,220)
Cash and cash equivalents – beginning of period	11,385	122,549
Cash and cash equivalents – end of period	$ 15,710	$ 22,329

See accompanying Notes to Condensed Consolidated Financial Statements

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of Actuant Corporation ("Actuant," or the "Company") have been prepared in accordance with generally accepted accounting principles for interim financial reporting and with the instructions of Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. The condensed consolidated balance sheet data as of August 31, 2009 was derived from the Company's audited financial statements, but does not include all disclosures required by generally accepted accounting principles. For additional information, including the Company's significant accounting policies, refer to the consolidated financial statements and related footnotes in the Company's fiscal 2009 Annual Report on Form 10-K.

In the opinion of management, all adjustments considered necessary for a fair presentation of financial results have been made. Such adjustments consist of only those of a normal recurring nature. Certain prior year amounts have been reclassified to conform to current year presentation, including amounts related to discontinued operations. Operating results for the three and six months ended February 28, 2010 are not necessarily indicative of the results that may be expected for the entire fiscal year ending August 31, 2010.

New Accounting Pronouncements

In June 2008, the Financial Accounting Standards Board (FASB) issued an update to Accounting Standards Codification (ASC) No. 260, "Earnings Per Share," which concluded that unvested share-based awards that contain non-forfeitable rights to dividends are participating securities and, therefore, must be included in the computation of earnings per share pursuant to the two-class method. Outstanding unvested share-based awards (restricted stock awards) granted under the Actuant Corporation 2001 and 2002 Stock Plans are participating securities as they contain non-forfeitable rights to dividends. The application of the two-class method in computing basic and dilutive earnings per share, effective September 1, 2009, did not have a material impact on the weighted average shares outstanding or earnings per share amounts.

In December 2007, the FASB issued an update to ASC No. 810, "Consolidations," which changed the accounting and reporting for non-controlling (minority) interests. The Company has one joint venture with a non-controlling interest, which is not significant to the Company's financial position and results of operations. As a result, the adoption of this guidance on September 1, 2009 did not have a material effect on the condensed consolidated financial statements.

In December 2007, the FASB issued an update to ASC No. 805, "Business Combinations," which changed the accounting for certain aspects of business combinations, including the treatment of contingent consideration, pre-acquisition contingencies, transaction costs, in-process research and development and restructuring costs. Also, under ASC No. 805, adjustments associated with changes in deferred tax balances or tax contingencies that occur after the one year measurement period are recorded as adjustments to income tax expense. The Company has applied this guidance prospectively to business combinations completed on or after September 1, 2009.

Note 2. Acquisitions

The Company completed five business acquisitions during fiscal 2009, which resulted in the recognition of goodwill in the Company's condensed consolidated financial statements. The Company is continuing to evaluate the initial purchase price allocations for acquisitions completed within the past twelve months and will adjust the allocations as additional information relative to the fair values of the assets and liabilities of the acquired businesses become known.

On September 26, 2008, the Company completed the acquisition of the stock of The Cortland Companies ("Cortland") for approximately $231.2 million in cash, net of cash acquired. Cortland is a global designer, manufacturer and distributor of custom-engineered electro-mechanical cables and umbilicals, high performance synthetic ropes and value-added steel cable assemblies. The majority of the Cortland businesses are included within the Energy segment, while the steel cable assembly business (Sanlo) is included in the Other product line within the Engineered Solutions segment. The purchase price allocation resulted in $131.1 million assigned to goodwill (a portion of which is deductible for tax purposes), $17.8 million to tradenames, $1.3 million to non-compete agreements, $4.3 million to patents and $81.4 million to customer relationships. The amounts assigned to non-compete agreements, patents and customer relationships are being amortized over 3, 8 and 15 years, respectively.

In addition to the acquisition of Cortland, the Company also completed four smaller acquisitions in fiscal 2009 for an aggregate purchase price of $7.4 million of cash and a deferred purchase price of $2.5 million. During the three months ended February 28, 2010, the Company paid $2.0 million of this deferred purchase price.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

The following unaudited pro forma results of operations of the Company for the three and six months ended February 28, 2010 and 2009, respectively, give effect to these acquisitions as though the transactions and related financing activities had occurred on September 1, 2008 (in thousands, except per share amounts):

	Three Months Ended February 28,		Six Months Ended February 28,	
	2010	2009	2010	2009
Net sales				
As reported	$ 294,216	$ 293,799	$ 599,409	$ 664,588
Pro forma	294,216	295,549	599,409	672,187
Earnings from continuing operations				
As reported	$ 7,157	$ 4,229	$ 19,009	$ 16,127
Pro forma	7,157	4,492	19,009	16,359
Basic earnings per share from continuing operations				
As reported	$ 0.11	$ 0.08	$ 0.28	$ 0.29
Pro forma	0.11	0.08	0.28	0.29
Diluted earnings per share from continuing operations				
As reported	$ 0.10	$ 0.08	$ 0.27	$ 0.27
Pro forma	0.10	0.08	0.27	0.27

Note 3. Discontinued Operations

During the fourth quarter of fiscal 2009, the Company sold the Acme Aerospace (Engineered Solutions segment) and BH Electronics (Electrical segment) businesses in separate transactions for total cash proceeds of $38.5 million, net of transaction costs. As a result of the sale transactions, the Company recognized a net pre-tax gain of $17.8 million in the fourth quarter of fiscal 2009. The results of operations for the divested businesses have been reported as discontinued operations for all periods presented. The following table summarizes the results of discontinued operations for the divested businesses (in thousands):

	Three Months Ended February 28, 2009	Six Months Ended February 28, 2009
Net sales	$ 5,875	$ 15,066
Loss from operations of divested businesses	(1,485)	(1,912)
Income tax benefit	(500)	(627)
Loss from discontinued operations, net of income tax	$ (985)	$ (1,285)

Note 4. Restructuring

In fiscal 2008, the Company completed a specific restructuring plan related to the European Electrical product line (Electrical Segment). The majority of the cash costs for this restructuring have already been paid. The remaining accrued restructuring costs primarily relate to lease payments for vacated facilities, which will be paid over the remaining ten-year term of the lease.

In fiscal 2009 and 2010, the Company committed to various restructuring initiatives including workforce reductions, plant consolidations to reduce manufacturing overhead, the continued movement of production and product sourcing to low cost countries and the centralization of certain selling and administrative functions. The total restructuring costs (including those reported in Cost of Products Sold) for these activities were $9.3 million and $12.9 million for the three and six months ended February 28, 2010, respectively and $3.1 million and $3.7 million for the comparable prior year periods. The restructuring costs recognized during fiscal 2010, which impact all reportable segments, include $6.5 million of severance and facility consolidation costs, $3.6 million of non-cash fixed asset writedowns and accelerated depreciation, $0.9 million of product line rationalization costs (included in cost of products sold in the condensed consolidated statement of earnings) and $1.9 million other restructuring costs. As part of these restructuring initiatives, during the three months ended February 28, 2010, the Company divested a portion of its European Electrical product line for $7.5 million of cash proceeds, which resulted in a net pre-tax gain on disposal of $0.3 million. The Company expects to incur $5.0 million of additional restructuring charges during the remainder of fiscal 2010.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

A rollforward of the restructuring reserve (included in Other Current Liabilities and Other Long Term Liabilities in the condensed consolidated balance sheet) is as follows (in thousands):

	Six Months Ended February 28,	
	2010	2009
Beginning balances	$ 15,322	$ 5,063
Restructuring expense	12,905	3,728
Cash payments	(10,293)	(1,815)
Product line rationalization	(887)	—
Other non-cash uses of reserve	(3,629)	(229)
Impact of changes in foreign currency rates	(321)	(679)
Ending balances	$ 13,097	6,068

The remaining restructuring related severance will be paid during the next twelve months, while facility consolidation costs (primarily reserves for future lease payments for vacated facilities) will be paid over the underlying lease terms.

Note 5. Impairment Charge

The Company's goodwill is tested for impairment annually, at August 31, or more frequently if events or changes in circumstances indicate that goodwill might be impaired. The Company performs impairment reviews for its reporting units using the discounted cash flow method based on management's judgments and assumptions. The estimated fair value of the reporting unit is compared to the carrying amount of the reporting unit, including goodwill. If the carrying value of the reporting unit exceeds its fair value, the goodwill is potentially impaired and the Company then determines the implied fair value of goodwill, which is compared to the carrying value to determine if impairment exists. Indefinite lived intangible assets are also subject to impairment tests on an annual basis, or more frequently if events or changes in circumstances dictate.

Significant adverse developments in the recreational vehicle ("RV") market in the first quarter of fiscal 2009 had a dramatic effect on the Company's RV business (Engineered Solutions Segment). Its financial results were negatively impacted by lower wholesale motorhome shipments by OEM's, decreased consumer confidence and the lack of financing as a result of the global credit crisis. These factors caused the Company to significantly reduce its projections for sales, operating profits and cash flows of the RV business, and resulted in the recognition of a $26.6 million non-cash asset impairment charge during the three months ended November 30, 2008. The asset impairment charge included the $22.2 million write-off of all remaining goodwill in the RV business. In addition, a $0.8 million impairment was recognized related to indefinite lived intangibles (tradenames). Due to the existing impairment indicators, management assessed the recoverability of the RV business fixed assets and amortizable intangible assets (customer relationships, patents and trademarks). An impairment charge of $3.6 million was recognized in the first quarter of fiscal 2009 for the difference between the fair value and carrying value of such assets.

Note 6. Goodwill and Other Intangible Assets

The changes in the carrying value of goodwill for the six months ended February 28, 2010 are as follows (in thousands):

	Industrial	Energy	Electrical	Engineered Solutions	Total
Balance as of August 31, 2009	$64,688	$228,534	$199,229	$219,071	$711,522
Purchase accounting adjustments	—	2,009	—	—	2,009
Impact of changes in foreign currency rates	(814)	(8,428)	(1,314)	(1,539)	(12,095)
Balance as of February 28, 2010	$63,874	$222,115	$197,915	$217,532	$701,436

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

The gross carrying value and accumulated amortization of the Company's intangible assets that have defined useful lives and are subject to amortization are as follows (in thousands):

	February 28, 2010			August 31, 2009		
	Gross Carrying Value	Accumulated Amortization	Net Book Value	Gross Carrying Value	Accumulated Amortization	Net Book Value
Customer relationships	$229,142	$ 44,822	$184,320	$232,751	$ 37,396	$ 195,355
Patents	44,868	25,532	19,336	45,153	23,871	21,282
Trademarks	6,203	5,018	1,185	6,258	4,928	1,330
Non-compete agreements	4,523	3,366	1,157	5,277	2,817	2,460
Other	761	572	189	792	549	243
	$285,497	$ 79,310	$206,187	$290,231	$ 69,561	$ 220,670

Amortization expense recorded on the intangible assets listed above was $5.4 million and $10.8 million for the three and six months ended February 28, 2010, respectively, and $5.0 million and $9.2 million for the three and six months ended February 28, 2009, respectively. The Company estimates that amortization expense will approximate $11.2 million for the remainder of fiscal 2010. Amortization expense for future years is estimated to be as follows: $20.8 million in fiscal 2011, $18.3 million in 2012, $17.1 million in fiscal 2013, $16.6 million in fiscal 2014 and $122.2 million thereafter. These future amortization expense amounts represent estimates, which may change based on future acquisitions or changes in foreign currency exchange rates.

The gross carrying value of the Company's intangible assets that have indefinite lives and are not subject to amortization as of February 28, 2010 and August 31, 2009 were $126.5 million and $129.6 million, respectively. These assets are comprised of acquired tradenames.

Note 7. Accounts Receivable Securitization

Historically, the Company maintained an accounts receivable securitization program whereby it sold certain of its trade accounts receivable to a wholly-owned, bankruptcy-remote special purpose subsidiary which, in turn, sold participating interests in its pool of receivables to a third party financial institution. The Company did not renew the securitization program on its September 9, 2009 maturity date and as a result, utilized availability under the Senior Credit Facility to fund the corresponding $37.1 million increase in accounts receivable. The retained interest at August 31, 2009 was $28.8 million and was included in Accounts Receivable, net in the accompanying condensed consolidated balance sheets. Sales of trade receivables from the special purpose subsidiary totaled $91.2 and $202.4 million for the three and six months ended February 28, 2009, while related cash collected during the same periods totaled $160.6 and $347.7 million, respectively (included in operating activities in the condensed consolidated statement of cash flows). Financing costs related to the account receivable securitization program were $0.3 and $0.8 million for the three and six months ended February 28, 2009, respectively.

Note 8. Product Warranty Costs

The Company recognizes the cost associated with its product warranties at the time of sale. The amount recognized is based on sales, historical claims rates and current claim cost experience. The following is a reconciliation of the changes in accrued product warranty (in thousands):

	Six Months Ended February 28,	
	2010	2009
Beginning balances	$ 8,989	$ 9,309
Warranty reserves of acquired business	—	278
Provision for warranties	2,801	4,095
Warranty payments and costs incurred	(3,067)	(4,360)
Impact of changes in foreign currency rates	(191)	(592)
Ending balances	$ 8,532	$ 8,730

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

Note 9. Debt

The following is a summary of the Company's long-term indebtedness (in thousands):

	February 28, 2010	August 31, 2009
Senior Credit Facility - revolver	$ 25,000	$ 10,000
6.875% Senior notes	249,284	249,235
Other debt	825	—
Total Senior Indebtedness	275,109	259,235
Convertible subordinated debentures ("2% Convertible Notes")	117,843	140,900
	$ 392,952	$ 400,135

The Senior Credit Facility, which matures on November 10, 2011, provides a $400 million revolving credit facility and bears interest at LIBOR plus 3.50% (aggregating 3.75% at February 28, 2010). Borrowings are subject to a pricing grid, which can result in increases or decreases to the borrowing spread on a quarterly basis, depending on the Company's leverage ratio. In addition, a non-use fee is payable quarterly on the average unused credit line under the revolver. At February 28, 2010, the non-use fee was 0.5% annually, and the unused credit line under the revolver was approximately $372.4 million, of which $356.1 million was available for borrowings. The Senior Credit Facility, which is secured by substantially all of the Company's domestic personal property assets, also contains customary limits and restrictions concerning investments, sales of assets, liens on assets, dividends and other payments. The two financial covenants included in the Senior Credit Facility agreement are a maximum leverage ratio (4.5:1 at February 28, 2010 and stepping back quarterly to 3.5:1 by November 30, 2010) and a minimum fixed charge coverage ratio of 1.65:1. The Company was in compliance with all debt covenants at February 28, 2010.

On June 12, 2007, the Company issued $250.0 million of 6.875% Senior Notes (the "Senior Notes") at an approximate $1.0 million discount, generating net proceeds of $249.0 million. The Senior Notes were issued at a price of 99.607% to yield 6.93%, and require no principal installments prior to their June 15, 2017 maturity. The approximate $1.0 million initial issuance discount is being amortized through interest expense over the 10 year life of the Senior Notes. Semiannual interest payments on the Senior Notes are due in December and June of each year.

In November 2003, the Company issued $150.0 million of Senior Subordinated Convertible Debentures due November 15, 2023 (the "2% Convertible Notes"). The 2% Convertible Notes bear interest at a rate of 2.0% annually which is payable on November 15 and May 15 of each year. Beginning with the six-month interest period commencing November 15, 2010, holders will receive contingent interest if the trading price of the 2% Convertible Notes equals or exceeds 120% of their underlying principal amount over a specified trading period. If payable, the contingent interest shall equal 0.25% of the average trading price of the 2% Convertible Notes during the five days immediately preceding the applicable six month interest periods. The Company may redeem all or part of the 2% Convertible Notes on or after November 20, 2010 for cash, at a redemption price equal to 100% of the principal amount, plus accrued interest. In addition, holders of the 2% Convertible Notes have the option to require the Company to repurchase all or a portion of their 2% Convertible Notes for cash on November 15, 2010, November 15, 2013 and November 15, 2018 at a repurchase price equal to 100% of the principal amount of the notes, plus accrued interest. Any repurchases of 2% Convertible Notes will be funded through availability under the Senior Credit Facility (which matures in fiscal 2012); and therefore, the outstanding 2% Convertible Notes are classified as long-term indebtedness in the condensed consolidated balance sheets. If certain conditions are met, holders may also convert their 2% Convertible Notes into shares of the Company's Class A common stock prior to the scheduled maturity date. In the fourth quarter of fiscal 2009, the Company repurchased $9.1 million of 2% Convertible Notes and during the first quarter of fiscal 2010, repurchased an additional $23.1 million of 2% Convertible Notes. These cash repurchases were made at an average price of 99.3% of the par value of the 2% Convertible Notes. After considering these repurchases, the remaining $117.8 million of 2% Convertible Notes, are convertible into 5,905,419 shares of Company's Class A common stock at a conversion rate of 50.1126 shares per $1,000 of principal amount, which equates to a conversion price of approximately $19.96 per share.

Note 10. Employee Benefit Plans

The Company provides pension benefits to certain employees of acquired domestic businesses, who were entitled to those benefits prior to acquisition, as well as certain employees of foreign businesses. Most of the U.S. defined benefit pension plans are frozen, and as a result, the majority of the plan participants no longer earn additional benefits, while participants in most non-U.S. defined benefit plans continue to earn benefits. For the three and six months ended February 28, 2010, the Company recognized a net periodic pension benefit cost of $0.4 million and $0.8 million, respectively, compared to $0.3 million and $0.6 million in the comparable prior year periods.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

Note 11. Fair Value Measurement

In accordance with ASC No. 820, "Fair Value Measurements and Disclosures," the Company assesses the inputs used to measure the fair value of financial assets and liabilities using a three-tier hierarchy. Level 1 inputs include quoted prices for identical instruments and are the most observable. Level 2 inputs include quoted prices for similar assets and observable inputs such as interest rates, foreign currency exchange rates, commodity rates and yield curves. Level 3 inputs are not observable in the market and include management's own judgments about the assumptions market participants would use in pricing the asset or liability. The Company has no financial assets or liabilities that are recorded at fair value using significant unobservable inputs (Level 3). The fair value of financial assets and liabilities included in the condensed consolidated balance sheet are as follows (in thousands):

	February 28, 2010	August 31, 2009
Level 1 Valuation:		
Cash equivalents	$ 920	$ 653
Investments	1,623	1,320
Level 2 Valuation:		
Fair value of derivative instruments	$ (2,539)	$ 759

The fair value of the Company's accounts receivable, accounts payable, short-term borrowings and variable rate long-term debt approximated book value as of February 28, 2010 and August 31, 2009 due to their short-term nature and the fact that the applicable interest rates approximated market rates of interest. At February 28, 2010 the fair value of the $117.8 million of 2% Convertible Notes was $125.7 million while the fair value of the $250 million of Senior Notes was $241.3 million, based on quoted market prices.

Note 12. Earnings Per Share

The reconciliations between basic and diluted earnings per share are as follows (in thousands, except per share amounts):

	Three Months Ended February 28,		Six Months Ended February 28,	
	2010	2009	2010	2009
Numerator:				
Net earnings	$ 7,157	$ 3,244	$ 19,009	$ 14,842
Plus: 2% Convertible Notes financings costs, net of taxes	477	611	944	1,222
Net earnings for diluted earnings per share	$ 7,634	$ 3,855	$ 19,953	$ 16,064
Denominator:				
Weighted average common shares outstanding for basic earnings per share	67,595	56,170	67,569	56,096
Net effect of dilutive securities - equity based compensation plans	568	569	566	712
Net effect of 2% Convertible Notes based on the if-converted method	5,905	7,517	5,905	7,517
Weighted average common and equivalent shares outstanding for diluted earnings per share	74,068	64,256	74,040	64,325
Basic Earnings Per Share:	$ 0.11	$ 0.06	$ 0.28	$ 0.26
Diluted Earnings Per Share:	$ 0.10	$ 0.06	$ 0.27	$ 0.25
Anti-dilutive securities - equity based compensation plans (excluded from earnings per share computation)	4,977	4,013	4,588	3,293

The increase in the weighted average common shares outstanding for the three and six months ended February 28, 2010, relative to the prior year periods, results from the 10.9 million shares of common stock issued in connection with the follow-on equity offering completed in the fourth quarter of fiscal 2009.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

Note 13. Income Taxes

The Company's income tax expense is impacted by a number of factors, including the amount of taxable earnings derived in foreign jurisdictions with tax rates that are higher or lower than the U.S. federal statutory rate, permanent items, state tax rates and our ability to utilize various tax credits and net operating loss carryforwards. The Company adjusts the quarterly provision for income taxes based on the estimated annual effective income tax rate and facts and circumstances known at each interim reporting period.

The effective income tax rate was 27.1% for the three and six months ended February 28, 2010, compared to (16.7%) and 5.2% for the three and six months ended February 28, 2009. The increase in the effective tax rate for the three and six months ended February 28, 2010 relative to the prior year is primarily due to the prior year tax benefit on the impairment charge (Note 5, "Impairment Charge") being recognized at a tax rate which is much higher than the consolidated global effective tax rate.

The gross liability for unrecognized tax benefits, excluding interest and penalties, decreased from $28.5 million at August 31, 2009 to $27.5 million at February 28, 2010. Substantially all of these unrecognized tax benefits, if recognized, would reduce the effective income tax rate. In addition, as of February 28, 2010 and August 31, 2009, the Company had liabilities totaling $3.7 million and $3.5 million, respectively, for the payment of interest and penalties related to its unrecognized tax benefits.

Note 14. Other Comprehensive Income (Loss)

The Company's comprehensive income (loss) is significantly impacted by the movement of the US dollar versus other global currencies, most notably the Euro and British Pound. The following table sets forth the reconciliation of net earnings to comprehensive loss (in thousands):

	Three Months Ended February 28,		Six Months Ended February 28,	
	2010	2009	2010	2009
Net earnings	$ 7,157	$ 3,244	$ 19,009	$ 14,842
Foreign currency translation adjustment	(36,759)	(15,629)	(22,748)	(80,569)
Changes in net unrealized gains/(losses), net of tax	22	37	(186)	(1,762)
Comprehensive loss	$ (29,580)	$ (12,348)	$ (3,925)	$ (67,489)

Note 15. Segment Information

The Company is a global manufacturer of a broad range of industrial products and systems and is organized into four reportable segments: Industrial, Energy, Electrical and Engineered Solutions. The Industrial segment is primarily involved in the design, manufacture and distribution of branded hydraulic and mechanical tools to the maintenance, industrial, infrastructure and production automation markets. The Energy segment provides joint integrity products and services, as well as umbilical, rope and cable solutions to the global oil & gas, power generation and energy markets. The Electrical segment is primarily involved in the design, manufacture and distribution of a broad range of electrical products to the retail DIY, wholesale, original equipment manufacturer ("OEM"), utility and harsh environment markets. The Engineered Solutions segment provides highly engineered position and motion control systems to OEMs in various vehicle markets, as well as a variety of other industrial products.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

The following tables summarize financial information by reportable segment and product line (in thousands):

	Three Months Ended February 28,		Six Months Ended February 28,	
	2010	2009	2010	2009
Net Sales by Segment:				
Industrial	$ 69,235	$ 71,682	$ 134,543	$ 162,206
Energy	53,862	59,526	117,927	133,508
Electrical	81,705	89,719	168,323	192,617
Engineered Solutions	89,414	72,872	178,616	176,257
	$ 294,216	$ 293,799	$ 599,409	$ 664,588
Net Sales by Reportable Product Line:				
Industrial	$ 69,235	$ 71,682	$ 134,543	$ 162,206
Energy	53,862	59,526	117,927	133,508
North American Electrical	54,927	59,629	108,992	127,011
European Electrical	26,778	30,090	59,331	65,606
Vehicle Systems	63,614	45,810	128,168	118,559
Other	25,800	27,062	50,448	57,698
	$ 294,216	$ 293,799	$ 599,409	$ 664,588
Operating Profit:				
Industrial	$ 10,936	$ 15,545	$ 24,612	$ 41,551
Energy	3,922	5,978	15,281	21,514
Electrical	4,424	1,223	5,097	7,082
Engineered Solutions	3,995	(3,985)	9,048	(23,098)
General Corporate	(5,747)	(5,277)	(11,416)	(8,474)
	$ 17,530	$ 13,484	$ 42,622	$ 38,575

	February 28, 2010	August 31, 2009
Assets:		
Industrial	$ 200,017	$ 190,397
Energy	458,311	471,158
Electrical	405,812	392,126
Engineered Solutions	441,720	423,238
General Corporate	64,401	91,512
	$ 1,570,261	$ 1,568,431

In addition to the impact of changes in foreign currency exchange rates, the comparability of segment and product line information is impacted by acquisition/divestiture activities, restructuring costs and related benefits and the $26.6 million impairment charge included in the Engineered Solutions segment.

Corporate assets, which are not allocated, principally represent capitalized debt issuance costs, deferred income taxes, the fair value of derivative instruments and, prior to fiscal 2010, the retained interest in trade accounts receivable (subject to the accounts receivable program discussed in Note 7, “Accounts Receivable Securitization.”)

Note 16. Contingencies and Litigation

The Company had outstanding letters of credit of $9.8 million and $8.9 million at February 28, 2010 and August 31, 2009, respectively, the majority of which secure self-insured workers compensation liabilities.

The Company is a party to various legal proceedings that have arisen in the normal course of its business. These legal proceedings typically include product liability, environmental, labor, patent claims and divestiture disputes. The Company has recorded reserves for loss contingencies based on the specific circumstances of each case. Such reserves are recorded when it is probable that a loss has been incurred as of the balance sheet date, can be reasonably estimated and is not covered by insurance. In the opinion of management, the resolution of these contingencies will not have a material adverse effect on the Company’s financial condition, results of operations or cash flows.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

The Company, in the normal course of business, enters into certain real estate and equipment leases or guarantees such leases on behalf of its subsidiaries. In conjunction with the spin-off of a former subsidiary in fiscal 2000, the Company assigned its rights in the leases used by the former subsidiary, but was not released as a responsible party from all such leases by the lessors. All of these businesses were subsequently sold. The Company remains contingently liable for those leases if any of these businesses are unable to fulfill their obligations thereunder. The discounted present value of future minimum lease payments for these leases was $4.1 million at February 28, 2010.

The Company has facilities in numerous geographic locations that are subject to a range of environmental laws and regulations. Environmental costs that have no future economic value are expensed. Liabilities are recorded when environmental remediation is probable and the costs are reasonably estimable. Environmental expenditures over the last two years have not been material. Management believes that such costs will not have a material adverse effect on the Company's financial position, results of operations or cash flows.

Note 17. Guarantor Subsidiaries

On June 12, 2007, Actuant Corporation (the "Parent") issued $250.0 million of 6.875% Senior Notes. All of our material domestic 100% owned subsidiaries (the "Guarantors") fully and unconditionally guarantee the 6.875% Senior Notes on a joint and several basis. There are no significant restrictions on the ability of the Guarantors to make distributions to the Parent. The following tables present the condensed results of operations, financial position and cash flows of Actuant Corporation and its subsidiaries, the Guarantor and non-Guarantor entities, and the eliminations necessary to arrive at the information for the Company on a consolidated basis.

Certain assets, liabilities and expenses have not been allocated to the Guarantors and non-Guarantors and therefore are included in the Parent column in the accompanying condensed consolidating financial statements. These items are of a corporate or consolidated nature and include, but are not limited to, tax provisions and related assets and liabilities, certain employee benefit obligations, prepaid and accrued insurance and corporate indebtedness. Intercompany activity in the condensed consolidating financial statements primarily includes loan activity, purchases and sales of goods or services and dividends. Intercompany balances also reflect certain non-cash transactions including transfers of assets and liabilities between the Parent, Guarantor and non-Guarantor, allocation of non-cash expenses from the Parent to the Guarantors and non-Guarantors, the impact of foreign currency rate changes and non-cash intercompany dividends.

Cash transactions related to intercompany loans are reported as an investing activity in the condensed consolidating statement of cash flows as it is neither practical nor cost effective to segregate these amounts between investing, operating and financing activities. The intercompany loan activity does not impact the consolidated cash flows of the Company as the transactions eliminate in consolidation. All remaining intercompany transactions are reported as an operating activity or financing activity (payment of intercompany dividend).

Certain revisions have been made to correct the prior year presentation of parent, guarantor and non-guarantor operating and investing cash flows (related entirely to the classification of changes in intercompany payables/receivables within the condensed consolidating statement of cash flows) to conform to the current year presentation. The revisions are immaterial to previously reported financial statements. The revisions increased parent cash flow from operating activities by $80.4 million and decreased guarantor and non-guarantor cash flow from operating activities by $28.6 million and $51.8 million, respectively, for the six months ended February 28, 2009. Consolidated prior year cash flows from operating and investing activities have not changed.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

CONDENSED CONSOLIDATING STATEMENTS OF EARNINGS
(In thousands)

	Three Months Ended February 28, 2010				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
Net sales	$32,381	$ 107,518	$ 154,317	$ —	$ 294,216
Cost of products sold	10,729	79,517	102,272	—	192,518
Gross profit	21,652	28,001	52,045	—	101,698
Selling, administrative and engineering expenses	16,526	21,963	31,860	—	70,349
Restructuring charges	862	3,941	3,644	—	8,447
Amortization of intangible assets	—	3,601	1,771	—	5,372
Operating profit (loss)	4,264	(1,504)	14,770	—	17,530
Financing costs, net	7,813	—	(15)	—	7,798
Intercompany expense (income), net	(5,520)	576	4,944	—	—
Other expense (income), net	(234)	123	30	—	(81)
Earnings (loss) before income tax expense (benefit)	2,205	(2,203)	9,811	—	9,813
Income tax expense (benefit)	612	(666)	2,710	—	2,656
Net earnings (loss) before equity in earnings of subsidiaries	1,593	(1,537)	7,101	—	7,157
Equity in earnings of subsidiaries	5,564	4,341	145	(10,050)	—
Net earnings	$ 7,157	$ 2,804	$ 7,246	$ (10,050)	$ 7,157

	Three Months Ended February 28, 2009				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
Net sales	$35,010	$ 119,389	$ 139,400	$ —	$ 293,799
Cost of sales	13,450	86,538	99,303	—	199,291
Gross profit	21,560	32,851	40,097	—	94,508
Selling, administrative and engineering expenses	16,269	23,698	33,035	—	73,002
Restructuring charges	293	1,604	1,142	—	3,039
Amortization of intangible assets	—	3,491	1,492	—	4,983
Operating profit	4,998	4,058	4,428	—	13,484
Financing costs, net	9,565	145	194	—	9,904
Intercompany expense (income), net	(1,385)	(2,579)	3,964	—	—
Other expense (income), net	(613)	115	453	—	(45)
Earnings (loss) from continuing operations before income tax expense (benefit)	(2,569)	6,377	(183)	—	3,625
Income tax expense (benefit)	(42)	(935)	373	—	(604)
Earnings (loss) from continuing operations before equity in earnings (loss) of subsidiaries	(2,527)	7,312	(556)	—	4,229
Equity in earnings (loss) of subsidiaries	5,771	(3,131)	56	(2,696)	—
Earnings (loss) from continuing operations	3,244	4,181	(500)	(2,696)	4,229
Earnings (loss) from discontinued operations, net of taxes	—	390	(1,375)	—	(985)
Net earnings (loss)	$ 3,244	$ 4,571	$ (1,875)	$ (2,696)	$ 3,244

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

CONDENSED CONSOLIDATING STATEMENTS OF EARNINGS
(In thousands)

	Six Months Ended February 28, 2010				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
Net sales	$63,540	$216,624	$319,245	$ —	$ 599,409
Cost of products sold	19,217	159,909	211,963	—	391,089
Gross profit	44,323	56,715	107,282	—	208,320
Selling, administrative and engineering expenses	32,899	43,216	66,734	—	142,849
Restructuring charges	1,466	5,611	4,943	—	12,020
Amortization of intangible assets	—	7,213	3,616	—	10,829
Operating profit	9,958	675	31,989	—	42,622
Financing costs, net	16,293	2	40	—	16,335
Intercompany expense (income), net	(9,607)	(771)	10,378	—	—
Other expense (income), net	(536)	59	700	—	223
Earnings before income tax expense	3,808	1,385	20,871	—	26,064
Income tax expense	1,607	128	5,320	—	7,055
Net earnings before equity in earnings of subsidiaries	2,201	1,257	15,551	—	19,009
Equity in earnings of subsidiaries	16,808	12,024	640	(29,472)	—
Net earnings	$19,009	$ 13,281	$ 16,191	$ (29,472)	$ 19,009

	Six Months Ended February 28, 2009				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
Net sales	$78,572	$256,284	$329,732	$ —	$ 664,588
Cost of sales	28,285	184,192	227,378	—	439,855
Gross profit	50,287	72,092	102,354	—	224,733
Selling, administrative and engineering expenses	28,148	49,368	69,162	—	146,678
Restructuring charges	293	2,053	1,367	—	3,713
Impairment charge	—	23,774	2,779	—	26,553
Amortization of intangible assets	—	6,903	2,311	—	9,214
Operating profit (loss)	21,846	(10,006)	26,735	—	38,575
Financing costs, net	21,586	143	410	—	22,139
Intercompany expense (income), net	(7,202)	(285)	7,487	—	—
Other expense (income), net	(427)	(387)	230	—	(584)
Earnings (loss) from continuing operations before income tax expense (benefit)	7,889	(9,477)	18,608	—	17,020
Income tax expense (benefit)	2,991	(7,742)	5,644	—	893
Earnings (loss) from continuing operations before equity in earnings (loss) of subsidiaries	4,898	(1,735)	12,964	—	16,127
Equity in earnings (loss) of subsidiaries	9,944	3,541	(2,890)	(10,595)	—
Earnings from continuing operations	14,842	1,806	10,074	(10,595)	16,127
Earnings (loss) from discontinued operations, net of taxes	—	877	(2,162)	—	(1,285)
Net earnings	$14,842	$ 2,683	$ 7,912	$ (10,595)	$ 14,842

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

CONDENSED CONSOLIDATING BALANCE SHEETS
(In thousands)

	February 28, 2010				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
ASSETS					
Current Assets					
Cash and cash equivalents	$ 1,250	$ —	$ 14,460	$ —	$ 15,710
Accounts receivable, net	14,621	64,935	121,321	—	200,877
Inventories, net	20,947	70,579	66,697	—	158,223
Deferred income taxes	20,793	—	(260)	—	20,533
Prepaid expenses and other current assets	3,834	4,021	8,014	—	15,869
Total Current Assets	61,445	139,535	210,232	—	411,212
Property, Plant & Equipment, net	5,868	40,635	67,507	—	114,010
Goodwill	68,969	418,719	213,748	—	701,436
Other Intangibles, net	—	249,276	83,362	—	332,638
Investment in Subsidiaries	1,557,412	287,991	122,689	(1,968,092)	—
Intercompany Receivable	2,093,386	2,331,473	2,449,065	(6,873,924)	—
Other Long-term Assets	10,167	23	775	—	10,965
Total Assets	$ 3,797,247	$ 3,467,652	$ 3,147,378	$ (8,842,016)	$ 1,570,261
LIABILITIES & SHAREHOLDERS' EQUITY					
Current Liabilities					
Short-term borrowings	$ —	$ —	$ 159	$ —	$ 159
Trade accounts payable	14,886	31,217	72,259	—	118,362
Accrued compensation and benefits	11,692	6,930	17,388	—	36,010
Income taxes payable	20,348	—	2,040	—	22,388
Other current liabilities	20,345	19,197	29,893	—	69,435
Total Current Liabilities	67,271	57,344	121,739	—	246,354
Long-term Debt, less Current Maturities	392,952	—	—	—	392,952
Deferred Income Taxes	98,925	—	18,158	—	117,083
Pension and Post-retirement Benefit Liabilities	18,349	972	17,360	—	36,681
Other Long-term Liabilities	20,272	942	5,564	—	26,778
Intercompany Payable	2,449,065	2,093,386	2,331,473	(6,873,924)	—
Shareholders' Equity	750,413	1,315,008	653,084	(1,968,092)	750,413
Total Liabilities and Shareholders' Equity	$ 3,797,247	$ 3,467,652	$ 3,147,378	$ (8,842,016)	$ 1,570,261

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

CONDENSED CONSOLIDATING BALANCE SHEETS
(In thousands)

	August 31, 2009				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
ASSETS					
Current Assets					
Cash and cash equivalents	$ 126	$ —	$ 11,259	$ —	$ 11,385
Accounts receivable, net	233	7,049	148,238	—	155,520
Inventories, net	18,000	70,513	72,143	—	160,656
Deferred income taxes	21,891	—	(1,036)	—	20,855
Prepaid expenses and other current assets	4,140	2,763	8,343	—	15,246
Total Current Assets	44,390	80,325	238,947	—	363,662
Property, Plant & Equipment, net	6,829	47,488	74,801	—	129,118
Goodwill	68,969	416,785	225,768	—	711,522
Other Intangibles, net	—	256,494	93,755	—	350,249
Investment in Subsidiaries	1,551,852	287,991	122,569	(1,962,412)	—
Intercompany Receivable	2,115,530	2,386,859	2,472,569	(6,974,958)	—
Other Long-term Assets	13,014	24	842	—	13,880
Total Assets	$ 3,800,584	$ 3,475,966	$ 3,229,251	(8,937,370)	$ 1,568,431
LIABILITIES & SHAREHOLDERS' EQUITY					
Current Liabilities					
Short-term borrowings	$ 3,291	$ —	$ 1,673	$ —	$ 4,964
Trade accounts payable	11,528	28,697	68,108	—	108,333
Accrued compensation and benefits	7,488	5,318	17,273	—	30,079
Income taxes payable	15,691	—	4,887	—	20,578
Other current liabilities	20,672	20,311	30,157	—	71,140
Total Current Liabilities	58,670	54,326	122,098	—	235,094
Long-term Debt, less Current Maturities	400,135	—	—	—	400,135
Deferred Income Taxes	80,972	—	36,363	—	117,335
Pension and Post-retirement Benefit Liabilities	19,093	1,091	17,478	—	37,662
Other Long-term Liabilities	21,775	944	8,116	—	30,835
Intercompany Payable	2,472,569	2,115,530	2,386,859	(6,974,958)	—
Shareholders' Equity	747,370	1,304,075	658,337	(1,962,412)	747,370
Total Liabilities and Shareholders' Equity	$ 3,800,584	$ 3,475,966	$ 3,229,251	$ (8,937,370)	$ 1,568,431

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

CONDENSED CONSOLIDATING STATEMENTS OF CASH FLOWS
(In thousands)

	Six Months Ended February 28, 2010				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
Operating Activities					
Net cash provided by (used in) operating activities	$ 30,226	$ (37,071)	$ 29,233	$ (4,504)	$ 17,884
Investing Activities					
Proceeds from sale of property, plant and equipment	11	257	415	—	683
Capital expenditures	(581)	(2,719)	(3,476)	—	(6,776)
Proceeds from product line divestiture	—	—	7,516		7,516
Changes in intercompany receivables/payables	(17,221)	46,037	(28,816)	—	—
Business acquisitions, net of cash acquired.	—	(2,000)	—	—	(2,000)
Cash provided by (used in) investing activities	(17,791)	41,575	(24,361)	—	(577)
Financing Activities					
Net borrowings (repayment) on revolving credit facilities and short term borrowings	13,275	—	(1,514)	—	11,761
Open market repurchases of 2% Convertible Notes	(22,894)	—	—	—	(22,894)
Stock option exercises, related tax benefits and other	1,010	—	—		1,010
Dividends paid	(2,702)	(4,504)	—	4,504	(2,702)
Cash used in financing activities	(11,311)	(4,504)	(1,514)	4,504	(12,825)
Effect of exchange rate changes on cash	—	—	(157)	—	(157)
Net increase in cash and cash equivalents	1,124	—	3,201	—	4,325
Cash and cash equivalents - beginning of period	126	—	11,259	—	11,385
Cash and cash equivalents - end of period	$ 1,250	$ —	$ 14,460	$ —	$ 15,710

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

CONDENSED CONSOLIDATING STATEMENTS OF CASH FLOWS
(In thousands)

	Six Months Ended February 28, 2009				
	Parent	Guarantors	Non-Guarantors	Eliminations	Consolidated
Operating Activities					
Net cash provided by (used) in operating activities	$ 89,001	$ (3,298)	$ (45,607)	$ (6,477)	$ 33,619
Investing Activities					
Proceeds from sale of property, plant & equipment	—	129	161	—	290
Capital expenditures	(86)	(2,650)	(9,771)	—	(12,507)
Changes in intercompany receivable/payable	(18,397)	11,894	6,503	—	—
Business acquisitions, net of cash acquired	(234,600)	434	(1,706)	—	(235,872)
Cash provided by (used in) investing activities	(253,083)	9,807	(4,813)	—	(248,089)
Financing Activities					
Net borrowings on revolving credit facility and short-term borrowings	165,658	—	2,551	—	168,209
Proceeds from term loan	115,000	—	—	—	115,000
Principal repayments on term loans	(155,000)	—	—	—	(155,000)
Debt issuance costs	(5,333)	—	—	—	(5,333)
Dividends paid	(2,251)	(6,477)	—	6,477	(2,251)
Stock option excercises, related tax benefits and other	2,876	—	—	—	2,876
Cash provided by (used in) financing activities	120,950	(6,477)	2,551	6,477	123,501
Effect of exchange rate changes on cash	—	—	(9,251)	—	(9,251)
Net increase (decrease) in cash and cash equivalents	(43,132)	32	(57,120)	—	(100,220)
Cash and cash equivalents - beginning of period	43,132	213	79,204	—	122,549
Cash and cash equivalents - end of period	$ —	$ 245	$ 22,084	$ —	$ 22,329

Item 2 – Management's Discussion and Analysis of Financial Condition and Results of Operations

We are a diversified global manufacturer of a broad range of industrial products and systems, organized into four reportable segments, Industrial, Energy, Electrical and Engineered Solutions. The Industrial segment is primarily involved in the design, manufacture and distribution of branded hydraulic and mechanical tools to the maintenance, industrial, infrastructure and production automation markets. The Energy segment provides joint integrity products and services, as well as umbilical, rope and cable solutions to the global oil & gas, power generation and energy markets. The Electrical segment is primarily involved in the design, manufacture and distribution of a broad range of electrical products to the retail DIY, wholesale, OEM, utility and harsh environment markets. The Engineered Solutions segment provides highly engineered position and motion control systems to OEMs in various vehicle and markets, as well as a variety other industrial products.

Our long-term goal is to grow annual diluted earnings per share ("EPS"), excluding unusual or non-recurring items, faster than most multi-industry peers. We intend to leverage our leading market positions to generate annual internal sales growth that exceeds the annual growth rates of the gross domestic product in the geographic regions in which we operate. In addition to internal sales growth, we are focused on acquiring complementary businesses (tuck-in acquisitions). Following an acquisition, we seek to drive cost reductions, develop additional cross-selling opportunities and deepen customer relationships. We also focus on profit margin expansion and cash flow generation to achieve our EPS growth goal. Our LEAD ("Lean Enterprise Across Disciplines") process utilizes various continuous improvement techniques to drive out costs and improve efficiencies across all locations and functions worldwide, thereby expanding profit margins. Strong cash flow generation is achieved by maximizing returns on assets and minimizing primary working capital needs. The cash flow that results from efficient asset management and improved profitability is used to reduce debt and fund additional acquisitions and internal growth opportunities.

The comparability of operating results for the three and six months ended February 28, 2010 to the prior year are impacted by acquisitions, including the acquisition of the Cortland Companies (Cortland Cable Company and Sanlo Inc.) on September 26, 2008. The operating results of acquired businesses are included in our consolidated results only since their respective acquisition date.

Foreign currency translation rates can also influence our results since approximately half of our sales are denominated in currencies other than the U.S. dollar. The year-over-year weakening of the U.S. dollar in the first half of fiscal 2010, despite the recent dollar strengthening, has favorably impacted our operating results due to the translation of non-U.S. dollar denominated results. In addition, our financial results have been and will continue to be impacted by the economic conditions that exist in the end markets we serve.

Results of Operations

The global economic environment has been challenging for many of our competitors, customers and suppliers and has had a significant impact on our operations. Most of our businesses and end markets experienced the impact of the economic downturn starting during the second quarter of fiscal 2009. In response to this slowdown in business, we took actions to address our cost structure, including workforce reductions, consolidation of facilities and the centralization of certain selling and administrative functions. Now that we have anniversaried the start of the economic downturn, we expect sales and profitability comparisons during the remainder of fiscal 2010 to be favorable, especially after considering the benefits of our completed restructuring actions. Results of operations for the second quarter of fiscal 2010 reflected continued positive sequential sales trends from the first fiscal quarter, as well as significant improvements in operating margins as more of our restructuring projects were completed. The following is a summary of the key developments and trends in each of our segments:

Industrial Segment: Despite the second quarter being our seasonally weakest quarter for the Industrial segment, core sales trends improved sequentially from the first quarter of fiscal 2010 due to improving demand across all geographic regions and recession-impacted prior year comparables. This segment continues to focus on driving sales growth through the introduction of new products, market shares gains and further penetration into emerging markets and geographies. Excluding restructuring costs, Industrial segment operating profit margins improved sequentially from the first quarter and were higher than the comparable prior year period as a result of a reduced cost structure reflecting overall reductions in discretionary spending as well as the benefits of restructuring activities. Excluding the impact of acquisitions and foreign currency rate changes, we expect growth in year-over-year sales ("core sales") and profit margins in the Industrial segment during the remainder of fiscal 2010.

Energy Segment: Being a later cycle business, our Energy segment was the last of our four segments to be impacted by the global recession, and showed core sales growth for the first three quarters of fiscal 2009. However, since then it has reported core sales declines. Similar to other energy service providers, sales trends continue to be negatively impacted by the deferral of maintenance and capital spending activities by our customers, especially those in the refining business. In response to the reduced sales and profitability levels over the past three quarters, we initiated several restructuring actions to centralize certain selling and administrative functions and rationalize manufacturing operations within this segment. We expect the Energy segment year-over-year core sales trend to improve sequentially during the remainder of fiscal 2010 based on increased quoting activity.

Electrical Segment: During the second quarter of fiscal 2010, the Electrical segment year-over-year core sales trend improved sequentially from the first quarter, but was still negatively impacted by continued weakness in the European electrical and global construction markets. In response to last year's slow-down, this segment completed various actions to address its cost structure including reductions in workforce, consolidation of facilities and management, as well as product sourcing initiatives. The significant year-over-year and sequential improvement in operating profit in the second quarter is directly attributable to these restructuring actions. We expect to see continued year-over-year profit margin growth throughout the balance of the fiscal year as we complete the remaining restructuring projects.

Engineered Solutions Segment: Engineered Solutions segment core sales growth was positive in the second quarter of fiscal 2010, which represented this segment's first core sales growth quarter in nearly two years. This improvement results from strong demand from vehicle OEMs (truck, auto and specialty) and the prior year period including comparatively lower sales volumes due to significant inventory destocking by OEMs. A reduced cost structure from previously completed restructuring actions and the additional sales volumes (improved absorption of manufacturing costs) resulted in incremental operating margins and higher profits during the second quarter. During the remainder of fiscal 2010 we will continue to pursue sales growth opportunities in other served markets and expect to see the positive core sales and operating profit trends, relative to the prior year.

The following table sets forth our results of operations, for the three and six months ended February 28, 2010 and 2009 (in millions):

	Three Months Ended February 28,		Six Months Ended February 28,	
	2010	2009	2010	2009
Net sales	$ 294	$ 294	$ 599	$ 665
Cost of products sold	193	199	391	440
Gross profit	101	95	208	225
Selling, administrative and engineering expenses	70	74	142	146
Restructuring charges	8	3	12	4
Impairment charge	—	—	—	27
Amortization of intangible assets	5	5	11	9
Operating profit	18	13	43	39
Financing costs, net	8	10	17	22
Earnings from continuing operations before income tax expense (benefit)	10	3	26	17
Income tax expense (benefit)	3	(1)	7	1
Earnings from continuing operations	$ 7	$ 4	$ 19	$ 16

Consolidated net sales were $294 million for both the three months ended February 28, 2010 and 2009. Excluding the $2 million year-over-year change in sales from acquisition/divestiture activities and the $12 million favorable impact of foreign currency exchange rate changes, fiscal 2010 second quarter consolidated core sales decreased 3% compared to the prior year. Sequentially, this core sales trend improved significantly from the 20% decline in the first quarter of fiscal 2010. Fiscal 2010 year-to-date sales decreased by $66 million, or 10%, to $599 million for the six months ended February 28, 2010 from $665 million in the prior year period. Excluding the $6 million year-over-year change in sales from acquisition/divestiture activities and the $22 million favorable impact of foreign currency exchange rate changes, core sales for the six months ended February 28, 2010 decreased 13% compared to the prior year period. Most end markets we serve were not significantly impacted by the weakening global economic environment until the second quarter of fiscal 2009, and therefore six month year-over-year comparisons are unfavorable. The changes in sales at the segment level are discussed in further detail below.

Operating profit for the three months ended February 28, 2010 was $18 million, compared to $13 million in the prior year period. Second quarter operating profit included $9 million and $3 million of restructuring costs in 2010 and 2009, respectively. This year-over-year improvement in operating profit was mainly driven by the Electrical and Engineered Solutions segments, which benefited from increased production levels and a substantially improved cost structure. Operating profit for the six months ended February 28, 2010 was $43 million, compared with $39 million in the prior year period. Operating profit for the six months ended February 28, 2010 included increased incentive compensation costs and $13 million of restructuring costs. The operating profit in the comparable prior year period included $4 million of restructuring costs and a non-cash impairment charge of $27 million related to the RV business. Refer to Note 4, “Restructuring” and Note 5, “Impairment Charge” for additional details. The comparability of operating profit between periods was also impacted by production levels, cost savings from restructuring actions, acquisition/divestiture activities and the impact of foreign currency exchange rate changes. Operating profit margins (excluding restructuring and impairment charges) improved significantly during the three and six months ended February 28, 2010, and expanded sequentially in three of our four segments during the second quarter as we realized the benefits from completed restructuring initiatives. The changes in operating profit at the segment level are discussed in further detail below.

Segment Results

Net Sales (in millions)

	Three Months Ended February 28,		Six Months Ended February 28,	
	2010	2009	2010	2009
Industrial	$ 69	$ 72	$ 135	$ 162
Energy	54	59	118	134
Electrical	82	90	168	193
Engineered Solutions	89	73	178	176
	$ 294	$ 294	$ 599	$ 665

Industrial Segment

Second quarter Industrial segment net sales decreased by $3 million, or 3%, from $72 million in 2009 to $69 million in 2010. During the first half of fiscal 2010, Industrial segment net sales decreased by $27 million, or 17%, to $135 million. Foreign currency rate changes favorably impacted sales comparisons for the three and six months ended February 28, 2010 by $3 million and $6 million, respectively, due to the weakening U.S. dollar. Excluding foreign currency rate changes, core sales declined 7% and 20%, respectively, for the three and six months ended February 28, 2010. Sequentially, sales levels and the core sales trend improved during the seasonally weak second quarter of fiscal 2010. This was primarily the result of increasing worldwide demand and comparatively lower sales levels in the prior year period (due to the impact of the global economic recession in fiscal 2009).

Energy Segment

Energy segment second quarter net sales decreased by $5 million, or 10%, from $59 million in 2009 to $54 million in 2010. During the six months ended February 28, 2010 Energy segment net sales declined $16 million, or 12%, from the prior year to $118 million. Excluding acquisitions and foreign currency rate changes (which favorably impacted sales comparisons for the three and

six months ended February 28, 2010 by $3 million), core sales decreased 14% and 11%, respectively for the three and six months ended February 28, 2010 versus the prior year. This decline reflects the continued deferral of maintenance activities at certain existing oil & gas installations (especially in mature refinery markets), lower capital project based revenue and weakness in exploration related markets.

Electrical Segment

Electrical segment second quarter net sales decreased by $8 million, or 9%, from $90 million in the prior year to $82 million in 2010. During the six months ended February 28, 2010, Electrical segment net sales decreased by $25 million, or 13%, to $168 million. Foreign currency rate changes favorably impacted sales comparisons for the three and six months ended February 28, 2010 by $3 million and $6 million, respectively. Excluding foreign currency rate changes and sales from the European Electrical product line divestiture, core sales declined 9% and 14% for the three and six months ended February 28, 2010 compared to the prior year. This reflected lower demand across all end markets, especially in European DIY, commercial construction and utility markets. However, the core sales trend improved sequentially in the second quarter of fiscal 2010 due to increased demand in the North American DIY and marine markets.

Engineered Solutions Segment

Engineered Solutions segment second quarter net sales increased by $16 million, or 23%, from $73 million in 2009 to $89 million in 2010. Excluding the $2 million favorable impact of foreign currency rate changes, core sales grew 16% in the second quarter due to strong demand in the Vehicle Systems product line (new platforms and additional market share) and the impact of prior year inventory destocking by OEMs. During the six months ended February 28, 2010, Engineered Solutions segment net sales increased by $2 million, to $178 million. Excluding the $6 million favorable impact of foreign currency rate changes and acquisition sales, core sales decreased 5% for the six months ended February 28, 2010, reflecting weaker end market demand and vehicle OEM inventory destocking.

Operating Profit (in millions)

	Three Months Ended February 28,		Six Months Ended February 28,	
	2010	2009	2010	2009
Industrial	$ 11	$ 15	$ 25	$ 42
Energy	4	6	15	22
Electrical	5	1	5	7
Engineered Solutions	4	(4)	9	(23)
General Corporate	(6)	(5)	(11)	(9)
	$ 18	$ 13	$ 43	$ 39

Industrial Segment

Industrial segment operating profit decreased by $4 million, or 30%, to $11 million for the three months ended February 28, 2010 from $15 million in the prior year period. For the six months ended February 28, 2010, Industrial segment operating profit decreased by $17 million, or 41%, to $25 million. The decline in operating profit is primarily due to lower sales levels, increased restructuring costs and higher incentive compensation costs. Results for the Industrial segment included $5 million of restructuring costs for the three and six months ended February 28, 2010, compared to less than $1 million in the comparable prior year periods. Excluding restructuring costs, quarterly operating profit margins improved on both a sequential and year-over-year basis as a result of a lower cost structure and restructuring related savings.

Energy Segment

Energy segment second quarter operating profit decreased by $2 million, or 34%, from $6 million in the prior year to $4 million in 2010. For the six months ended February 28, 2010, Energy segment operating profit decreased by $7 million, or 29%, to $15 million. Operating profits decreased during the three and six months ended February 28, 2010 due to lower sales volumes, a $2 million increase in restructuring costs, increased incentive compensation costs and unfavorable acquisition mix, all of which, were partially offset by the favorable impact of foreign currency rate changes.

Electrical Segment

Despite lower sales levels, Electrical segment operating profit increased to $5 million for the second quarter of fiscal 2010, compared to $1 million in the prior year period. The increase in operating profit is the result of restructuring related cost savings which drove increased profit margins, favorable foreign currency rate changes and a $1 million decrease in restructuring costs. Second quarter operating profit margin (excluding restructuring costs) reached its highest level in the trailing twelve months as we realized the benefits of facility consolidations, reduced headcount and the movement of production and product sourcing to low cost countries. For the six months ended February 28, 2010, Electrical segment operating profit decreased by $2 million, or 28%, to $5 million. The decline in operating profit was primarily due to $2 million of incremental restructuring costs, increased incentive compensation costs and lower sales volumes.

Engineered Solutions Segment

Engineered Solutions segment operating profit improved during both the three and six months ended February 28, 2010 due to increased sales (especially in the vehicle systems product line) and production levels, favorable product mix, acquisition results, the benefits of completed restructuring activities and the favorable impact of foreign currency rate changes, which were partially offset by increased incentive compensation expense. Significant expansion in year-over-year second quarter operating profit margin (excluding restructuring costs) highlights the benefits from completed cost reduction and restructuring actions and increased production levels (absorbed of fixed manufacturing costs). Operating profit comparisons were also impacted by an incremental $1 million of restructuring costs in the three and six months ended February 28, 2010, relative to the prior year, and the $27 million impairment charge related to the RV business that was recognized in the first quarter of fiscal 2009.

General Corporate

General corporate expenses increased $1 million to $6 million for the three months ended February 28, 2010 due to increased incentive compensation costs, offset by the benefits of cost reduction efforts. For the six months ended February 28, 2010, general corporate expenses increased by $2 million, or 35%, to $ 11 million. This increase resulted from higher annual incentive compensation costs and the prior year period including the benefit from a $2 million reduction in the Company's long-term incentive plan liability (based on a decline in the related valuation, given our lower stock price).

Restructuring Charges

Total restructuring costs (including those reported in Cost of Products Sold) were $9 million and $13 million for the three and six months ended February 28, 2010, respectively and $3 million and $4 million for the comparable prior year periods. We expect to incur approximately $5 million of restructuring costs during the remainder of fiscal 2010 as all restructuring actions are completed. We believe that our restructuring activities and will better align our resources with strategic growth opportunities, optimize existing manufacturing capabilities, improve our overall cost structure and deliver increased free cash flow and profitability. See Note 4, "Restructuring" in the Notes to the Condensed Consolidated Financial Statements for further discussion.

Impairment Charge

Significant adverse developments in the RV market during the first quarter of fiscal 2009, including sharply lower wholesale motorhome shipments by OEM's, decreased consumer confidence and the lack of financing available to RV dealers and retail customers negatively impacted the financial results our RV business. As a result, during the first quarter of fiscal 2009, we recognized a $27 million non-cash impairment charge related to the goodwill and long-lived assets of the RV business. See Note 5, "Impairment Charge" in the Notes to the Condensed Consolidated Financial Statements for further discussion on the impairments.

Financing Costs, net

All debt is considered to be for general corporate purposes and therefore financing costs have not been allocated to our reportable segments. The $5 million year-over-year decrease in financing costs for the six months ended February 28, 2010 reflects substantially lower average debt levels and reduced interest rates on variable rate debt.

Income Tax Expense

Our effective income tax rate was 27.1% for both the three and six months ended February 28, 2010, compared to (16.7%) and 5.2% for the three and six months ended February 28, 2009. The increase in the effective tax rate for the six months ended February 28, 2010 relative to the prior year, is primarily due to the prior year tax benefit on the impairment charge (Note 5, "Impairment Charge") being recognized at a tax rate which is much higher than the consolidated global effective tax rate.

Cash Flows

The following table summarizes the cash flows from operating, investing and financing activities for the comparative six months periods ended February 28, (in millions):

	2010	2009
Net cash provided by operating activities	$ 18	$ 34
Net cash used in investing activities	(1)	(248)
Net cash (used in) provided by financing activities	(13)	123
Effect of exchange rates on cash	—	(9)
Net increase (decrease) in cash and cash equivalents	$ 4	$(100)

Cash flows from operating activities during the first half of fiscal 2010 were $18 million. Excluding the $37 million negative impact on working capital due to the accounts receivable securitization program expiration, net cash provided by operating activities increased relative to the prior year as a result of effective working capital management and the receipt of income tax refunds. These operating cash flows, borrowings under the Senior Credit Facility and the $8 million proceeds from divestiture activities funded $7 million of capital expenditures and significant restructuring activities.

In the first half of fiscal 2009 we utilized existing cash and borrowings under our Senior Credit Facility to complete the strategic acquisition of Cortland for $231 million. Despite difficult business conditions during this period, we generated $34 million of cash from operating activities, reflecting cash earnings and the benefit of reduced accounts receivable and inventory levels. These working capital improvements were partially offset by a reduction in accounts payable, due to lower purchasing levels, and the payment of the prior year annual incentive compensation amounts.

Primary Working Capital Management

The Company uses primary working capital as a percentage of sales (PWC%) as a key indicator of working capital management. We define this metric as the sum of net accounts receivable, outstanding balances on the accounts receivable securitization facility, and net inventory less accounts payable, divided by the past three months sales annualized. The following table shows the components of the metric (in millions):

	February 28, 2010	PWC%	February 28, 2009	PWC%
Accounts receivable, net	$ 201		$ 167	
Accounts receivable securitization	—		42	
Total accounts receivable	201	17%	209	17%
Inventory, net	158	13%	206	17%
Accounts payable	(118)	(10)%	(110)	(9)%
Net primary working capital	$ 241	20%	$ 305	25%

Our net primary working capital percentage decreased year-over-year from 25% to 20%, primarily as a result of inventory reductions over the past year.

Liquidity

The Senior Credit Facility, which matures on November 10, 2011, consists of a $400 million revolving credit facility, is secured by substantially all of our domestic personal property assets and bears interest of LIBOR plus 3.50%. The two financial covenants included in the Senior Credit Facility agreement are a maximum leverage ratio (4.5:1 at February 28, 2010, and stepping back quarterly to 3.5:1 by November 30, 2010) and a minimum fixed charge coverage ratio of 1.65:1. We were in compliance with all debt covenants at February 28, 2010.

Holder's of our 2% Convertible Notes have the option to require us to repurchase, for cash, all or a portion of the 2% Convertible Notes on November 15, 2010, November 15, 2013 and November 15, 2018 at a repurchase price equal to 100% of the principal amount of the notes, plus accrued interest. If certain conditions are met, holders may also convert the 2% Convertible Notes into shares of our common stock prior to the November 2023 maturity date. In addition, we may redeem all or part of the 2% Convertible Notes on or after November 20, 2010 at a cash redemption price equal to 100% of the principal amount, plus accrued

interest. We intend to fund potential repurchases of 2% Convertible Notes through availability under the Senior Credit Facility. In the fourth quarter of fiscal 2009 we repurchased on the open market $9 million of 2% Convertible Notes and during the first quarter of fiscal 2010, we repurchased an additional $23 million of 2% Convertible Notes. See Note 9, “Debt” in the Notes to the condensed consolidated financial statements for further discussion of the repurchases.

At February 28, 2010, we had $16 million of cash and cash equivalents and $356 million of available liquidity under our Senior Credit Facility. We believe that the availability under the Senior Credit Facility, combined with our existing cash on hand and funds generated from operations, will be adequate to meet operating, debt service, acquisition funding and capital expenditure requirements for the foreseeable future.

Commitments and Contingencies

We lease certain facilities, computers, equipment and vehicles under various operating lease agreements, generally over periods from one to twenty years. Under most arrangements, we pay the property taxes, insurance, maintenance and expenses related to the leased property. Many of the leases include provisions that enable us to renew the lease based upon fair value rental rates on the date of expiration of the initial lease.

In the normal course of business we have entered into certain real estate and equipment leases or have guaranteed such leases on behalf of our subsidiaries. In conjunction with the spin-off of a former subsidiary in fiscal 2000, we assigned our rights in the leases used by the former subsidiary, but were not released as a responsible party from all such leases by the lessors. All of these businesses were subsequently sold. We remain contingently liable for those leases if any of these businesses are unable to fulfill their obligations thereunder. The discounted present value of future minimum lease payments for these leases was $4 million at February 28, 2010.

We have outstanding letters of credit of $10 million and $9 million at February 28, 2010 and August 31, 2009, respectively, the majority of which secure self-insured workers compensation liabilities.

Off-Balance Sheet Arrangements

As discussed in Note 7, “Accounts Receivable Securitization” in the Notes to the condensed consolidated financial statements, we were a party to an accounts receivable securitization arrangement whereby we sold certain trade receivables to a wholly owned bankruptcy-remote special purpose subsidiary, which in turn, sold participating interests in the receivables to a third party financial institution. We did not renew the accounts receivable securitization program on its September 9, 2009 maturity date and, as a result, utilized availability under the Senior Credit Facility to fund the corresponding $37 million increase in accounts receivable.

Contractual Obligations

Our contractual obligations are discussed in Part 1, Item 2 , “Management’s Discussion and Analysis of Financial Condition and Results of Operations” under the heading “Contractual Obligations” in our Annual Report on Form 10-K for the year ended August 31, 2009, and, as of February 28, 2010, have not materially changed since that report was filed.

Item 3 – Quantitative and Qualitative Disclosures about Market Risk

There has been no significant change in our exposure to market risk during the six months ended February 28, 2010. For a discussion of our exposure to market risk, refer to Item 7A, Quantitative and Qualitative Disclosures about Market Risk, contained in our Annual Report on Form 10-K for the fiscal year ended August 31, 2009.

Item 4 – Controls and Procedures

Evaluation of Disclosure Controls and Procedures.

Under the supervision and with the participation of our senior management, including our chief executive officer and chief financial officer, we conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), as of the end of the period covered by this quarterly report (the “Evaluation Date”). Based on this evaluation, our chief executive officer and chief financial officer concluded as of the Evaluation Date that our disclosure controls and procedures were effective such that the information relating to the Company, including consolidated subsidiaries, required to be disclosed in our Securities and Exchange Commission (“SEC”) reports (i) is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and (ii) is accumulated and communicated to the Company’s management, including our chief executive officer and chief financial officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). There have been no changes in our internal control over financial reporting that occurred during the quarter ended February 28, 2010 that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

PART II - OTHER INFORMATION

Items 1, 1A, 2, 3, and 5 are not applicable and have been omitted.

Item 4 – Submission of Matters to a Vote of Security Holders

The Annual Meeting of Shareholders ("Annual Meeting") was held on January 12, 2010 to elect a board of nine directors. Each director nominee was elected. The number of votes for each nominee is set forth below:

	Shares Voted	Shares Withheld
Robert C. Arzbaecher	59,779,276	1,917,315
Gurminder S. Bedi	60,240,117	1,456,474
Gustav H.P. Boel	60,231,979	1,464,612
Thomas J. Fischer	56,370,713	5,325,878
William K. Hall	57,965,959	3,730,632
R. Alan Hunter, Jr.	58,106,728	3,589,863
Robert A. Peterson	58,125,343	3,571,248
Holly A. Van Deursen	59,931,357	1,765,234
Dennis K. Williams	60,240,990	1,455,601

At the Annual Meeting, the shareholders also approved the following proposals by the vote set forth below:

	For	Against	Abstain	Non-Vote
Amendment to the Actuant Corporation 2009 Omnibus Incentive Plan to increase the number of shares of Class A common stock issuable under the Plan	55,325,635	5,828,194	542,762	2,958,144
Adoption of the Actuant Corporation 2010 Employee Stock Purchase Plan	60,915,163	719,344	62,084	2,958,144
Amendment to the Company's Restated Articles of Incorporation to increase the number of authorized shares of Class A common stock by 84 million shares to 168 million shares	59,862,027	4,729,937	62,770	—

Item 6 – Exhibits

(a) Exhibits

See "Index to Exhibits" on page 29, which is incorporated herein by reference.

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SIGNATURE

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

ACTUANT CORPORATION
(Registrant)

Date: April 8, 2010

By: /S/ ANDREW G. LAMPEREUR
Andrew G. Lampereur
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

ACTUANT CORPORATION
(the "Registrant")
(Commission File No. 1-11288)

QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTER ENDED February 28, 2010
INDEX TO EXHIBITS

Exhibit	Description	Incorporated Herein By Reference To	Filed Herewith
3.1	Articles of Amendment to the Amended and Restated Articles of Incorporation	Exhibit 3.1 to the Registrant's Form 8-K filed on January 14, 2010	
10.1	Second Amended and Restated Credit Agreement dated November 10, 2008 among Actuant Corporation, the Lenders party thereto and JPMorgan Chase Bank, N.A. as the agent.		X
10.2	Actuant Corporation 2009 Omnibus Incentive Plan (conformed through the first amendment)	Exhibit 99.1 to the Registrant's Form 8-K filed on January 14, 2010	
10.3	Actuant Corporation 2010 Employee Stock Purchase Plan	Exhibit B to the Registrant's Definitive Proxy Statement filed on December 4, 2009	
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002		X
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002		X
32.1	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002		X
32.2	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002		X

Exhibit 10.1

EXECUTION COPY

J.P.Morgan

SECOND AMENDED AND RESTATED
CREDIT AGREEMENT

Dated as of November 10, 2008

among

ACTUANT CORPORATION

THE FOREIGN SUBSIDIARY BORROWERS PARTY HERETO,

THE LENDERS FROM TIME TO TIME PARTY HERETO,

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

BANK OF AMERICA, N.A.
and
WELLS FARGO BANK, N.A.
as Syndication Agents,

and

M&I MARSHALL & ISLEY BANK
and
U.S. BANK NATIONAL ASSOCIATION
as Documentation Agents

J.P. MORGAN SECURITIES INC.
BANC OF AMERICA SECURITIES LLC
and
WELLS FARGO BANK, N.A.
Joint Lead Arrangers and Joint Bookrunners

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Exhibit E-1	-	Note for Revolving Loans (if requested)
Exhibit E-2	-	Note for Term Loans (if requested)
Exhibit F	-	Commitment and Acceptance
Exhibit G	-	Form of Assumption Letter
Exhibit H	-	Form of UK Tax Certificate

SCHEDULES

Pricing Schedule		
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Schedule 1.4	-	Initial Pledgors
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Schedule 2.19.13	-	Existing Letters of Credit
Schedule 4.1	-	List of Closing Documents
Schedule 5.7	-	Litigation
Schedule 5.8	-	Subsidiaries
Schedule 5.15	-	Insurance
Schedule 6.11	-	Indebtedness
Schedule 6.14	-	Investments
Schedule 6.15	-	Liens
Schedule 6.18	-	Contingent Obligations

SECOND AMENDED AND RESTATED
CREDIT AGREEMENT

This Second Amended and Restated Credit Agreement, dated as of November 10, 2008, is among ACTUANT CORPORATION, a Wisconsin corporation, the Foreign Subsidiary Borrowers that may hereafter become party hereto, the Lenders and JPMORGAN CHASE BANK, N.A., a national banking association, as LC Issuer and as Agent. The parties hereto agree as follows:

ARTICLE I

DEFINITIONS

1.1. Defined Terms. As used in this Agreement:

"Acquisition" means any transaction, or any series of related transactions, consummated on or after the Closing Date, by which the Company or any of its Subsidiaries (i) acquires any going business or all or substantially all of the assets of any firm, corporation or limited liability company, or division thereof, whether through purchase of assets, merger or otherwise or (ii) directly or indirectly acquires (in one transaction or as the most recent transaction in a series of transactions) at least a majority (in number of votes) of the securities of a corporation which have ordinary voting power for the election of directors (other than securities having such power only by reason of the happening of a contingency) or a majority (by percentage or voting power) of the outstanding ownership interests of a partnership or limited liability company.

"Adjusted Eurocurrency Base Rate" means, with respect to any Eurocurrency Advance for any Interest Period, an interest rate per annum equal to the quotient of (a) the Eurocurrency Base Rate for such Interest Period, divided by (b) one minus the Reserve Requirement (expressed as a decimal) applicable to such Interest Period,

"Advance" means a borrowing hereunder consisting of Revolving Loans or Term Loans, as the case may be, (i) made by some or all of the Lenders on the same Borrowing Date, or (ii) converted or continued by the Lenders on the same date of conversion or continuation, consisting, in either case, of the aggregate amount of the several Loans of the same Type and, in the case of Eurocurrency Loans, in the same currency and for the same Interest Period. The term "Advance" shall also include Swing Line Loans unless otherwise expressly provided.

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

"Agent" means JPMorgan in its capacity as administrative agent and contractual representative of the Lenders pursuant to Article X, and not in its individual capacity as a Lender, and any successor Agent appointed pursuant to Article X.

"Aggregate Outstanding Revolving Credit Exposure" means, at any time, the aggregate of the Outstanding Revolving Credit Exposure of all the Revolving Lenders.

"Aggregate Revolving Loan Commitment" means the aggregate of the Revolving Loan Commitments of all the Lenders arising on the Closing Date, as reduced or increased from time to time pursuant to the terms hereof. The initial Aggregate Revolving Loan Commitment as of the Closing Date is $400,000,000.

"Aggregate Term Loan Commitment" means the aggregate of the Term Loan Commitments of all the Lenders arising on the Closing Date, as funded and reduced or increased from time to time pursuant to the terms hereof. The initial Aggregate Term Loan Commitment of $115,000,000 shall be reduced to zero on the Closing Date in accordance with Section 2.2(a).

"Agreed Currencies" means (a) Dollars and (b) so long as such currencies remain Eligible Currencies, Pounds Sterling and euro.

"Agreement" means this Second Amended and Restated Credit Agreement, as it may be amended, restated, supplemented or modified and in effect from time to time.

"Alternate Base Rate" means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus 1/2 of 1% and (c) the Adjusted Eurocurrency Base Rate for a one month Interest Period denominated in Dollars on such day (or if such day is not a Business Day, the immediately preceding Business Day) plus 1.25%, provided that, for the avoidance of doubt, the Adjusted Eurocurrency Base Rate for any day shall be based on the rate appearing on the applicable Reuters Screen for Dollars at approximately 11:00 a.m. (London time) on such day. Any change in the Alternate Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or the Adjusted Eurocurrency Base Rate shall be effective from and including the effective date of such change in the Prime Rate, the Federal Funds Effective Rate or the Adjusted Eurocurrency Base Rate, respectively.

"Applicable Fee Rate" means, at any time, the percentage rate per annum at which commitment fees under Section 2.5(a) are accruing on the unused portion of the Aggregate Revolving Loan Commitment at such time as set forth in the Pricing Schedule.

"Applicable Margin" means, with respect to Advances of any Type at any time, the percentage rate per annum which is applicable at such time with respect to Advances of such Type as set forth in the Pricing Schedule.

"Applicable Pledge Percentage" means 100%, but 65% in the case of a pledge of Equity Interests of a Material Foreign Subsidiary to secure the Obligations of each Borrower to the extent a 100% pledge would cause a Deemed Dividend Problem.

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

"Approximate Equivalent Amount" of any currency with respect to any amount of Dollars shall mean the equivalent amount thereof in the applicable Agreed Currency using the Exchange Rate with respect to such Agreed Currency at the time in effect, rounded up to the nearest amount of such currency as determined by the Agent from time to time.

"Arranger" means each of (i) J.P. Morgan Securities Inc. and its successors, (ii) Banc of America Securities LLC and its successors and (iii) Wells Fargo Bank, N.A. and its successors, each in its capacity as a Joint Lead Arranger and Joint Bookrunner.

"Article" means an article of this Agreement unless another document is specifically referenced.

"Asset Sale" means the sale, transfer or other disposition (by way of merger or otherwise) by the Company or any of the Subsidiaries to any person other than the Company or any Guarantor of (a) any Equity Interest of any of the Subsidiaries (other than directors' qualifying shares or shares required by applicable law to be held by a person other than the Company or a Subsidiary) or (b) any other assets of the Company or any of the Subsidiaries, other than (i) dispositions of inventory, excess, damaged, obsolete or worn out equipment, scrap and Cash Equivalent Investments, in each case disposed of in the ordinary course of business and consistent with past practices, (ii) dispositions resulting in insurance proceeds or condemnation awards or (iii) dispositions between or among Foreign Subsidiaries.

"Assumption Letter" means a letter of a Dutch Subsidiary or UK Subsidiary, addressed to the Lenders in substantially the form of Exhibit G hereto, pursuant to which such Subsidiary agrees to become a "Foreign Subsidiary Borrower" and agrees to be bound by the terms and conditions hereof.

"Attributable Debt" in respect of a Sale and Leaseback Transaction means, as at the time of determination, the present value (discounted at a rate of 7.75%, compounded annually) of the total obligations of the lessee for 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).

"Available Aggregate Revolving Loan Commitment" means, at any time, the Aggregate Revolving Loan Commitment then in effect minus the Aggregate Outstanding Revolving Credit Exposure at such time.

"Borrower" means the Company or any Foreign Subsidiary Borrower, as applicable, and "Borrowers" means all of the foregoing.

"Borrowing Date" means a date on which an Advance is made hereunder.

"Borrowing Notice" is defined in Section 2.8.

"Business Day" means any day that is not a Saturday, Sunday or other day on which commercial banks in Chicago or New York City are authorized or required by law to remain closed; provided, that (a) when used in connection with a Eurocurrency Loan denominated in Dollars or Pounds Sterling, the term "Business Day" shall also exclude any day that is not a London Business Day, and (b) when used in connection with a Loan denominated in euro, the term "Business Day" shall also exclude (i) any day that is not a TARGET Day and (ii) any day that is not a London Business Day.

"Capital Expenditures" means, without duplication, any expenditures for any purchase or other acquisition of any asset which would be classified as a fixed or capital asset on a consolidated balance sheet of the Company and its Subsidiaries prepared in accordance with GAAP.

"Capitalized Lease" of a Person means any lease of Property by such Person as lessee which would be capitalized on a balance sheet of such Person prepared in accordance with GAAP.

"Capitalized Lease Obligations" of a Person means the amount of the obligations of such Person under Capitalized Leases which would be shown as a liability on a balance sheet of such Person prepared in accordance with GAAP.

"Cash Equivalent Investments" means (i) short-term obligations of, or fully guaranteed by, the United States of America, (ii) commercial paper rated A-1 or better by S&P or P-1 or better by Moody's, (iii) demand deposit accounts maintained in the ordinary course of business, (iv) certificates of deposit issued by and time deposits with commercial banks (whether domestic or foreign) having capital and surplus in excess of $100,000,000, and (v) shares of money market mutual funds having net assets in excess of $1,000,000,000, the investments of which are limited to one or more of the types of investments described in clauses (i) through (iv) above; *provided* in each case that the same provides for payment of both principal and interest (and not principal alone or interest alone) and is not subject to any contingency regarding the payment of principal or interest.

"Change in Control" shall be deemed to have occurred if (a) any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that for purposes of this clause (a) such person shall be deemed to have "beneficial ownership" of all shares that any such person has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of more than 50% of the total voting power of the Voting Stock of the Company (for the purpose of this clause (a) a person shall be deemed to beneficially own the Voting Stock of a corporation that is beneficially owned (as defined above) by another corporation (a "parent corporation") if such person beneficially owns (as defined above) at least 50% of the aggregate voting power of all classes of Voting Stock of such parent corporation); (b) during any period of two consecutive years, individuals who at the beginning of such period constituted the board of directors (together with any new directors whose election by such board of directors or whose nomination for election by the shareholders of the Company was approved by a vote of 66 2/3% of the directors of the Company then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the board of directors then in office; (c) the adoption of a plan relating to the liquidation or dissolution of the Company; (d) the merger or consolidation of the Company with or into another Person, or the sale of all or substantially all the assets of the Company to another Person; (e) any "Change in Control" or "Change of Control" as defined in any agreement governing Subordinated Indebtedness, or any "Designated Event" as defined in the Convertible Indenture or as similarly defined in any other agreement governing Subordinated Indebtedness, occurs and as a result thereof the Company is required to prepay or repurchase, or make an offer to prepay or

repurchase, such Subordinated Indebtedness, (f) any "Change of Control" (or other term of like effect) as defined in the Senior Note Indenture or (g) the Company shall cease to own and control, directly or indirectly, 100% of the Equity Interests of each Foreign Subsidiary Borrower.

"Closing Date" means November 10, 2008.

"Code" means the Internal Revenue Code of 1986, as amended, reformed or otherwise modified from time to time.

"Collateral Documents" means, collectively, all agreements, instruments and documents executed in connection with this Agreement that are intended to create or evidence Liens to secure the Secured Obligations or any Guaranty of the Secured Obligations, including, without limitation, the Pledge Agreement and related financing statements, whether heretofore, now, or hereafter executed by or on behalf of the Company or any of its Subsidiaries and delivered to the Agent or any of the Lenders, together with all agreements and documents referred to therein or contemplated thereby.

"Collateral Shortfall Amount" is defined in Section 8.1.1.

"Commitment and Acceptance" means an agreement delivered pursuant to Section 2.2(b) with respect to increases to the Term Loan Commitments or pursuant to Section 2.5(c) with respect to increases to the Revolving Loan Commitments, in either case, substantially in the form of Exhibit F hereto.

"Company" means Actuant Corporation, a Wisconsin corporation, and its successors and assigns.

"Consolidated Assets" means at any time the assets of the Company and its Subsidiaries calculated on a consolidated basis in accordance with GAAP as of such time.

"Consolidated Capital Expenditures" means, with reference to any period, the Capital Expenditures of the Company and its Subsidiaries calculated on a consolidated basis for such period.

"Consolidated EBITDA" means, for any period, (without duplication) the sum of the amounts for such period of Consolidated Net Income*plus* to the extent deducted from revenues in determining Consolidated Net Income, (i) Consolidated Interest Expense, (ii) provision for taxes based on income, (iii) total depreciation expense, (iv) total amortization expense, in each case without giving effect to any extraordinary gains or losses or gains or losses from sales of assets other than inventory sold in the ordinary course of business and (v) unrealized non cash Net Mark-to-Market Exposure under Rate Management Transactions; *provided, however*, that amounts in any such period in respect of (a) any noncash charges attributable to the expensing of stock options as required or recommended by the Financial Standards and Accounting Board shall be added to Consolidated EBITDA for such period and (b) the write-off of deferred financing fees and any premium actually paid in connection with the Specified Financing Transactions shall be added to Consolidated EBITDA for such period.

"Consolidated Indebtedness" means at any time the Indebtedness of the Company and its Subsidiaries calculated on a consolidated basis as of such time;*provided, however*, that Consolidated Indebtedness shall exclude Indebtedness evidenced by (a) the Senior Note Indenture if funds remain irrevocably deposited with the trustee under the Senior Note Indenture in an amount sufficient to redeem all outstanding Senior Notes (including interest thereon) and all other sums due under the Senior Note Indenture in accordance with the terms thereof and (b) Indebtedness evidenced by the Convertible Note Indenture if funds remain irrevocably deposited with the trustee under the Convertible Note Indenture in an amount sufficient to redeem all outstanding Convertible Notes (including interest thereon) and all other sums due under the Convertible Note Indenture in accordance with the terms thereof.

"Consolidated Interest Expense" means, with reference to any period, the interest expense (net of interest income) of the Company and its Subsidiaries calculated on a consolidated basis for such period in accordance with GAAP, including financing costs in connection with a Qualified Receivables Transaction.

"Consolidated Net Income" means, for any period, (without duplication) the consolidated net after tax income (or loss) of the Company and its consolidated Subsidiaries (other than net income, if positive, of any Subsidiary to the extent that the declaration or payment of dividends or similar distributions is not at the time permitted by operation of the terms of its charter or by-laws or any other agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to such Subsidiary) determined in accordance with GAAP; *provided, however*, that amounts in any such period in respect of (a) any non-cash charges associated with the sale or discontinuance of assets, businesses or product lines and (b) the cumulative effect of accounting changes shall be added, without duplication, to Consolidated Net Income for such period.

"Consolidated Operating Income" means, for any period, consolidated operating income of the Company and its consolidated Subsidiaries determined in accordance with GAAP.

"Consolidated Rentals" means, with reference to any period, the Rentals of the Company and its Subsidiaries calculated on a consolidated basis for such period.

"Consolidated Senior Indebtedness" means at any time Consolidated Indebtedness *minus* Subordinated Indebtedness of the Company and its Subsidiaries calculated on a consolidated basis as of such time.

"Contingent Obligation" of a Person means any agreement, undertaking or arrangement by which such Person assumes, guarantees, endorses, contingently agrees to purchase or provide funds for the payment of, or otherwise becomes or is contingently liable upon, the obligation or liability of any other Person, or agrees to maintain the net worth or working capital or other financial condition of any other Person, or otherwise assures any creditor of such other Person against loss, including, without limitation, any comfort letter, operating agreement, take-or-pay contract or the obligations of any such Person as general partner of a partnership with respect to the liabilities of the partnership.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto.

"Controlled Group" means all members of a controlled group of corporations or other business entities and all trades or businesses (whether or not incorporated) under common control which, together with the Company or any of its Subsidiaries, are treated as a single employer under Section 414 of the Code.

"Conversion/Continuation Notice" is defined in Section 2.9.

"Convertible Note Indenture" means the Indenture dated as of November 10, 2003 among the Company and U.S. Bank National Association, as trustee.

"Convertible Notes" means the Company's 2% Convertible Senior Subordinated Debentures due 2023 issued pursuant to the Convertible Note Indenture.

"Credit Extension" means the making of an Advance or the issuance or Modification of a Facility LC hereunder (including the reevidencing of Revolving Loans and/or Swing Line Loans and the deemed issuance of Existing Letters of Credit, in any such case, on the Closing Date).

"Credit Extension Date" means the Borrowing Date for an Advance or the issuance date for a Facility LC.

"Deemed Dividend Problem" means, with respect to any Foreign Subsidiary, any portion of such Foreign Subsidiary's accumulated and undistributed earnings and profits being deemed to be repatriated to the Company or the applicable parent Domestic Subsidiary for U.S. federal income tax purposes and the effect of such repatriation causing adverse tax consequences to the Company or such parent Domestic Subsidiary, in each case as determined by the Company in its commercially reasonable judgment acting in good faith and in consultation with its legal and tax advisors.

"Default" means an event described in Article VII.

"Defaulting Lender" means any Revolving Lender, as determined by the Agent, that has (a) failed to fund any portion of its Revolving Loans or participations in Facility LCs or Swing Line Loans within three Business Days of the date required to be funded by it hereunder, (b) notified any Borrower, the Agent, the LC Issuer, the Swing Line Lender or any Lender in writing that it does not intend to comply with any of its funding obligations under this Agreement or has made a public statement to the effect that it does not intend to comply with its funding obligations under this Agreement or under other agreements in which it commits to extend credit, (c) failed, within three Business Days after request by the Agent, to confirm that it will comply with the terms of this Agreement relating to its obligations to fund prospective Revolving Loans and participations in then outstanding Facility LCs and Swing Line Loans, (d) otherwise failed to pay over to the Agent or any other Lender any other amount required to be paid by it hereunder within three Business Days of the date when due, unless the subject of a good faith dispute, or (e) (i) become or is insolvent or has a parent company that has become or

is insolvent or (ii) become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee or custodian appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment or has a parent company that has become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee or custodian appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment. Nothing contained in the foregoing shall be deemed to constitute a waiver by any Borrower of any of its rights or remedies (whether in equity or law) against any Lender which fails to fund any of its Loans hereunder at the time or in the amount required to be funded under the terms of this Agreement.

"Departing Lender" means each lender under the Existing Credit Agreement that executes and delivers to the Agent a Departing Lender Signature Page.

"Departing Lender Signature Page" means each signature page to this Agreement on which it is indicated that the Departing Lender executing the same shall cease to be a party to the Existing Credit Agreement on the Closing Date.

"Dividend" with respect to any Person means that such Person has declared or paid a dividend or returned any equity capital to its holders of its Equity Interests or authorized or made any other distribution, payment or delivery of property (other than common stock of such Person) or cash to holders of its Equity Interests as such, or redeemed, retired, purchased or otherwise acquired, directly or indirectly, for consideration any shares of any class of its Equity Interests outstanding on or after the Closing Date (or any options or warrants issued by such Person with respect to its Equity Interests), or set aside any funds for any of the foregoing purposes, or shall have permitted any of its Subsidiaries to purchase or otherwise acquire for a consideration any shares of any class of the Equity Interests of such Person outstanding on or after the Closing Date (or any options or warrants issued by such Person with respect to its Equity Interests) or, in any such case, entered into any transaction having a substantially similar effect. Without limiting the foregoing, "Dividends" with respect to any Person shall also include all payments made or required to be made by such Person with respect to any stock appreciation rights plans, equity incentive or achievement plans or any similar plans or setting aside of any funds for the foregoing purposes.

"Dollar" and "$" means the lawful currency of the United States of America.

"Dollar Amount" means, on any date of determination, (a) with respect to any amount in Dollars, such amount, and (b) with respect to any amount in an Agreed Currency, the equivalent in Dollars of such amount, determined by the Agent pursuant to Section 2.1(c) using the Exchange Rate with respect to such Agreed Currency at the time in effect.

"Domestic Subsidiary" means a Subsidiary of the Company incorporated or organized under the laws of the United States of America, any State thereof or the District of Columbia.

"Domestic Subsidiary Guaranty" means that certain Second Amended and Restated Guaranty, dated as of the Closing Date, executed by the Guarantors in favor of the Agent, for the ratable benefit of the Lenders, as it may be amended, restated, supplemented or modified and in effect from time to time, pursuant to which the Guarantors have jointly and severally guaranteed payment of the Secured Obligations when due.

"Dutch Borrower" means a Dutch Subsidiary that is a Foreign Subsidiary Borrower.

"Dutch Financial Supervision Act" means the Dutch Financial Supervision Act 2007 (*Wet op het Financieel Toezicht 2007*), as amended from time to time.

"Dutch Subsidiary" means a Subsidiary of the Company organized under the laws of the Netherlands.

"Eligible Currency" means any currency other than Dollars that is readily available, freely traded, in which deposits are customarily offered to banks in the London interbank market, convertible into Dollars in the international interbank market available to the Lenders in such market and as to which a Dollar Amount may be readily calculated. If, after the designation by the Lenders of any currency as an Agreed Currency, currency control or other exchange regulations are imposed in the country in which such currency is issued with the result that different types of such currency are introduced, such country's currency is, in the determination of the Agent, (i) no longer readily available or freely traded or (ii) as to which, in the determination of the Agent, a Dollar Amount is not readily calculable ((i) and (ii) a "Disqualifying Event"), then the Agent shall promptly notify the Lenders and the Borrowers, and such country's currency shall no longer be an Agreed Currency until such time as the Disqualifying Event(s) no longer exist, but in any event within five (5) Business Days of receipt of such notice from the Agent, each Borrower shall repay all Loans in such currency to which the Disqualifying Event applies or convert such Loans into the Dollar Amount of Loans in Dollars, subject to the other terms contained in Article II.

"Environmental Laws" means any and all federal, state, local and foreign statutes, laws, judicial decisions, regulations, ordinances, rules, judgments, orders, decrees, plans, injunctions, permits, concessions, grants, franchises, licenses, agreements and other governmental restrictions relating to (i) the protection of the environment, (ii) the effect of the environment on human health, (iii) emissions, discharges or releases of pollutants, contaminants, hazardous substances or wastes into surface water, ground water or land, or (iv) the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, hazardous substances or wastes or the clean-up or other remediation thereof.

"Equity Interests" means (i) in the case of a corporation, corporate stock, (ii) in the case of a limited liability company, association or business entity, any and all shares, interests, participations, ownership or voting rights or other equivalents (however designated) of corporate stock, (iii) in the case of a partnership, partnership interests (whether general or limited) and (iv) 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, in each case regardless of class or designation, and all warrants, options, purchase rights, conversion or exchange rights, voting rights, calls or claims of any character with respect thereto.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and any rule or regulation issued thereunder.

"EU" means the European Union.

"euro" and/or "EUR" means the single currency of the participating member states of the EU.

"Eurocurrency Advance" means an Advance which, except as otherwise provided in Section 2.11, bears interest at the applicable Eurocurrency Rate.

"Eurocurrency Base Rate" means, with respect to a Eurocurrency Advance for the relevant Interest Period, the applicable British Bankers' Association Interest Settlement Rate for deposits in the applicable Agreed Currency (Dollar LIBOR, Sterling LIBOR or EURIBOR, as applicable) appearing on the applicable Reuters Screen for such Agreed Currency as of 11:00 a.m. (London time) on the Quotation Date for such Interest Period, and having a maturity equal to such Interest Period, provided that, (i) if the applicable Reuters Screen for such Agreed Currency is not available to the Agent for any reason, the applicable Eurocurrency Base Rate for the relevant Interest Period shall instead be the applicable British Bankers' Association Interest Settlement Rate for deposits in the applicable Agreed Currency as reported by any other generally recognized financial information service as of 11:00 a.m. (London time) on the Quotation Date for such Interest Period, and having a maturity equal to such Interest Period, and (ii) if no such British Bankers' Association Interest Settlement Rate is available, the applicable Eurocurrency Base Rate for the relevant Interest Period shall instead be the arithmetic mean of the rates as supplied to the Agent at its request quoted by the Reference Banks to place deposits in the applicable Agreed Currency with first-class banks in the London interbank market at approximately 11:00 a.m. (London time) on the Quotation Date for such Interest Period, in the approximate amount of JPMorgan's relevant Eurocurrency Loan and having a maturity equal to such Interest Period. The Eurocurrency Base Rate shall be rounded to the next higher multiple of 1/16 of 1% if the rate is not such a multiple.

"Eurocurrency Loan" means a Loan which, except as otherwise provided in Section 2.11, bears interest at the applicable Eurocurrency Rate.

"Eurocurrency Payment Office" of the Agent shall mean, for each of the Agreed Currencies, the office, branch or affiliate of the Agent, specified from time to time as the "Eurocurrency Payment Office" for such Agreed Currency by the Agent to the Borrowers and each Lender.

"Eurocurrency Rate" means, with respect to any Eurocurrency Advance for any Interest Period, an interest rate per annum equal to the sum of (i) the Adjusted Eurocurrency Base Rate for such Interest Period plus (ii) the Applicable Margin, plus (iii) for Advances by a Lender from its office or branch in the United Kingdom, the Mandatory Cost, plus (iv) any other mandatory costs imposed on or with respect to the Loans under this Agreement by any governmental or regulatory authority.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Exchange Rate" means on any day, for purposes of determining the Dollar Amount of any other currency, the rate at which such other currency may be exchanged into Dollars at the time of determination on such day on the Reuters WRLD Page for such currency. In the event

that such rate does not appear on any Reuters WRLD Page, the Exchange Rate shall be determined by reference to such other publicly available service for displaying exchange rates as may be agreed upon by the Agent and the Borrowers, or, in the absence of such an agreement, such Exchange Rate shall instead be the arithmetic average of the spot rates of exchange of the Agent in the market where its foreign currency exchange operations in respect of such currency are then being conducted, at or about such time as the Agent shall elect after determining that such rates shall be the basis for determining the Exchange Rate, on such date for the purchase of Dollars for delivery two Business Days later; provided that if at the time of any such determination, for any reason, no such spot rate is being quoted, the Agent may use any reasonable method it deems appropriate to determine such rate, and such determination shall be presumed correct absent manifest error.

"Exchange Rate Date" means, if on such date any outstanding Revolving Loan is (or any Revolving Loan that has been requested at such time would be) denominated in a currency other than Dollars, each of:

(a) the last Business Day of each calendar quarter,

(b) if an Event of Default has occurred and is continuing, any other Business Day designated as an Exchange Rate Date by the Agent in its sole discretion, and

(c) each date (with such date to be reasonably determined by the Agent) that is on or about the date of (i) a Borrowing Notice or a Conversion/Continuation Notice with respect to Revolving Loans or (ii) each request for the issuance or Modification of any Facility LC or the extension of any Swing Line Loan.

"Excluded Taxes" means, in the case of each Lender or applicable Lending Installation and the Agent, taxes imposed on its overall net income, and franchise taxes imposed on it, by (i) the jurisdiction under the laws of which such Lender or the Agent is incorporated or organized or (ii) the jurisdiction in which the Agent's or such Lender's principal executive office or such Lender's applicable Lending Installation is located.

"Exhibit" refers to an exhibit to this Agreement, unless another document is specifically referenced.

"Existing Credit Agreement" means the Amended and Restated Credit Agreement dated as of December 22, 2004, among the Company, certain lenders and JPMorgan, as the administrative agent thereunder, as amended or modified prior to the date of this Agreement.

"Existing Letters of Credit" is defined in Section 2.19.13.

"Existing Receivables Agreements" means, collectively, (a) the Receivables Sale Agreement dated as of May 30, 2001, as amended through the Closing Date, among the Company and certain of its Subsidiaries, as Originators, and Actuant Receivables Corporation, as Buyer, (b) the Receivables Purchase Agreement dated as of May 30, 2001, as amended through the Closing Date, among Actuant Receivables Corporation, as Seller, the Company, as Initial Servicer, Variable Funding Capital Company LLC (as assignee of Blue Ridge Asset Funding Corporation) and Wachovia Bank, N.A., as Agent and (c) the Amended and Restated

Receivables Purchase Agreement dated as of September 10, 2008, to be effective on the Effective Date (as defined therein), among Actuant Receivables Corporation, as Seller, the Company, as Initial Servicer, and Wachovia Bank, N.A.

"Facility LC" is defined in Section 2.19.1.

"Facility LC Application" is defined in Section 2.19.3.

"Facility LC Collateral Account" is defined in Section 2.19.11.

"Federal Funds Effective Rate" means, for any day, the weighted average (rounded upwards, if necessary, to the next 1/100 of 1%) of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average (rounded upwards, if necessary, to the next 1/100 of 1%) of the quotations for such day for such transactions received by the Agent from three Federal funds brokers of recognized standing selected by it.

"Financial Officer" of any corporation means the chief financial officer, principal accounting officer, Treasurer or Controller of such corporation.

"Fixed Charge Coverage Ratio" means, at any date of determination, for the period of four consecutive fiscal quarters of the Company most recently ended as of such date, the ratio of (i) Consolidated EBITDA *minus* Consolidated Capital Expenditures *plus* Consolidated Rentals to (ii) Consolidated Interest Expense *minus* Non-cash Interest Expense *plus* Consolidated Rentals *plus* expense for taxes paid or accrued *plus* cash dividends paid by the Company during such period, all calculated for the Company and its Subsidiaries on a consolidated basis.

"Floating Rate" means, for any day, a rate per annum equal to (i) the Alternate Base Rate for such day plus (ii) the Applicable Margin, in each case changing when and as the Alternate Base Rate changes.

"Floating Rate Advance" means an Advance which, except as otherwise provided in Section 2.11, bears interest at the Floating Rate.

"Floating Rate Loan" means a Loan which, except as otherwise provided in Section 2.11, bears interest at the Floating Rate.

"Foreign Law Pledge Agreement" is defined in the definition of "Pledge Agreement."

"Foreign Pension Plan" means any plan, fund (including any superannuation fund) or other similar program established or maintained outside the United States by the Company or any one or more of its Subsidiaries primarily for the benefit of employees of the Company or such Subsidiaries residing outside the United States, which plan, fund or other similar program provides, or results in, retirement income, a deferral of income in contemplation of retirement or payments to be made upon termination of employment, and which plan is not subject to ERISA or the Code.

"Foreign Subsidiary" means any Subsidiary of the Company that is not a Domestic Subsidiary.

"Foreign Subsidiary Borrower" means any Foreign Subsidiary that may become party hereto after the Closing Date pursuant to Section 2.24.

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

"GAAP" means generally accepted accounting principles as in effect from time to time in the United States, applied in a manner consistent with that used in preparing the financial statements referred to in Section 5.4(a).

"Guarantor" means each of the Initial Guarantors and each Subsidiary that executes a supplement to the Domestic Subsidiary Guaranty pursuant to Section 6.21(a) or (c), and their respective successors and assigns.

"Guaranty" means the Domestic Subsidiary Guaranty or any other guaranty executed and delivered by a Foreign Subsidiary Borrower pursuant to Section 16.2.

"Historical Financial Statements" is defined in Section 4.1(a)(viii).

"Incremental Term Loan" is defined in Section 2.2(b).

"Incremental Term Loan Commitment" is defined in the definition of "Term Loan Commitment."

"Indebtedness" of a Person means (without duplication) such Person's (i) obligations for borrowed money, (ii) obligations representing the deferred purchase price of Property or services (other than accounts payable arising in the ordinary course of such Person's business payable on terms customary in the trade), (iii) obligations, whether or not assumed, secured by Liens or payable out of the proceeds or production from Property now or hereafter owned or acquired by such Person, (iv) obligations which are evidenced by notes, acceptances, or other instruments, (v) obligations of such Person to purchase securities or other Property arising out of or in connection with the sale of the same or substantially similar securities or Property, (vi) Capitalized Lease Obligations, (vii) Receivables Transaction Attributed Indebtedness, (viii) reimbursement obligations with respect to standby Letters of Credit, including contingent reimbursement obligations with respect to undrawn standby Letters of Credit, (ix) Net Mark-to-Market Exposure under Rate Management Transactions, (x) all liabilities and obligations of the types described in the preceding clauses (i) through (ix) of any other Person that such Person has assumed or guaranteed or that are secured by a Lien on any Property of such Person (*provided* that if any such liability or obligation of such other Person is not the legal liability of such Person, the amount thereof shall be deemed to be the lesser of (1) the actual amount of such liability or obligation and (2) the book value of such Person's Property securing such liability or obligation) and (xi) any other obligation for borrowed money or other financial accommodation which in accordance with GAAP would be shown as a liability on the consolidated balance sheet of such Person. The Indebtedness of such Person shall include the Indebtedness of any partnership in which such Person is a general partner.

"Initial Guarantors" means each of the Subsidiaries listed on Schedule 1.2.

"Initial Pledgors" means each of the Subsidiaries listed on Schedule 1.4.

"Initial Term Loan" is defined in Section 2.2(a).

"Initial Term Loan Commitment" is defined in the definition of "Term Loan Commitment."

"Interest Period" means, with respect to a Eurocurrency Advance, a period of one, two, three or six months (or, if deposits in the relevant Agreed Currency in the Eurocurrency interbank market are available to all Revolving Lenders (in the case of Revolving Loans) or Term Loan Lenders (in the case of Term Loans) for such period, as determined by each such Lender in its sole discretion, twelve months) commencing on a Business Day selected by the applicable Borrower pursuant to this Agreement. Such Interest Period shall end on the day which corresponds numerically to such date one, two, three or six months (or, if applicable, twelve months) thereafter, *provided, however*, that if there is no such numerically corresponding day in such next, second, third or sixth (or, if applicable, twelfth) succeeding month, such Interest Period shall end on the last Business Day of such next, second, third or sixth (or, if applicable, twelfth) succeeding month. If an Interest Period would otherwise end on a day which is not a Business Day, such Interest Period shall end on the next succeeding Business Day, *provided, however*, that if said next succeeding Business Day falls in a new calendar month, such Interest Period shall end on the immediately preceding Business Day.

"Investment" of a Person means any loan, advance (other than commission, travel and similar advances to officers and employees made in the ordinary course of business), extension of credit (other than accounts receivable arising in the ordinary course of business on terms customary in the trade) or contribution of capital by such Person; stocks, bonds, mutual funds, partnership interests, notes, debentures or other securities owned by such Person; any deposit accounts and certificate of deposit owned by such Person; and structured notes, derivative financial instruments and other similar instruments or contracts owned by such Person.

"Japanese Restructuring" shall mean a restructuring of the Company's foreign operations substantially in the manner described to the Agent and the Lenders prior to the Closing Date, in order to, inter alia, rationalize the ownership of Enerpac B.V., a Subsidiary organized under the laws of The Netherlands, by eliminating Japanese ownership thereof and by consolidating ownership of such Subsidiary in a Dutch Subsidiary.

"JPMorgan" means JPMorgan Chase Bank, N.A., a national banking association, in its individual capacity, and its successors.

"LC Fee" is defined in Section 2.19.4.

"LC Issuer" means (i) JPMorgan (or any subsidiary or affiliate of JPMorgan designated by JPMorgan) in its separate capacity as an issuer of Facility LCs hereunder with respect to each

Facility LC issued or deemed issued by JPMorgan upon the Company's request and (ii) any other Lender (other than JPMorgan) selected by the Company with the consent of such Lender in such Lender's separate capacity as an issuer of Facility LCs hereunder with respect to any and all Facility LCs issued or deemed issued by such Lender in its sole discretion upon the Company's request; provided, that, unless the Agent shall otherwise consent, there shall not at any time be more than three (3) Lenders constituting Issuing Banks hereunder. All references contained in this Agreement and the other Loan Documents to the "LC Issuer" shall be deemed to apply equally to each of the institutions referred to in clauses (i) and (ii) of this definition in their respective capacities as issuers of any and all Facility LCs issued by each such institution.

"LC Obligations" means, at any time, the sum, without duplication, of (i) the aggregate undrawn stated amount under all Facility LCs outstanding at such time plus (ii) the aggregate unpaid amount at such time of all Reimbursement Obligations.

"LC Payment Date" is defined in Section 2.19.5.

"Lenders" means the Revolving Lenders, the Term Loan Lenders and, unless otherwise specified, the Swing Line Lender.

"Lending Installation" means, with respect to a Lender or the Agent, the office, branch, subsidiary or affiliate of such Lender or the Agent listed on the signature pages hereof or on a Schedule or otherwise selected by such Lender or the Agent pursuant to Section 2.17.

"Letter of Credit" of a Person means a letter of credit or similar instrument which is issued upon the application of such Person or upon which such Person is an account party or for which such Person is in any way liable.

"Leverage Ratio" means, at any date of determination, the ratio of Consolidated Indebtedness on such date to Consolidated EBITDA for the period of four consecutive fiscal quarters of the Company most recently ended as of such date. Solely for purposes of this definition, if at any time the Leverage Ratio is being determined the Company or any Subsidiary shall have completed a Permitted Acquisition or an Asset Sale since the beginning of the relevant four fiscal quarter period, the Leverage Ratio shall be determined on a pro forma basis as if such Permitted Acquisition or Asset Sale, and any related incurrence or repayment of Indebtedness, had occurred at the beginning of such period. As of the end of any fiscal quarter (but not for two successive quarters), the Company may use Net Consolidated Indebtedness instead of Consolidated Indebtedness to determine the Leverage Ratio; provided that as of such date of determination no Loans are outstanding under this Agreement.

"Lien" means any lien (statutory or other), mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including, without limitation, the interest of a vendor or lessor under any conditional sale, Capitalized Lease or other title retention agreement).

"Loan" means a Revolving Loan, a Term Loan or a Swing Line Loan.

"Loan Documents" means this Agreement, the Facility LC Applications, any Notes issued pursuant to Section 2.13, the Collateral Documents and the Guaranties.

"Loan Party" means each Borrower, each Guarantor and each Pledgor.

"London Business Day" means any day that is not a Saturday, Sunday or other day on which commercial banks in London are authorized or required by law to remain closed.

"Mandatory Cost" is described in Schedule 1.5 hereto.

"Material Adverse Effect" means a material adverse effect on (i) the business, Property, condition (financial or otherwise), results of operations, or prospects of the Company and its Subsidiaries taken as a whole, (ii) the ability of the Company to perform its obligations under the Loan Documents to which it is a party, or (iii) the validity or enforceability of any of the Loan Documents or the rights or remedies of the Agent, the LC Issuer or the Lenders thereunder.

"Material Domestic Subsidiary" means (i) any Domestic Subsidiary directly holding any Equity Interest in a Material Foreign Subsidiary, (ii) any Domestic Subsidiary directly or indirectly holding any Equity Interest in a Foreign Subsidiary Borrower or (iii) any Domestic Subsidiary (on a consolidated basis with its Subsidiaries) either (a) having assets (other than Equity Interests in Material Foreign Subsidiaries) which represent 10% or more of the Consolidated Assets of the Company and its Subsidiaries or (b) responsible for 10% or more of the Consolidated Operating Income of the Company and its Subsidiaries. "Material Domestic Subsidiary" shall not include any special-purpose Subsidiary created to engage solely in a Qualified Receivables Transaction. Schedule 1.2 lists all of the Company's Material Domestic Subsidiaries and their respective jurisdictions of organization as of the Closing Date.

"Material Foreign Subsidiary" means any Foreign Subsidiary any Equity Interests of which are held by the Company or by any Domestic Subsidiary and that, on a consolidated basis with its Subsidiaries, directly or indirectly, either (a) has assets which represent 10% or more of the Consolidated Assets of the Company and its Subsidiaries or (b) is responsible for 10% or more of the Consolidated Operating Income of the Company and its Subsidiaries. Schedule 1.3 lists all of the Company's Material Foreign Subsidiaries and their respective jurisdictions of organization as of the Closing Date.

"Material Indebtedness" means Indebtedness (other than Rate Management Obligations) in an outstanding principal amount of $10,000,000 or more in the aggregate (or the equivalent thereof in any currency other than Dollars).

"Material Indebtedness Agreement" means any agreement under which any Material Indebtedness was created or is governed or which provides for the incurrence of Indebtedness in an amount which would constitute Material Indebtedness (whether or not an amount of Indebtedness constituting Material Indebtedness is outstanding thereunder).

"Material Subsidiary" means (i) any Subsidiary, or group of Subsidiaries on a combined basis, that constitutes a Substantial Portion of the Property of the Company and its Subsidiaries or (ii) any Subsidiary that, directly or indirectly, holds any Equity Interest in a Foreign Subsidiary Borrower.

"Maximum Foreign Currency Amount" means $250,000,000.

"Maximum Foreign Subsidiary Borrower Amount" means $250,000,000.

"Modify" and "Modification" are defined in Section 2.19.1.

"Moody's" means Moody's Investors Service, Inc.

"Multiemployer Plan" means a Plan maintained pursuant to a collective bargaining agreement or any other arrangement to which the Company or any member of the Controlled Group is a party to which more than one employer is obligated to make contributions.

"Multiple Employer Plan" means a Plan that has two or more contributing sponsors (including the Company or any member of the Controlled Group) at least two of whom are not under common control, as such plan is described in Sections 4062 and 4064 of ERISA.

"Net Cash Proceeds" means, with respect to any Asset Sale, the cash proceeds (including cash proceeds subsequently received (as and when received) in respect of noncash consideration initially received), net of (i) selling expenses (including reasonable broker's fees or commissions, legal fees, transfer and similar taxes and the Company's good faith estimate of income taxes paid or payable in connection with such sale), (ii) amounts provided as a reserve, in accordance with GAAP, against any liabilities under any indemnification obligations associated with such Asset Sale (*provided* that, to the extent and at the time any such amounts are released from such reserve, such amounts shall constitute Net Cash Proceeds), (iii) the Company's good faith estimate of payments required to be made with respect to unassumed liabilities relating to the assets sold within 90 days of such Asset Sale (*provided* that, to the extent such cash proceeds are not used to make payments in respect of such unassumed liabilities within 90 days of such Asset Sale, such cash proceeds shall constitute Net Cash Proceeds) and (iv) the principal amount, premium or penalty, if any, interest and other amounts on any Indebtedness for borrowed money which to the extent permitted hereunder and under the Collateral Documents is secured by the asset sold in such Asset Sale and which is repaid with such proceeds (other than any such Indebtedness assumed by the purchaser of such asset).

"Net Consolidated Indebtedness" means at any time (i) Consolidated Indebtedness *minus* (ii) an amount equal to the lesser of (a) the aggregate amount of cash or Cash Equivalent Investments of the Company and its Subsidiaries in excess of $5,000,000 and (b) the aggregate amount of cash or Cash Equivalent Investments of the Company and its Subsidiaries maintained with any of the Lenders and/or their affiliates.

"Net Mark-to-Market Exposure" of a Person means, as of any date of determination, the excess (if any) of all unrealized losses over all unrealized profits of such Person arising from Rate Management Transactions. "Unrealized losses" means the fair market value of the cost to such Person of replacing such Rate Management Transaction as of the date of determination (assuming the Rate Management Transaction were to be terminated as of that date), and "unrealized profits" means the fair market value of the gain to such Person of replacing such Rate Management Transaction as of the date of determination (assuming such Rate Management Transaction were to be terminated as of that date).

"Non-cash Interest Expense" means, with reference to any period, the amortization of debt issue cost and bond discount amortization with respect to this Agreement, the Senior Note Indebtedness and Subordinated Indebtedness of the Company and its Subsidiaries calculated on a consolidated basis for such period.

"Non-U.S. Lender" is defined in Section 3.5.4.

"Note" is defined in Section 2.13.

"Obligations" means all unpaid principal of and accrued and unpaid interest on the Loans, all Reimbursement Obligations, all accrued and unpaid fees and all expenses, reimbursements, indemnities and other obligations of the Borrowers to the Lenders or to any Lender, the Agent, the LC Issuer or any indemnified party arising under the Loan Documents (excluding the Dutch Parallel Debt). The term includes, without limitation, all interest, charges, expenses, fees, attorneys' fees and disbursements, paralegals' fees (in each case whether or not allowed or allowable), and any other sum chargeable to the Borrowers or any other Loan Party under this Agreement or any other Loan Document.

"Opening Pro Forma Compliance Certificate" is defined in Section 4.1(a)(x).

"Operating Lease" of a Person means any lease of Property (other than a Capitalized Lease) by such Person as lessee which has an original term (including any required renewals and any renewals effective at the option of the lessor) of one year or more.

"Other Taxes" is defined in Section 3.5.2 and excludes UK Tax.

"Outstanding Revolving Credit Exposure" means, as to any Lender at any time, the sum of (i) the aggregate principal Dollar Amount of its Revolving Loans outstanding at such time, plus (ii) an amount equal to its Revolving Loan Pro Rata Share of the aggregate principal amount of Swing Line Loans outstanding at such time, plus (iii) an amount equal to its Revolving Loan Pro Rata Share of the LC Obligations at such time.

"Participants" is defined in Section 12.2.1.

"Payment Date" means the first day of each March, June, September and December of each year.

"PBGC" means the Pension Benefit Guaranty Corporation, or any successor thereto.

"Permitted Acquisition" means any Acquisition made by the Company or any of its Subsidiaries,*provided* that, (a) as of the date of the consummation of such Acquisition, no Default or Unmatured Default shall have occurred and be continuing or would result from such Acquisition, and the representation and warranty contained in Section 5.11 shall be true both before and after giving effect to such Acquisition, (b) such Acquisition is consummated on a non-hostile basis pursuant to a negotiated acquisition agreement approved by the board of directors or other applicable governing body of the seller or entity to be acquired, and no material challenge to such Acquisition (excluding the exercise of appraisal rights) shall be pending or threatened by any shareholder or director of the seller or entity to be acquired, (c) the

business to be acquired in such Acquisition is reasonably related to industrial manufacturing and distribution (including the rental of industrial equipment and the provision of services related to industrial equipment), (d) as of the date of the consummation of such Acquisition, all material approvals required in connection therewith shall have been obtained, (e) the Company shall have furnished to the Agent a certificate demonstrating in reasonable detail (i) a pro forma Leverage Ratio of less than or equal to 3.50 to 1.0 (or, if such Acquisition is a Specified Acquisition, 3.75 to 1.0) for the four fiscal quarter period most recently ended prior to the date of such Acquisition and (ii) pro forma compliance with the financial covenant contained in Section 6.19.2 for such period, in each case, calculated as if such Acquisition, including the consideration therefor, had been consummated on the first day of such period and (f) if such Acquisition is a Specified Acquisition, the Company shall have furnished to the Agent reasonably detailed projections of calculations of the financial covenants contained in Sections 6.19.1 and 6.19.2 on a pro forma basis for the then-current fiscal quarter and the following three fiscal quarters that demonstrate projected compliance with such covenants for such periods.

"Permitted Refinancing Senior Note Indebtedness" means any replacement, renewal, refinancing or extension of any Senior Note Indebtedness permitted by this Agreement that (i) does not exceed the aggregate principal amount of the Senior Note Indebtedness being replaced, renewed, refinanced or extended and (ii) does not have a maturity date or any installment, sinking fund, mandatory redemption or other principal payment due before the date 180 days after the Revolving Loan Termination Date, including, without limitation, the exchange of notes evidencing such Senior Note Indebtedness for notes that have terms substantially identical in all material respects to such original notes, except that such new notes do not contain terms with respect to transfer restrictions.

"Permitted Refinancing Subordinated Indebtedness" means any replacement, renewal, refinancing or extension of any Subordinated Indebtedness permitted by this Agreement that (i) does not exceed the aggregate principal amount the Subordinated Indebtedness being replaced, renewed, refinanced or extended and (ii) does not have a maturity date or any installment, sinking fund, mandatory redemption or other principal payment due before the earlier of (a) the date 180 days after the Revolving Loan Termination Date or (b) the date of any comparable principal payment under the terms of the Subordinated Indebtedness being replaced, renewed, refinanced or extended.

"Person" means any natural person, corporation, firm, joint venture, partnership, limited liability company, association, enterprise, trust or other entity or organization, or any government or political subdivision or any agency, department or instrumentality thereof.

"Plan" means an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code as to which the Company or any member of the Controlled Group may have any liability.

"Pledge Agreement" means each of (i) that certain Second Amended and Restated Pledge Agreement, dated as of the Closing Date, executed by the Pledgors in favor of the Agent, for the ratable benefit of the Lenders (the "U.S. Law Pledge Agreement") or (ii) any similar pledge agreement governed by the applicable local law with respect to a Material Foreign Subsidiary, a Foreign Subsidiary Borrower or any other Foreign Subsidiary the Equity Interests of which are

required to be pledged hereunder (modified as deemed reasonably acceptable by the Agent to reflect foreign law provisions, customs and practices) in favor of the Agent and the Lenders or the Agent, for the ratable benefit of the Lenders (each, a "Foreign Law Pledge Agreement"), in each case, as it may be amended, restated, supplemented or modified and in effect from time to time, pursuant to which the Pledgors have pledged to the Agent some or all of the Equity Interests of each of the Company's Material Foreign Subsidiaries and any other Foreign Subsidiaries the Equity Interests of which are required to be pledged hereunder, to secure the payment of the Secured Obligations.

"Pledged Collateral" means, collectively, (i) the "Pledged Collateral" under and as defined in the U.S. Law Pledge Agreement, and (ii) any other Equity Interests and related Property pledged by any Loan Party in favor of the Agent, for the ratable benefit of the Lenders, under or in connection with any Foreign Law Pledge Agreement.

"Pledgor" means each of the Initial Pledgors and each Subsidiary that executes a supplement to the U.S. Law Pledge Agreement or delivers a new Foreign Law Pledge Agreement pursuant to Section 6.21(b) or (c), and their respective successors and assigns.

"Pounds Sterling" means the lawful currency of the United Kingdom.

"Pricing Schedule" means the Schedule attached hereto identified as such.

"Prime Rate" means the rate of interest per annum publicly announced from time to time by JPMorgan as its prime rate in effect at its principal office in New York City; each change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective, and such prime rate need not be the lowest interest rate charged by JPMorgan in respect of loans or other extensions of credit.

"Property" of a Person means any and all property, whether real, personal, tangible, intangible, or mixed, of such Person, or other assets owned, leased or operated by such Person.

"Pro Rata Share" means, with respect to any Lender, the percentage obtained by dividing (i) the sum of such Lender's Revolving Loan Commitment and Term Loans at such time by (ii) the sum of the Aggregate Revolving Loan Commitment and the aggregate amount of all of the Term Loans at such time; *provided*, *however*, that if all of the Revolving Loan Commitments are terminated pursuant to the terms of this Agreement, then "Pro Rata Share" means the percentage obtained by dividing (a) the sum of such Lender's Outstanding Revolving Credit Exposure and Term Loans at such time by (b) the sum of the Aggregate Outstanding Revolving Credit Exposure and the aggregate amount of all of the Term Loans at such time.

"Purchasers" is defined in Section 12.3.1.

"Qualified Receivables Transaction" means any transaction or series of transactions that may be entered into by the Company or any Subsidiary pursuant to which the Company or any Subsidiary may sell, convey or otherwise transfer to a newly-formed Subsidiary or other special-purpose entity, or any other Person, any accounts or notes receivable and rights related thereto, *provided* that (i) all of the terms and conditions of such transaction or series of transactions, including without limitation the amount and type of any recourse to the Company or any

Subsidiary with respect to the assets transferred, are reasonably acceptable to the Agent and the Required Lenders, and (ii) the Receivables Transaction Attributed Indebtedness incurred in such transaction or series of transactions does not exceed $125,000,000. For purposes of clause (i) of the foregoing definition, the terms and conditions of the Existing Receivables Agreements shall be deemed to be acceptable to the Agent and the Required Lenders.

"Quotation Day" means, in relation to any Interest Period for which an interest rate is to be determined, (a) if the related Advance is denominated in Dollars, two Business Days before the first day of that period, (b) if the related Advance is denominated in euro, two TARGET Days and two London Business Days (to the extent the two are not the same) before the first day of such period and (c) if the related Advance is denominated in Pound Sterling, the first day of such period.

"Rate Management Obligations" of a Person means any and all obligations of such Person, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor), under (i) any and all Rate Management Transactions, and (ii) any and all cancellations, buy backs, reversals, terminations or assignments of any Rate Management Transactions.

"Rate Management Transaction" means any transaction (including an agreement with respect thereto) now existing or hereafter entered by the Company or any Subsidiary which is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, forward transaction, currency swap transaction, cross-currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of these transactions) or any combination thereof, whether linked to one or more interest rates, foreign currencies, commodity prices, equity prices or other financial measures.

"Receivables Transaction Attributed Indebtedness" means the amount of obligations outstanding under the legal documents entered into as part of any Qualified Receivables Transaction on any date of determination that would be characterized as principal if such Qualified Receivables Transaction were structured as a secured lending transaction rather than as a purchase.

"Reference Bank" means, with respect to any Eurocurrency Advance, (a) if such Advance is denominated in Pounds Sterling, JPMorgan and Bank of America, N.A. and (b) otherwise, JPMorgan.

"Regulation D" means Regulation D of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor thereto or other regulation or official interpretation of said Board of Governors relating to reserve requirements applicable to member banks of the Federal Reserve System.

"Regulation U" means Regulation U of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor or other regulation or official

interpretation of said Board of Governors relating to the extension of credit by banks for the purpose of purchasing or carrying margin stocks applicable to member banks of the Federal Reserve System.

"Reimbursement Obligations" means, at any time, the aggregate of all obligations of the Company then outstanding under Section 2.19 to reimburse the LC Issuer for amounts paid by the LC Issuer in respect of any one or more drawings under Facility LCs.

"Rentals" of a Person means the aggregate fixed amounts payable by such Person under any Operating Lease.

"Reportable Event" means a reportable event as defined in Section 4043 of ERISA and the regulations issued under such section, with respect to a Plan, excluding, however, such events as to which the PBGC has by regulation waived the requirement of Section 4043(a) of ERISA that it be notified within 30 days of the occurrence of such event, *provided, however*, that a failure to meet the minimum funding standard of Section 412 of the Code and of Section 302 of ERISA shall be a Reportable Event regardless of the issuance of any such waiver of the notice requirement in accordance with either Section 4043(a) of ERISA or Section 412(d) of the Code.

"Required Lenders" means Lenders in the aggregate having greater than 50% of the sum of (i) the Aggregate Revolving Loan Commitment or, if the Aggregate Revolving Loan Commitment has been terminated, the Aggregate Outstanding Revolving Credit Exposure and (ii) the Term Loans at such time.

"Required Revolving Lenders" means Revolving Lenders in the aggregate having greater than 50% of the Aggregate Revolving Loan Commitment or, if the Aggregate Revolving Loan Commitment has been terminated, the Aggregate Outstanding Revolving Credit Exposure, at such time.

"Required Term Loan Lenders" means Term Loan Lenders in the aggregate having greater than 50% of the Term Loans at such time.

"Reserve Requirement" means, with respect to an Interest Period, the maximum aggregate reserve requirements imposed on Eurocurrency liabilities (including all basic, supplemental, marginal and other reserves), including, without limitation, under Regulation D. For purposes of this definition, all Eurocurrency Loans shall be deemed to be "Eurocurrency liabilities" as defined in Regulation D.

"Revolving Lender" means any lending institution listed on the signature pages of this Agreement or in any Commitment and Acceptance delivered hereunder having a Revolving Loan Commitment, and its respective successors and assigns.

"Revolving Loan" means, with respect to a Lender, such Lender's loan made pursuant to its commitment to lend set forth in Section 2.1 (or any conversion or continuation thereof).

"Revolving Loan Commitment" means, for each Revolving Lender, the obligation of such Revolving Lender from and after the Closing Date to make Revolving Loans to the Borrowers, and participate in Facility LCs issued upon the application of and Swing Line Loans

made at the request of the Company, in an aggregate amount not exceeding the amount set forth opposite its signature below or in any Commitment and Acceptance delivered pursuant to Section 2.5(c), as such Revolving Loan Commitment may be modified as a result of any assignment that has become effective pursuant to Section 12.3.2 or as otherwise modified from time to time pursuant to the terms hereof.

"Revolving Loan Facility" means the portion of the credit facility evidenced by this Agreement consisting of the several Revolving Loans, Swing Line Loans and Facility LCs.

"Revolving Loan Pro Rata Share" means, at any time, with respect to any Revolving Lender, the percentage obtained by dividing (i) such Lender's Revolving Loan Commitment at such time by (ii) the Aggregate Revolving Loan Commitment at such time; *provided*, *however*, that if all of the Revolving Loan Commitments are terminated pursuant to the terms of this Agreement, then "Revolving Loan Pro Rata Share" means the percentage obtained by dividing (a) such Lender's Outstanding Revolving Credit Exposure at such time by (b) the Aggregate Outstanding Revolving Credit Exposure at such time.

"Revolving Loan Termination Date" means November 10, 2011, or any earlier date on which the Aggregate Revolving Loan Commitment is reduced to zero or otherwise terminated pursuant to the terms hereof.

"S&P" means Standard and Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc.

"Sale and Leaseback Transaction" means any sale or other transfer of Property by any Person with the intent to lease such Property as lessee.

"Schedule" refers to a specific schedule to this Agreement, unless another document is specifically referenced.

"Section" means a numbered section of this Agreement, unless another document is specifically referenced.

"Secured Obligations" means, collectively, (i) the Obligations and (ii) all Rate Management Obligations owing by the Company or any of its Subsidiaries to one or more Lenders or their respective Affiliates.

"Senior Leverage Ratio" means, at any date of determination, the ratio of Consolidated Senior Indebtedness on such date to Consolidated EBITDA for the period of four consecutive fiscal quarters of the Company most recently ended as of such date.

"Senior Note Indebtedness" means (i) Indebtedness of the Company under the Senior Note Indenture and the Senior Notes and (ii) Permitted Refinancing Senior Note Indebtedness that is unsecured and all of the terms and conditions of which are reasonably acceptable to the Agent and the Required Lenders; provided, that terms that are substantially similar to (or less restrictive than) those set forth in the Senior Note Indenture immediately prior to the refinancing thereof shall be deemed acceptable.

"Senior Note Indenture" means that certain Indenture, dated on or about June 11, 2007, between the Company and the "Trustee" referred to therein, under which the Company has issued senior unsecured notes in an original aggregate principal amount of up to $300,000,000, as such Indenture may be amended, restated, supplemented or otherwise modified from time to time.

"Senior Notes" means the "Notes" as defined in the Senior Note Indenture, as such Notes may be amended, restated, supplemented or otherwise modified from time to time.

"Single Employer Plan" means a Plan maintained by the Company or any member of the Controlled Group for employees of the Company or any member of the Controlled Group.

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

"Specified Acquisition" means an Acquisition with respect to which (a) the aggregate consideration provided by the Company and its Subsidiaries is equal to or greater than $75,000,000 and (b) in the case of any Acquisition occurring on or after January 1, 2009, the Leverage Ratio as of the end of the fiscal quarter preceding such Acquisition was less than or equal to 3.50 to 1.0.

"Specified Financing Transactions" means collectively, (a) the execution and delivery of the Senior Note Indenture and the issuance of the Senior Notes thereunder, (b) the execution and delivery of the Convertible Note Indenture and the issuance of the Convertible Notes thereunder, (c) the execution and delivery of the Loan Documents, and (d) the execution and delivery of documentation evidencing Indebtedness permitted by Section 6.11(xiii) and the issuance of Indebtedness with respect thereto.

"Subordinated Indebtedness" means (i) the Company's Convertible Notes in the principal amount of $150,000,000 outstanding on the Closing Date, (ii) additional Indebtedness of the Company, the payment of which is subordinated to payment of the Secured Obligations and all of the terms and conditions of which are reasonably acceptable to the Agent and the Required Lenders and (iii) Permitted Refinancing Subordinated Indebtedness, the payment of which is subordinated to payment of the Secured Obligations and all of the terms and conditions of which are reasonably acceptable to the Agent and the Required Lenders, *provided*, in each case, that subordination provisions substantially similar to those contained in the Convertible Indenture shall be deemed to be reasonably acceptable.

"Subsidiary" of a Person means (i) any corporation more than 50% of the outstanding securities having ordinary voting power of which shall at the time be owned or controlled, directly or indirectly, by such Person or by one or more of its Subsidiaries or by such Person and one or more of its Subsidiaries, or (ii) any partnership, limited liability company, association, joint venture or similar business organization more than 50% of the ownership interests having ordinary voting power of which shall at the time be so owned or controlled. Unless otherwise expressly provided, all references herein to a "Subsidiary" shall mean a Subsidiary of the Company.

"Substantial Portion" means, with respect to the Property of the Company and its Subsidiaries, Property which represents more than 10% of the Consolidated Assets of the Company and its Subsidiaries or property which is responsible for more than 10% of the consolidated net sales or of the Consolidated Net Income of the Company and its Subsidiaries, in each case, as would be shown in the consolidated financial statements of the Company and its Subsidiaries as at the beginning of the twelve-month period ending with the month in which such determination is made (or if financial statements have not been delivered hereunder for that month which begins the twelve-month period, then the financial statements delivered hereunder for the quarter ending immediately prior to that month).

"Swing Line Borrowing Notice" is defined in Section 2.4.2.

"Swing Line Lender" means JPMorgan or such other Lender which may succeed to its rights and obligations as Swing Line Lender pursuant to the terms of this Agreement.

"Swing Line Loan" means a Loan made available to the Company by the Swing Line Lender pursuant to Section 2.4.

"TARGET" means Trans-European Automated Real-time Gross Settlement Express Transfer payment system.

"TARGET Day" means any day on which TARGET is open for settlement of payments in euro.

"Taxes" means any and all present or future taxes, duties, levies, imposts, deductions, charges or withholdings, and any and all liabilities with respect to the foregoing, but excluding Excluded Taxes, Other Taxes and UK Taxes.

"Term Loan" means each Initial Term Loan and each Incremental Term Loan, and "Term Loans" means all such Loans collectively.

"Term Loan Commitment" means, for each Term Loan Lender, the obligation of such Term Loan Lender to make Term Loans to the Company (a) on the Closing Date in an aggregate amount equal to the amount set forth opposite its signature below (an "Initial Term Loan Commitment") or (b) on any future Borrowing Date designated with respect to an Incremental Term Loan in an aggregate amount equal to the amount set forth in any Commitment and Acceptance delivered pursuant to Section 2.2(b) (an "Incremental Term Loan Commitment"), as any such Term Loan Commitment may be modified as a result of any assignment that has become effective pursuant to Section 12.3.2 or as otherwise modified from time to time pursuant to the terms hereof.

"Term Loan Facility" means the portion of the credit facility evidenced by this Agreement consisting of the Term Loans.

"Term Loan Lender" means any lending institution listed on the signature pages of this Agreement or in any Commitment and Acceptance delivered hereunder as having a Term Loan Commitment, and its respective successors and assigns.

"Term Loan Pro Rata Share" means, with respect to any Term Loan Lender, the percentage obtained by dividing (i) such Lender's Term Loans at such time by (ii) the aggregate amount of the Term Loans at such time.

"Transferee" is defined in Section 12.4.

"Type" means, with respect to any Advance, its nature as a Floating Rate Advance or a Eurocurrency Advance and with respect to any Loan, its nature as a Floating Rate Loan or a Eurocurrency Loan.

"UK Borrower" means a UK Subsidiary that is a Foreign Subsidiary Borrower.

"UK Subsidiary" means a Subsidiary of Borrower organized under the laws of England and Wales.

"UK Tax" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) imposed by the government of the United Kingdom or any political subdivision thereof and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government of the United Kingdom.

"Unfunded Liabilities" means the amount (if any) by which the present value of all vested and unvested accrued benefits under all Single Employer Plans exceeds the fair market value of all such Plan assets allocable to such benefits, all determined as of the then most recent valuation date for such Plans using PBGC actuarial assumptions for single employer plan terminations.

"Unmatured Default" means an event which but for the lapse of time or the giving of notice, or both, would constitute a Default.

"USA Patriot Act" means the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), as amended.

"U.S. Law Pledge Agreement" is defined in the definition of "Pledge Agreement."

"Voting Equity Interests" means Equity Interests which at the time are entitled to vote in the election of, as applicable, directors, members or partners generally.

"Voting Stock" means any class or classes of capital stock of the Company pursuant to which the holders thereof have the general voting power under ordinary circumstances to elect at least a majority of the board of directors of the Company.

"Wholly-Owned Subsidiary" of a Person means (i) any Subsidiary all of the outstanding voting securities of which shall at the time be owned or controlled, directly or indirectly, by such Person or one or more Wholly-Owned Subsidiaries of such Person, or by such Person and one or more Wholly-Owned Subsidiaries of such Person, or (ii) any partnership, limited liability company, association, joint venture or similar business organization 100% of the ownership interests having ordinary voting power of which shall at the time be so owned or controlled.

1.2. Terms Generally.

1.2.1. The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms.

1.2.2. In this agreement, where it relates to a Dutch entity, a reference to: (i) a lien or security interest includes any mortgage (*hypotheek*), pledge (*pandrecht*), retention of title arrangement (*eigendomsvoorbehoud*), privilege (*voorrecht*), right of retention (*recht van retentie*), right to reclaim goods (*recht van reclame*), and, in general, any right in rem (*beperkte recht*) created for the purpose of granting security (*goederenrechtelijk zekerheidsrecht*), (ii) a bankruptcy or insolvency (and any of those terms) includes a Dutch entity being declared bankrupt (*failliet verklaard*) or dissolved (*ontbonden*), (iii) a moratorium includes *surseance van betaling* and granted a moratorium includes *surseance verleend*, (iv) any step or procedure taken in connection with insolvency proceedings includes a Dutch entity having filed a notice under section 36 of the Dutch Tax Collection Act (*Invorderingswet 1990*), (v) a receiver includes a curator and (vi) a custodian includes a *bewindvoerder*.

ARTICLE II
THE CREDITS

2.1. Revolving Loans.

(a) Commitment. From and including the Closing Date and prior to the Revolving Loan Termination Date, each Revolving Lender severally agrees, on the terms and conditions set forth in this Agreement, to (i) make Revolving Loans to the Borrowers in Agreed Currencies and (ii) participate in Facility LCs issued and Swing Line Loans made upon the request of the Company, in each case, in a Dollar Amount not to exceed in the aggregate at any one time outstanding its Revolving Loan Pro Rata Share of the Available Aggregate Revolving Loan Commitment, *provided* that, after giving effect to the making of each such Loan and the issuance of each such Facility LC, (i) such Lender's Outstanding Revolving Credit Exposure shall not exceed its Revolving Loan Commitment, (ii) the aggregate outstanding principal Dollar Amount of all Eurocurrency Advances in Agreed Currencies other than Dollars shall not exceed the Maximum Foreign Currency Amount and (iii) the aggregate outstanding principal Dollar Amount of all Revolving Loans made to the Foreign Subsidiary Borrowers shall not exceed the Maximum Foreign Subsidiary Borrower Amount. Subject to the terms of this Agreement, a

Borrower may borrow, repay and reborrow Revolving Loans at any time prior to the Revolving Loan Termination Date. The Revolving Loan Commitment of each Revolving Lender shall expire on the Revolving Loan Termination Date. The LC Issuer will issue Facility LCs hereunder on the terms and conditions set forth in Section 2.19.

(b) Repayment of Revolving Loans. On the Revolving Loan Termination Date, each Borrower shall repay in full the outstanding principal balance of its Revolving Loans and all other unpaid Obligations owing by such Borrower to the Revolving Lenders.

(c) Agreed Currency Calculations. For purposes of determining the Dollar Amount of the outstanding Revolving Loans, or any other amount as a result of foreign currency exchange rate fluctuation, the Agent shall determine the Exchange Rate as of the applicable Exchange Rate Date with respect to each Agreed Currency in which any requested or outstanding Advance is denominated and shall apply such Exchange Rates to determine such amount (in each case after giving effect to any Advances to be made or repaid and any Facility LCs to be issued or Modified, to the extent practicable on or prior to the applicable date for such calculation).

2.2. Term Loans.

(a) Commitment. Each Term Loan Lender severally agrees, on the terms and conditions set forth in this Agreement, (a) on the Closing Date, to make a term loan, in Dollars, to the Company in an amount equal to such Term Loan Lender's respective Initial Term Loan Commitment (each individually, an "Initial Term Loan" and, collectively, the "Initial Term Loans"), and (b) on each Borrowing Date with respect to an Incremental Term Loan requested pursuant to Section 2.2(b), to make a term loan, in Dollars, to the Company in an amount equal to such Term Loan Lender's respective Incremental Term Loan Commitment as in effect on such date. The Initial Term Loan Commitment of each Term Loan Lender shall expire on the Closing Date. The Incremental Term Loan Commitment of each Term Loan Lender shall expire on the Borrowing Date designated for such Incremental Term Loan in accordance with Section 2.2(b).

(b) Incremental Term Loans. At any time after the Closing Date, but not more than twice, the Company may request that the Aggregate Term Loan Commitment be increased from zero in order to accommodate an incremental single-draw installment of Term Loans (each, an "Incremental Term Loan") solely with the consent of each Lender participating in such Incremental Term Loan; provided, however, that without the prior written consent of each Lender, the aggregate initial principal amount of all Incremental Term Loans made pursuant to this Section 2.2(b), together with the aggregate amount of all increases in the Aggregate Revolving Loan Commitment pursuant to Section 2.5(c), shall not exceed $300,000,000. Each such request shall be in a minimum amount of at least $10,000,000 and increments of $5,000,000 in excess thereof. Each request shall be made in a written notice given to the Agent and the Term Loan Lenders by the Company not less than twenty (20) Business Days prior to the proposed effective date of such increase, which notice (a "Term Loan Commitment Increase Notice") shall specify the amount of the proposed amount of the increase in the Aggregate Term Loan Commitment, the corresponding amount of the Incremental Term Loan and the proposed effective date therefor, which shall also be the proposed Borrowing Date for such Incremental Term Loan. In the event of such a Term Loan Commitment Increase Notice, each of the Term

Loan Lenders shall be given the opportunity to participate in the requested Incremental Term Loan in proportion to their respective then current Term Loan Pro Rata Shares thereof. On or prior to the date that is fifteen (15) Business Days after receipt of the Term Loan Commitment Increase Notice, each Term Loan Lender shall submit to the Agent a notice indicating the maximum amount by which it is willing to assume an Incremental Term Loan Commitment in connection with such Term Loan Commitment Increase Notice (any such notice to the Agent being herein a "Term Loan Lender Increase Notice"). Any Term Loan Lender which does not submit a Term Loan Lender Increase Notice to the Agent prior to the expiration of such fifteen (15) Business Day period shall be deemed to have denied an Incremental Term Loan Commitment. In the event that the Incremental Term Loan Commitments set forth in the Term Loan Lender Increase Notices exceed the amount requested by the Company in the Term Loan Commitment Increase Notice, the Agent and the Arrangers for the Term Loan Facility shall have the right, with the consent of the Company, to allocate the amount of Incremental Term Loan Commitments necessary to meet the Company's Term Loan Commitment Increase Notice. In the event that the Term Loan Lender Increase Notices are less than the amount requested by the Company, not later than three (3) Business Days prior to the proposed effective date the Company may notify the Agent of any financial institution that shall have agreed to become a "Term Loan Lender" party hereto (a "Proposed New Term Loan Lender") in connection with the Term Loan Commitment Increase Notice. Any Proposed New Term Loan Lender shall be subject to the consent of the Agent (which consent shall not be unreasonably withheld or delayed). If the Company shall not have arranged any Proposed New Term Loan Lender(s) to commit to the shortfall from the Term Loan Commitment Increase Notice, then the Company shall be deemed to have reduced the amount of its Term Loan Commitment Increase Notice to the aggregate amount set forth in the Term Loan Lender Increase Notices. Based upon the Term Loan Commitment Increase Notice, any allocations made in connection therewith and any notice regarding any Proposed New Term Loan Lender, if applicable, the Agent shall notify the Company and all of the Lenders (including the Revolving Lenders) on or before the Business Day immediately prior to the proposed effective date of the amount of each Term Loan Lender's and Proposed New Term Loan Lender's incremental Term Loan Commitment (the "Effective Term Loan Commitment Amount") and the aggregate amount of the Incremental Term Loans, which amounts shall be effective on the following Business Day (which shall also be the Borrowing Date for such Incremental Term Loan). Without limiting the provisions of Section 4.3, any increase in the Aggregate Term Loan Commitment and the concurrent funding of any Incremental Term Loans shall be subject to the following conditions precedent: (I) as of the date of the Term Loan Commitment Increase Notice and as of the proposed effective date of the increase in the Aggregate Term Loan Commitment all representations and warranties shall be true and correct in all material respects as though made on such date (except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall have been true and correct on and as of such earlier date) and no event shall have occurred and then be continuing which constitutes a Default or Unmatured Default, (II) the Borrowers, the Agent and each Proposed New Term Loan Lender or Term Loan Lender that shall have agreed to provide a "Term Loan Commitment" in support of such Incremental Term Loan shall have executed and delivered a Commitment and Acceptance, (III) counsel for the Borrowers and for the Guarantors shall have provided to the Agent supplemental opinions in form and substance reasonably satisfactory to the Agent and (IV) the Borrowers and each Proposed New Term Loan Lender shall otherwise have executed and delivered such other

instruments and documents as may be required under Article IV or that the Agent shall have reasonably requested in connection with such increase. If any fee shall be charged by the Term Loan Lenders in connection with any such increase, such fee shall be in accordance with then prevailing market conditions, which market conditions shall have been reasonably documented by the Agent to the Company. No less than two (2) Business Days prior to the effective date of the increase of the Aggregate Term Loan Commitment, the Agent shall notify the Company of the amount of the fee to be charged by the Term Loan Lenders, and the Company may, at least one (1) Business Day prior to such effective date, cancel its request for the commitment increase. If the commitment increase is cancelled pursuant to the immediately preceding sentence, the Company's cancelled increase request shall not be counted towards the Company's two Incremental Term Loan requests permitted by the first sentence of this Section 2.2(b). Upon satisfaction of the conditions precedent to any increase in the Aggregate Term Loan Commitment, the Agent shall promptly advise the Company and each Lender (including the Revolving Lenders) of the effective date of such increase. Upon the effective date of any increase in the Aggregate Term Loan Commitment that is supported by a Proposed New Term Loan Lender, such Proposed New Term Loan Lender shall be a party to this Agreement as a Term Loan Lender and shall have the rights and obligations of a Term Loan Lender hereunder. Nothing contained herein shall constitute, or otherwise be deemed to be, a commitment on the part of any Term Loan Lender to increase its Term Loan Commitment hereunder at any time. Each Incremental Term Loan shall mature on the Revolving Loan Termination Date and shall amortize pursuant to paragraph (c)(i) below in installments proportionate to the then remaining installments of the Initial Term Loans.

(c) Repayment of Term Loans.

(i) Repayment of the Term Loans. The Term Loans shall be repaid in (A) eleven (11) consecutive quarterly installments, commencing with the calendar quarter ending March 31, 2009 and continuing for each calendar quarter thereafter through the Revolving Loan Termination Date, and (B) one (1) final installment on the Revolving Loan Termination Date. Each payment described in the foregoing clause (A) shall be due and payable on the last Business Day of the applicable calendar quarter. The Term Loans shall be permanently reduced by the amount of each installment on the date payment thereof is made hereunder. The installment for each calendar quarter with respect to the Initial Term Loans shall be in the amounts set forth below opposite the last day of such calendar quarter:

Calendar Quarter Ended:	Installment Amount Due and Payable on the Last Business Day of such Calendar Quarter:
March 31, 2009	$1,437,500
June 30, 2009	$1,437,500
September 30, 2009	$1,437,500
December 31, 2009	$1,437,500
March 31, 2010	$1,437,500
June 30, 2010	$1,437,500
September 30, 2010	$1,437,500
December 31, 2010	$1,437,500
March 31, 2011	$25,875,000
June 30, 2011	$25,875,000

Calendar Quarter Ended:	Installment Amount Due and Payable on the Last Business Day of such Calendar Quarter:
September 30, 2011	$25,875,000
Revolving Loan Termination Date	Balance of the Term Loans

The unpaid principal balance of the Term Loans shall be due and payable in full on the Revolving Loan Maturity Date. No installment of any Term Loan shall be reborrowed once repaid.

(ii) Voluntary Prepayments. In addition to the scheduled payments on the Term Loans, the Company may make the voluntary prepayments described in Section 2.7(a), with such prepayments applied ratably to reduce all outstanding installments under the Term Loans.

2.3. Ratable Loans; Types of Advances. Each Advance of Revolving Loans hereunder (other than any Swing Line Loan) shall consist of Revolving Loans made from the several Revolving Lenders ratably according to their Revolving Loan Pro Rata Shares. Each Advance of Term Loans hereunder shall consist of Term Loans made from the several Term Loan Lenders ratably in the proportion that their respective Term Loan Commitments bear to all of the then current Aggregate Term Loan Commitment. The Advances may be Floating Rate Advances or Eurocurrency Advances, or a combination thereof, selected by the applicable Borrower in accordance with Sections 2.8 and 2.9, or Swing Line Loans selected by the Company in accordance with Section 2.4.

2.4. Swing Line Loans.

2.4.1. Amount of Swing Line Loans. Upon the satisfaction of the conditions precedent set forth in Section 4.3 and, if such Swing Line Loan is to be made on the date of the initial Advance hereunder, the satisfaction of the conditions precedent set forth in Section 4.1 as well, from and including the Closing Date and prior to the Revolving Loan Termination Date, the Swing Line Lender may, in its sole discretion, on the terms and conditions set forth in this Agreement, make Swing Line Loans to the Company from time to time, in Dollars, in an aggregate principal amount not to exceed $15,000,000 at any one time outstanding, *provided* that the Aggregate Outstanding Revolving Credit Exposure shall not at any time exceed the Aggregate Revolving Loan Commitment, and *provided further* that at no time shall the sum of (i) the Swing Line Loans, plus (ii) the Dollar Amount of the outstanding Revolving Loans made by the Swing Line Lender pursuant to Section 2.1, *plus* (iii) the Swing Line Lender's Revolving Loan Pro Rata Share of the LC Obligations, exceed the Swing Line Lender's Revolving Loan Commitment at such time. Subject to the terms of this Agreement, the Company may borrow, repay and reborrow Swing Line Loans at any time prior to the Revolving Loan Termination Date.

2.4.2. Borrowing Notice. The Company shall deliver to the Agent and the Swing Line Lender irrevocable notice (a "Swing Line Borrowing Notice") not later than noon (Chicago time) on the Borrowing Date of each Swing Line Loan, specifying (i) the applicable Borrowing Date (which date shall be a Business Day), and (ii) the aggregate amount of the requested Swing Line Loan which shall be an amount not less than $100,000. The Swing Line Loans shall bear interest at the Floating Rate.

2.4.3. Making of Swing Line Loans. Promptly after receipt of a Swing Line Borrowing Notice, the Agent shall notify each Lender by fax, or other similar form of transmission, of the requested Swing Line Loan. Not later than 2:00 p.m. (Chicago time) on the applicable Borrowing Date, the Swing Line Lender may, in its sole discretion, make available the Swing Line Loan, in funds immediately available in Chicago, to the Agent at its address specified pursuant to Article XIII. The Agent will promptly make the funds so received from the Swing Line Lender available to the Company on the Borrowing Date at the Agent's aforesaid address. If the Swing Line Lender elects, in its sole discretion, not to make such Swing Line Loan, the Swing Line Lender shall promptly notify the Agent, and the Agent shall promptly notify the Company and each Lender.

2.4.4. Repayment of Swing Line Loans. Each Swing Line Loan shall be paid in full by the Company on or before the tenth (10th) Business Day after the Borrowing Date for such Swing Line Loan. In addition, the Swing Line Lender (i) may at any time in its sole discretion with respect to any outstanding Swing Line Loan, or (ii) shall on the tenth (10th) Business Day after the Borrowing Date of any Swing Line Loan, by notice to the Agent not later than 10:00 a.m. (Chicago Time) on any Business Day, require each Revolving Lender (including the Swing Line Lender) to make a Revolving Loan in Dollars in the amount of such Revolving Lender's Revolving Loan Pro Rata Share of such Swing Line Loan (including, without limitation, any interest accrued and unpaid thereon), for the purpose of repaying such Swing Line Loan. Promptly upon receipt of such notice, the Agent shall give notice thereof to each Revolving Lender, specifying in such notice the amount of the Revolving Loan to be made by such Revolving Lender in connection with such Swing Line Loan. Not later than noon (Chicago time) on the date of any notice received pursuant to this Section 2.4.4, each Revolving Lender shall make available its required Revolving Loan, in funds immediately available in Chicago to the Agent at its address specified pursuant to Article XIII. Revolving Loans made pursuant to this Section 2.4.4 shall initially be Floating Rate Loans and thereafter may be continued as Floating Rate Loans or converted into Eurocurrency Loans in the manner provided in Section 2.9 and subject to the other conditions and limitations set forth in this Article II. Unless a Revolving Lender shall have notified the Swing Line Lender, prior to its making any Swing Line Loan, that any applicable condition precedent set forth in Sections 4.1 or 4.3 had not then been satisfied, such Lender's obligation to make Revolving Loans pursuant to this Section 2.4.4 to repay Swing Line Loans shall be unconditional, continuing, irrevocable and absolute and shall not be affected by any circumstances, including, without limitation, (a) any set-off, counterclaim, recoupment, defense or other right which such Revolving Lender may have against the Agent, the Swing Line Lender or any other Person, (b) the occurrence or continuance of a Default or Unmatured Default, (c) any adverse change in the condition (financial or otherwise) of the Company, or (d) any other circumstances, happening or event whatsoever. In the event that any Revolving Lender fails to make payment to the Agent of any amount due under this Section 2.4.4, the Agent shall be entitled to receive, retain and apply against such obligation the principal and interest otherwise payable to such Revolving Lender

hereunder until the Agent receives such payment from such Revolving Lender or such obligation is otherwise fully satisfied. In addition to the foregoing, if for any reason any Lender fails to make payment to the Agent of any amount due under this Section 2.4.4, such Revolving Lender shall be deemed, at the option of the Agent, to have unconditionally and irrevocably purchased from the Swing Line Lender, without recourse or warranty, an undivided interest and participation in the applicable Swing Line Loan in the amount of such Revolving Loan, and such interest and participation may be recovered from such Revolving Lender together with interest thereon at the Federal Funds Effective Rate for each day during the period commencing on the date of demand and ending on the date such amount is received. On the Revolving Loan Termination Date, the Company shall repay in full the outstanding principal balance of the Swing Line Loans.

2.5. Commitment Fee; Reduction/Increase in Aggregate Revolving Loan Commitment.

(a) Commitment Fee. The Company agrees to pay to the Agent for the account of each Revolving Lender according to its Revolving Loan Pro Rata Share a commitment fee at a per annum rate equal to the Applicable Fee Rate on the average daily Available Aggregate Revolving Loan Commitment from the Closing Date to and including the Revolving Loan Termination Date, payable on each Payment Date hereafter and on the Revolving Loan Termination Date. Swing Line Loans shall not count as usage of the Aggregate Revolving Loan Commitment for the purpose of calculating the commitment fee due hereunder.

(b) Reduction in Aggregate Revolving Loan Commitment. The Borrowers may permanently reduce the Aggregate Revolving Loan Commitment in whole, or in part ratably among the Revolving Lenders in a minimum amount of $5,000,000 and in integral multiples of $1,000,000 in excess thereof, upon at least three Business Days' written notice to the Agent, which notice shall specify the amount of any such reduction, *provided, however*, that the amount of the Aggregate Revolving Loan Commitment may not be reduced below the Aggregate Outstanding Revolving Credit Exposure. All accrued commitment fees shall be payable on the effective date of any termination of the obligations of the Revolving Lenders to make Credit Extensions hereunder.

(c) Increase in Aggregate Revolving Loan Commitment. (i) At any time, but not more than twice, the Company may request that the Aggregate Revolving Loan Commitment be increased solely with the consent of each Lender participating in such increase; provided, however, that without the prior written consent of each Lender, the aggregate amount of all increases in the Aggregate Revolving Loan Commitment pursuant to this Section 2.5(c), together with the aggregate initial principal amount of all Incremental Term Loans made pursuant to Section 2.2(b), shall not exceed $300,000,000. Each such request shall be in a minimum amount of at least $10,000,000 and increments of $5,000,000 in excess thereof. Each request shall be made in a written notice given to the Agent and the Revolving Lenders by the Company not less than twenty (20) Business Days prior to the proposed effective date of such increase, which notice (a "Revolving Loan Commitment Increase Notice") shall specify the amount of the proposed increase in the Aggregate Revolving Loan Commitment and the proposed effective date of such increase. In the event of such a Revolving Loan Commitment Increase Notice, each of the Revolving Lenders shall be given the opportunity to participate in the requested increase

ratably in the proportions that their respective Revolving Loan Commitments bear to the Aggregate Revolving Loan Commitment under this Agreement. On or prior to the date that is fifteen (15) Business Days after receipt of the Revolving Loan Commitment Increase Notice, each Lender shall submit to the Agent a notice indicating the maximum amount by which it is willing to increase its Revolving Loan Commitment in connection with such Revolving Loan Commitment Increase Notice (any such notice to the Agent being herein a "Revolving Lender Increase Notice"). Any Revolving Lender which does not submit a Revolving Lender Increase Notice to the Agent prior to the expiration of such fifteen (15) Business Day period shall be deemed to have denied any increase in its Revolving Loan Commitment. In the event that the increases of Revolving Loan Commitments set forth in the Revolving Lender Increase Notices exceed the amount requested by the Company in the Revolving Loan Commitment Increase Notice, the Agent and the Arranger for the Revolving Loan Facility shall have the right, with the consent of the Company, to allocate the amount of increases necessary to meet the Company's Revolving Loan Commitment Increase Notice. In the event that the Revolving Lender Increase Notices are less than the amount requested by the Company, not later than three (3) Business Days prior to the proposed effective date the Company may notify the Agent of any financial institution that shall have agreed to become a "Revolving Lender" party hereto (a "Proposed New Revolving Lender") in connection with the Revolving Loan Commitment Increase Notice. Any Proposed New Revolving Lender shall be subject to the consent of the Agent and JPMorgan in its capacity as LC Issuer (which consent shall not be unreasonably withheld or delayed). If the Company shall not have arranged any Proposed New Revolving Lender(s) to commit to the shortfall from the Revolving Lender Increase Notices, then the Company shall be deemed to have reduced the amount of its Revolving Loan Commitment Increase Notice to the aggregate amount set forth in the Revolving Lender Increase Notices. Based upon the Revolving Lender Increase Notices, any allocations made in connection therewith and any notice regarding any Proposed New Revolving Lender, if applicable, the Agent shall notify the Company and all of the Lenders (including the Term Loan Lenders) on or before the Business Day immediately prior to the proposed effective date of the amount of each Revolving Lender's and Proposed New Revolving Lender's Revolving Loan Commitment (the "Effective Revolving Commitment Amount") and the amount of the Aggregate Revolving Loan Commitment, which amounts shall be effective on the following Business Day. Any increase in the Aggregate Revolving Loan Commitment shall be subject to the following conditions precedent: (I) as of the date of the Revolving Loan Commitment Increase Notice and as of the proposed effective date of the increase in the Aggregate Revolving Loan Commitment all representations and warranties shall be true and correct in all material respects as though made on such date (except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall have been true and correct on and as of such earlier date) and no event shall have occurred and then be continuing which constitutes a Default or Unmatured Default, (II) the Borrowers, the Agent, JPMorgan in its capacity as LC Issuer, and each Proposed New Revolving Lender or Revolving Lender that shall have agreed to provide a "Revolving Loan Commitment" in support of such increase in the Aggregate Revolving Loan Commitment shall have executed and delivered a Commitment and Acceptance, (III) counsel for the Borrowers and for the Guarantors shall have provided to the Agent supplemental opinions in form and substance reasonably satisfactory to the Agent and (IV) the Borrowers and each Proposed New Revolving Lender shall otherwise have executed and delivered such other instruments and documents as may be required under Article IV or that the Agent shall have

reasonably requested in connection with such increase. If any fee shall be charged by the Lenders in connection with any such increase, such fee shall be in accordance with then prevailing market conditions, which market conditions shall have been reasonably documented by the Agent to the Company. No less than two (2) Business Days prior to the effective date of the increase of the Aggregate Revolving Loan Commitment, the Agent shall notify the Company of the amount of the fee to be charged by the Revolving Lenders, and the Company may, at least one (1) Business Day prior to such effective date, cancel its request for the commitment increase. If the commitment increase is cancelled pursuant to the immediately preceding sentence, the Company's cancelled increase request shall not be counted towards the Company's two increase requests permitted by the first sentence of this Section 2.5(c). Upon satisfaction of the conditions precedent to any increase in the Aggregate Revolving Loan Commitment, the Agent shall promptly advise the Company and each Lender (including the Term Loan Lenders) of the effective date of such increase. Upon the effective date of any increase in the Aggregate Revolving Loan Commitment that is supported by a Proposed New Revolving Lender, such Proposed New Revolving Lender shall be a party to this Agreement as a Revolving Lender and shall have the rights and obligations of a Revolving Lender hereunder. Nothing contained herein shall constitute, or otherwise be deemed to be, a commitment on the part of any Revolving Lender to increase its Revolving Loan Commitment hereunder at any time.

(ii) For purposes of this clause (ii), (A) the term "Buying Lender(s)" shall mean (1) each Revolving Lender the Effective Revolving Commitment Amount of which is greater than its Revolving Loan Commitment prior to the effective date of any increase in the Aggregate Revolving Loan Commitment and (2) each Proposed New Revolving Lender that is allocated an Effective Revolving Commitment Amount in connection with any Revolving Loan Commitment Increase Notice and (B) the term "Selling Lender(s)" shall mean each Revolving Lender whose Revolving Loan Commitment is not being increased from that in effect prior to such increase in the Aggregate Revolving Loan Commitment. Effective on the effective date of any increase in the Aggregate Revolving Loan Commitment pursuant to clause (i) above, each Selling Lender hereby sells, grants, assigns and conveys to each Buying Lender, without recourse, warranty, or representation of any kind, except as specifically provided herein, an undivided percentage in such Selling Lender's right, title and interest in and to its outstanding Revolving Loans in the respective amounts and percentages necessary so that, from and after such sale, each such Selling Lender's outstanding Revolving Loans shall equal such Selling Lender's Revolving Loan Pro Rata Share (calculated based upon the Effective Revolving Commitment Amounts) of the outstanding Revolving Loans of each Borrower in each Agreed Currency. Effective on the effective date of the increase in the Aggregate Revolving Loan Commitment pursuant to clause (i) above, each Buying Lender hereby purchases and accepts such grant, assignment and conveyance from the Selling Lenders. Each Buying Lender hereby agrees that its respective purchase price for the portion of the outstanding Revolving Loans purchased hereby shall equal the respective amount of each Agreed Currency necessary so that, from and after such payments, each Buying Lender's outstanding Revolving Loans shall equal such Buying Lender's Revolving Loan Pro Rata Share (calculated based upon the Effective Revolving Commitment Amounts) of the outstanding Revolving Loans of each Borrower in each Agreed Currency. Such amounts shall be payable on the effective date of the increase in the Aggregate Revolving Loan Commitment by wire transfer of immediately available funds to the Agent. The Agent, in turn, shall wire transfer any such funds received to the Selling Lenders, in same day funds, for the sole account of the Selling Lenders. Each Selling Lender hereby represents and warrants to each

Buying Lender that such Selling Lender owns the Revolving Loans being sold and assigned hereby for its own account and has not sold, transferred or encumbered any or all of its interest in such Revolving Loans, except for participations which will be extinguished upon payment to Selling Lender of an amount equal to the portion of the outstanding Revolving Loans being sold by such Selling Lender. Each Buying Lender hereby acknowledges and agrees that, except for each Selling Lender's representations and warranties contained in the foregoing sentence, each such Buying Lender has entered into its Commitment and Acceptance with respect to such increase on the basis of its own independent investigation and has not relied upon, and will not rely upon, any explicit or implicit written or oral representation, warranty or other statement of the Lenders or the Agent concerning the authorization, execution, legality, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or the other Loan Documents. The Borrowers hereby agree to compensate each Selling Lender for all losses, expenses and liabilities incurred by each Revolving Lender in connection with the sale and assignment of any Eurocurrency Loan hereunder on the terms and in the manner as set forth in Section 3.4.

2.6. Minimum Amount of Each Advance. Each Eurocurrency Advance shall be in the minimum amount of $2,000,000 or the Approximate Equivalent Amount of any Agreed Currency other than Dollars (and in multiples of $1,000,000 or the Approximate Equivalent Amount of any Agreed Currency other than Dollars if in excess thereof), and each Floating Rate Advance (other than an Advance to repay Swing Line Loans) shall be in the minimum amount of $250,000 (and in multiples of $250,000 if in excess thereof), provided, *however*, that any Floating Rate Advance of Revolving Loans may be in the amount of the Available Aggregate Revolving Loan Commitment. In addition, the Borrowers shall select Eurocurrency Interest Periods under Sections 2.9 and 2.10 so that no more than ten (10) Interest Periods shall be outstanding at any one time. The initial Revolving Loan from any Lender or Affiliate to each Dutch Borrower shall at all times be at least €50,000 (or its equivalent in another Agreed Currency).

2.7. Prepayments; Termination.

(a) Optional Principal Payments. The Borrowers may from time to time pay, without penalty or premium, all outstanding Floating Rate Advances (other than Swing Line Loans), or, in a minimum aggregate amount of $250,000 or any integral multiple of $250,000 in excess thereof, any portion of the outstanding Floating Rate Advances (other than Swing Line Loans) with notice to the Agent by 10:00 a.m. (Chicago time) on the date of repayment. The Company may at any time pay, without penalty or premium, all outstanding Swing Line Loans, or, in a minimum amount of $100,000 and increments of $50,000 in excess thereof, any portion of the outstanding Swing Line Loans, with notice to the Agent and the Swing Line Lender by 11:00 a.m. (Chicago time) on the date of repayment. The Borrowers may from time to time pay, subject to the payment of any funding indemnification amounts required by Section 3.4 but without penalty or premium, all outstanding Eurocurrency Advances, or, in a minimum aggregate amount of $2,000,000 or any integral multiple of $1,000,000 in excess thereof, any portion of the outstanding Eurocurrency Advances upon three Business Days' prior notice to the Agent.

(b) Mandatory Prepayments/Reductions in Aggregate Revolving Loan Commitment.

(i) Generally. If at any time, other than solely as a result of currency rate fluctuations, (A) the Dollar Amount of the Aggregate Outstanding Revolving Credit Exposure exceeds the Aggregate Revolving Loan Commitment, (B) the aggregate Dollar Amount of all Eurocurrency Loans in Agreed Currencies other than Dollars exceeds the Maximum Foreign Currency Amount or (C) the aggregate Dollar Amount of all Revolving Loans made to the Foreign Subsidiary Borrowers exceeds the Maximum Foreign Subsidiary Borrower Amount, the Borrowers, for the ratable benefit of the Revolving Lenders, shall immediately prepay Revolving Loans (to be applied to such Revolving Loans as the applicable Borrower shall direct at the time of such payment) in an aggregate amount such that after giving effect thereto (x) the Aggregate Outstanding Revolving Credit Exposure is less than or equal to the Aggregate Revolving Loan Commitment, (y) the aggregate Dollar Amount of all Eurocurrency Loans in Agreed Currencies other than Dollars is less than or equal to the Maximum Foreign Currency Amount, and (z) the aggregate Dollar Amount of all Revolving Loans made to the Foreign Subsidiary Borrowers is less than or equal to the Maximum Foreign Subsidiary Borrower Amount.

(ii) Currency Fluctuations. If at any time solely as a result of currency rate fluctuations (A) the Dollar Amount of the Aggregate Outstanding Revolving Credit Exposure exceeds 105% of the Aggregate Revolving Loan Commitment, (B) the aggregate Dollar Amount of all Eurocurrency Loans in Agreed Currencies other than Dollars exceeds 105% of the Maximum Foreign Currency Amount or (C) the aggregate Dollar Amount of all Revolving Loans made to the Foreign Subsidiary Borrowers exceeds 105% of the Maximum Foreign Subsidiary Borrower Amount, the Borrowers, for the ratable benefit of the Revolving Lenders, shall within five (5) Business Days of such occurrence prepay Revolving Loans (to be applied to such Revolving Loans as the applicable Borrower shall direct at the time of such payment) in an aggregate amount such that after giving effect thereto (x) the Aggregate Outstanding Revolving Credit Exposure is less than or equal to the Aggregate Revolving Loan Commitment, (y) the aggregate Dollar Amount of all Eurocurrency Loans in Agreed Currencies other than Dollars is less than or equal to the Maximum Foreign Currency Amount, and (z) the aggregate Dollar Amount of all Revolving Loans made to the Foreign Subsidiary Borrowers is less than or equal to the Maximum Foreign Subsidiary Borrower Amount.

(iii) Asset Sale. Not later than the third Business Day following receipt of any Net Cash Proceeds of any Asset Sale, the Borrowers shall prepay outstanding Loans in an amount equal to 100% of the Net Cash Proceeds received with respect thereto (subject to the provisions regarding application of prepayments set forth below), *provided* that no such prepayment shall be required hereunder unless, and only to that extent that, the aggregate Net Cash Proceeds of Asset Sales during any four fiscal quarter period exceed $50,000,000; *provided, further,* that no

mandatory prepayment or reduction in Aggregate Revolving Loan Commitment shall be required pursuant to this Section 2.7(b)(iii) on account of such Net Cash Proceeds if, and to the extent that, the Company notifies the Agent in writing within three Business Days following receipt of such Net Cash Proceeds of its or its Subsidiary's good faith intention to apply such Net Cash Proceeds to the acquisition of other assets or Property to be used in its business within 120 days following the receipt of such Net Cash Proceeds, with the amount of such Net Cash Proceeds unused after such 120-day period to be treated as Net Cash Proceeds in accordance with this Section 2.7(b)(iii). Amounts to be applied pursuant to this Section 2.7(b)(iii) shall be applied *first* to the Term Loans (ratably to the Initial Term Loans and the Incremental Term Loans, in each case, in accordance with the principal amounts thereof), with such prepayment applied ratably to reduce all remaining outstanding installments thereof, *second* to Swing Line Loans, *third* to Revolving Loans that are Floating Rate Loans and *fourth* to Revolving Loans that are Eurocurrency Loans, in each case, together with accrued interest on the Loans being prepaid. All prepayments required by this Section 2.7(b)(iii) shall be subject to the payment of any funding indemnification amounts required by Section 3.4, but without penalty or premium. On each date on which a prepayment of Revolving Loans under this Section 2.7(b)(iii) is required, or would be required but for the fact that no Revolving Loans are then outstanding: (A) the Aggregate Revolving Loan Commitment shall be reduced, ratably among the Revolving Lenders, in an amount equal to the total amount of the required prepayment, regardless of whether sufficient Revolving Loans are outstanding for such amount to be applied as a prepayment; (B) if, after giving effect the reduction required pursuant to clause (A) above, the aggregate undrawn stated amount under all Facility LCs outstanding at such time exceeds the Aggregate Revolving Loan Commitment, the Company shall pay to the Agent an amount equal to such excess, which funds shall be held in the Facility LC Collateral Account for so long as such excess shall exist, subject to Section 8.1 in the event that a Default shall have occurred and be continuing; and (C) the Company shall deliver to the Agent a certificate signed by a Financial Officer setting forth in reasonable detail the calculation of the amount of such prepayment and/or reduction in Aggregate Revolving Loan Commitment.

(c) Termination. Notwithstanding the termination of the Revolving Loan Commitments or the Term Loan Commitments hereunder or the occurrence of the Revolving Loan Termination Date, until all of the Obligations (other than contingent indemnity obligations) shall have been indefeasibly and fully paid and satisfied in cash and all financing arrangements between the Borrowers and the Lenders hereunder and under the other Loan Documents shall have been terminated, all of the rights and remedies under this Agreement and the other Loan Documents shall survive.

2.8. Method of Selecting Types and Interest Periods for New Advances; Funding of Advances. The applicable Borrower, or the Company on its behalf, shall select the Type of Advance and, in the case of each Eurocurrency Advance, the Interest Period applicable thereto from time to time. The applicable Borrower, or the Company on its behalf, shall give the Agent irrevocable notice (a "Borrowing Notice") by (x) e-mail, telephone or telecopy, if with respect to

an Advance denominated in Dollars and (y) telecopy, if with respect to an Advance denominated in euros or Pounds Sterling, not later than (i) 10:00 a.m. (Chicago time) on the Borrowing Date of each Floating Rate Advance (other than a Swing Line Loan), (ii) 10:00 a.m. (Chicago time) three Business Days before the Borrowing Date for each Eurocurrency Advance denominated in Dollars and (iii) 10:00 a.m. (London time) three Business Days before the Borrowing Date for each Eurocurrency Advance denominated in an Agreed Currency other than Dollars, specifying:

(i) the applicable Borrower with respect to such Advance,

(ii) the Borrowing Date, which shall be a Business Day, of such Advance,

(iii) the aggregate amount of such Advance and whether such Advance consists of Revolving Loans or Term Loans,

(iv) the Type of Advance selected,

(v) in the case of each Eurocurrency Advance, the Interest Period and Agreed Currency applicable thereto, and

(vi) the location and number of the account of such Borrower to which funds are to be disbursed.

Promptly following receipt of a Borrowing Notice in accordance with this Section, the Agent shall advise each Revolving Lender of the details thereof and the amount of the Loan to be made by such Lender as part of the requested Advance.

Not later than noon (Chicago time) on each Borrowing Date, each applicable Lender shall make available its Loan or Loans in immediately available funds in the applicable Agreed Currency in Chicago to the Agent at its address specified pursuant to Article XIII, unless the Agent has notified the Lenders that such Loan is to be made available to the applicable Borrower at the Agent's Eurocurrency Payment Office, in which case each Lender shall make available its Loan or Loans, in funds immediately available to the Agent at its Eurocurrency Payment Office, not later than 1:00 p.m. (local time in the city of the Agent's Eurocurrency Payment Office) in the applicable Agreed Currency. The Agent will make the funds so received from the Lenders available to the applicable Borrower at the Agent's aforesaid address.

Each Lender at its option may make any Eurocurrency Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan (and in the case of an Affiliate, the provisions of this Agreement (including, without limitation, Sections 3.1 through 3.6 and 9.6) shall apply to such Affiliate to the same extent as to such Lender); provided that any exercise of such option shall not affect the obligation of the applicable Borrower to repay such Loan in accordance with the terms of this Agreement.

2.9. Conversion and Continuation of Outstanding Advances. Floating Rate Advances (other than Swing Line Loans) shall continue as Floating Rate Advances unless and until such Floating Rate Advances are converted into Eurocurrency Advances pursuant to this Section 2.9 or are repaid in accordance with Section 2.1, 2.2(c) or 2.7. Each Eurocurrency Advance shall continue as a Eurocurrency Advance until the end of the then applicable Interest Period therefor,

at which time such Eurocurrency Advance (other than Eurocurrency Advances in Agreed Currencies other than Dollars) shall be automatically converted into a Floating Rate Advance unless (a) such Eurocurrency Advance is or was repaid in accordance with Section 2.1, 2.2(c) or 2.7 or (b) the applicable Borrower, or the Company on its behalf, shall have given the Agent a Conversion/Continuation Notice (as defined below) requesting that, at the end of such Interest Period, such Eurocurrency Advance continue as a Eurocurrency Advance for the same or another Interest Period. Unless a Conversion/Continuation Notice shall have timely been given in accordance with the terms of this Section 2.9, Eurocurrency Advances in an Agreed Currency other than Dollars shall automatically continue as Eurocurrency Advances in the same Agreed Currency with an Interest Period of one (1) month. Subject to the terms of Section 2.6, the applicable Borrower, or the Company on its behalf, may elect from time to time to convert all or any part of a Floating Rate Advance (other than a Swing Line Loan) into a Eurocurrency Advance. The applicable Borrower, or the Company on its behalf, shall give the Agent irrevocable notice (a "Conversion/Continuation Notice") by (x) e-mail, telephone or telecopy, if with respect to an Advance denominated in Dollars and (y) telecopy, if with respect to an Advance denominated in euros or Pounds Sterling, of each conversion of a Floating Rate Advance into a Eurocurrency Advance or continuation of a Eurocurrency Advance not later than 10:00 a.m. (Chicago time) at least (x) three Business Days prior to the date of the requested conversion or continuation of an Advance in Dollars and (y) four Business Days prior to the date of the requested continuation of a Eurocurrency Advance in an Agreed Currency other than Dollars, specifying:

(i) the requested date, which shall be a Business Day, of such conversion or continuation,

(ii) the aggregate amount and Type of the Advance which is to be converted or continued and whether such Advance consists of Revolving Loans or Term Loans, and

(iii) the amount of such Advance which is to be converted into or continued as a Eurocurrency Advance and the duration of the Interest Period applicable thereto.

Notwithstanding anything herein to the contrary, Eurocurrency Advances in an Agreed Currency may be converted and/or continued as Eurocurrency Advances only in the same Agreed Currency.

2.10. Changes in Interest Rate, etc. Each Floating Rate Advance (other than a Swing Line Loan) shall bear interest on the outstanding principal amount thereof, for each day from and including the date such Advance is made or is automatically converted from a Eurocurrency Advance into a Floating Rate Advance pursuant to Section 2.9, to but excluding the date it is paid or is converted into a Eurocurrency Advance pursuant to Section 2.9 hereof, at a rate per annum equal to the Floating Rate for such day. Each Swing Line Loan shall bear interest on the outstanding principal amount thereof, for each day from and including the day such Swing Line Loan is made to but excluding the date it is paid, at a rate per annum equal to the Floating Rate for such day. Changes in the rate of interest on that portion of any Advance maintained as a Floating Rate Advance will take effect simultaneously with each change in the Alternate Base Rate. Each Eurocurrency Advance shall bear interest on the outstanding principal amount

thereof from and including the first day of the Interest Period applicable thereto to (but not including) the last day of such Interest Period at the interest rate determined by the Agent as applicable to such Eurocurrency Advance based upon the applicable Borrower's selections under Sections 2.8 and 2.9 and otherwise in accordance with the terms hereof. Notwithstanding anything herein to the contrary, no Borrower may select an Interest Period that ends after the Revolving Loan Termination Date.

2.11. Rates Applicable After Default. Notwithstanding anything to the contrary contained in Section 2.8, 2.9 or 2.10, during the continuance of a Default the Required Lenders may, at their option, by notice to the Company (which notice may be revoked at the option of the Required Lenders notwithstanding any provision of Section 8.2 requiring unanimous consent of the Lenders to changes in interest rates), declare that no Advance denominated in Dollars may be made as, converted into or continued as a Eurocurrency Advance and no Advance denominated in an Agreed Currency other than Dollars may have an Interest Period longer than one (1) month. During the continuance of a Default the Required Lenders may, at their option, by notice to the Company (which notice may be revoked at the option of the Required Lenders notwithstanding any provision of Section 8.2 requiring unanimous consent of the Lenders to changes in interest rates), declare that (i) each Eurocurrency Advance shall bear interest for the remainder of the applicable Interest Period at the rate otherwise applicable to such Interest Period plus 2% per annum, (ii) each Floating Rate Advance shall bear interest at a rate per annum equal to the Floating Rate in effect from time to time plus 2% per annum, (iii) the LC Fee shall be increased by 2% per annum and (iv) any other amount due and payable hereunder (including interest and fees) shall bear interest at a rate per annum equal to the Floating Rate in effect from time to time plus 2% per annum, *provided that*, during the continuance of a Default under Section 7.6 or 7.7, the interest rates set forth in clauses (i) and (ii) above and the increase in the LC Fee and other amounts set forth in clause (iii) and (iv) above shall be applicable to all Credit Extensions without any election or action on the part of the Agent or any Lender.

2.12. Method of Payment. All payments of the Obligations hereunder shall be made, without setoff, deduction, or counterclaim, in immediately available funds to the Agent (i) at the Agent's address specified pursuant to Article XIII in immediately available funds with respect to Advances or other Obligations denominated in Dollars and (ii) at the Agent's Eurocurrency Payment Office in immediately available funds with respect to any Advance or other Obligations denominated in an Agreed Currency other than Dollars, or at any other Lending Installation of the Agent specified in writing by the Agent to the Borrowers, by noon (local time) on the date when due and shall (except (i) with respect to repayments of Swing Line Loans, (ii) in the case of Reimbursement Obligations for which the LC Issuer has not been fully indemnified by the Lenders, or (iii) as otherwise specifically required hereunder) be applied ratably by the Agent among the Lenders. Each Advance shall be repaid or prepaid in the Agreed Currency in which it was made in the amount borrowed and interest payable thereon shall also be paid in such Agreed Currency. Each payment delivered to the Agent for the account of any Lender shall be delivered promptly by the Agent to such Lender in the same type of funds that the Agent received at its address specified pursuant to Article XIII or at any Lending Installation specified in a notice received by the Agent from such Lender. The Agent is hereby authorized to charge the account of each Borrower maintained with JPMorgan (or its Affiliates) for each payment of principal, interest, Reimbursement Obligations and fees as it becomes due hereunder (it being understood and agreed that the Agent shall not charge the account of any Foreign Subsidiary Borrower for

any payment of principal or interest on Loans made to the Company, or for fees incurred by the Company). Each reference to the Agent in this Section 2.12 shall also be deemed to refer, and shall apply equally, to the LC Issuer, in the case of payments required to be made by the Company to the LC Issuer pursuant to Section 2.19.6. Notwithstanding the foregoing provisions of this Section, if, after the making of any Advance in any currency other than Dollars, currency control or exchange regulations are imposed in the country which issues such currency with the result that different types of such Agreed Currency (the "New Currency") are introduced and the type of currency in which the Advance was made (the "Original Currency") no longer exists or the applicable Borrower is not able to make payment to the Agent for the account of the Lenders in such Original Currency, then all payments to be made by such Borrower hereunder in such currency shall be made to the Agent in such amount and such type of the New Currency or Dollars as shall be equivalent to the amount of such payment otherwise due hereunder in the Original Currency, it being the intention of the parties hereto that the applicable Borrower take all risks of the imposition of any such currency control or exchange regulations. In addition, notwithstanding the foregoing provisions of this Section, if, after the making of any Advance in any currency other than Dollars, any Borrower is not able to make payment to the Agent for the account of the Lenders in the type of currency in which such Advance was made because of the imposition of any such currency control or exchange regulation, then such Advance shall instead be repaid when due in Dollars in a principal amount equal to the Dollar Amount (as of the date of repayment) of such Advance.

2.13. Noteless Agreement; Evidence of Indebtedness. (a) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrowers to such Lender resulting from each Loan made by such Lender from time to time, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(b) The Agent shall also maintain accounts in which it will record (a) the amount of each Loan made hereunder, the Type thereof and the Agreed Currency and Interest Period (if any) with respect thereto, (b) the amount of any principal or interest due and payable or to become due and payable from each Borrower to each Lender hereunder, (c) the original stated amount of each Facility LC and the amount of LC Obligations outstanding at any time, and (d) the amount of any sum received by the Agent hereunder from the Borrowers and each Lender's share thereof.

(c) The entries maintained in the accounts maintained pursuant to paragraphs (i) and (ii) above shall be *prima facie* evidence (absent manifest error) of the existence and amounts of the Obligations therein recorded; *provided, however,* that the failure of the Agent or any Lender to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrowers to repay the Obligations in accordance with their terms.

(d) Any Lender may request that its Loans be evidenced by a promissory note or, in the case of the Swing Line Lender, promissory notes representing its Revolving Loans and Swing Line Loans, respectively, substantially in the form of Exhibit E-1, with appropriate changes for notes evidencing Swing Line Loans, or representing its Term Loans substantially in the form of Exhibit E-2 (each a "Note"). In such event, the Borrowers shall prepare, execute and deliver to such Lender such Note or Notes payable to the order of such Lender in a form supplied

by the Agent. Thereafter, the Loans evidenced by any such Note and interest thereon shall at all times (prior to any assignment pursuant to Section 12.3) be represented by one or more Notes payable to the order of the payee named therein, except to the extent that any such Lender subsequently returns any such Note for cancellation and requests that such Loans once again be evidenced as described in paragraphs (i) and (ii) above.

2.14. Telephonic Notices. To the extent specified in Sections 2.8 and 2.9, each Borrower hereby authorizes the Lenders and the Agent to extend, convert or continue Advances, effect selections of Types of Advances and to transfer funds based on telephonic notices made by any person or persons the Agent or any Lender in good faith believes to be acting on behalf of such Borrower, it being understood that the foregoing authorization is specifically intended to allow Borrowing Notices and Conversion/Continuation Notices to be given telephonically. Each Borrower agrees to deliver promptly to the Agent a written confirmation, if such confirmation is requested by the Agent or any Lender, of each telephonic notice signed by a Financial Officer. If the written confirmation differs in any material respect from the action taken by the Agent and the Lenders, the records of the Agent and the Lenders shall govern absent manifest error.

2.15. Interest Payment Dates; Interest and Fee Basis. Interest accrued on each Floating Rate Advance shall be payable on each Payment Date, commencing with the first such date to occur after the Closing Date, on any date on which the Floating Rate Advance is prepaid, whether due to acceleration or otherwise, and at maturity. Interest accrued on that portion of the outstanding principal amount of any Floating Rate Advance converted into a Eurocurrency Advance on a day other than a Payment Date shall be payable on the date of conversion. Interest accrued on each Eurocurrency Advance shall be payable on the last day of its applicable Interest Period, on any date on which the Eurocurrency Advance is prepaid, whether by acceleration or otherwise, and at maturity. Interest accrued on each Eurocurrency Advance having an Interest Period longer than three months shall also be payable on the last day of each three-month interval during such Interest Period. Interest accrued on all Floating Rate Loans shall be calculated for actual days elapsed (including the first day but excluding the last day) on the basis of a year of 365 or, when appropriate, 366 days. All interest accrued on Eurocurrency Loans and all fees hereunder shall be computed on the basis of a year of 360 days, except that interest computed with respect to Loans denominated in Pounds Sterling shall be computed on a basis of a year of 365 days, and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). Interest shall be payable for the day an Advance or Swing Line Loan is made but not for the day of any payment on the amount paid if payment is received prior to noon (local time) at the place of payment. If any payment of principal of or interest on an Advance, Swing Line Loan, fees or other Obligations shall become due on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day and, in the case of a principal payment, such extension of time shall be included in computing interest and fees in connection with such payment.

2.16. Notification of Advances, Interest Rates, Prepayments and Commitment Reductions. Promptly after receipt thereof, the Agent will notify each Lender of the contents of each Aggregate Revolving Loan Commitment reduction notice, Borrowing Notice, Swing Line Borrowing Notice, Conversion/Continuation Notice, and repayment notice received by it hereunder. Promptly after notice from the LC Issuer, the Agent will notify each Lender of the contents of each request for issuance of a Facility LC hereunder. The Agent will notify each

Lender of the interest rate applicable to each Eurocurrency Advance promptly upon determination of such interest rate and will give each Lender prompt notice of each change in the Alternate Base Rate. The Agent will also provide notices to the Lenders as and when required by Sections 2.2(b) and 2.5(c).

2.17. Lending Installations. Each Lender may book its Loans and its participation in any LC Obligations and the LC Issuer may book the Facility LCs at any Lending Installation selected by such Lender or the LC Issuer, as the case may be, and may change its Lending Installation from time to time. All terms of this Agreement shall apply to any such Lending Installation and the Loans, Facility LCs, participations in LC Obligations and any Notes issued hereunder shall be deemed held by each Lender or the LC Issuer, as the case may be, for the benefit of any such Lending Installation. Each Lender and the LC Issuer may, by written notice to the Agent and the Borrowers in accordance with Article XIII, designate replacement or additional Lending Installations through which Loans will be made by it or Facility LCs will be issued by it and for whose account Loan payments or payments with respect to Facility LCs are to be made.

2.18. Non-Receipt of Funds by the Agent. Unless a Borrower or a Lender, as the case may be, notifies the Agent prior to the date on which it is scheduled to make payment to the Agent of (i) in the case of a Lender, the proceeds of a Loan or (ii) in the case of a Borrower, a payment of principal, interest or fees to the Agent for the account of the Lenders, that it does not intend to make such payment, the Agent may assume that such payment has been made. The Agent may, but shall not be obligated to, make the amount of such payment available to the intended recipient in reliance upon such assumption. If such Lender or such Borrower, as the case may be, has not in fact made such payment to the Agent, the recipient of such payment shall, on demand by the Agent, repay to the Agent the amount so made available together with interest thereon in respect of each day during the period commencing on the date such amount was so made available by the Agent until the date the Agent recovers such amount at a rate per annum equal to (x) in the case of payment by a Lender, the Federal Funds Effective Rate for such day for the first three days and, thereafter, the interest rate applicable to the relevant Loan or (y) in the case of payment by a Borrower, the interest rate applicable to the relevant Loan.

2.19. Facility LCs.

2.19.1. Issuance. The LC Issuer hereby agrees, on the terms and conditions set forth in this Agreement, to issue standby and commercial Letters of Credit in Dollars (each, together with the Existing Letters of Credit deemed issued hereunder pursuant to Section 2.19.13, a "Facility LC") and to renew, extend, increase, decrease or otherwise modify each Facility LC ("Modify," and each such action a "Modification"), from time to time from and including the Closing Date and prior to the Revolving Loan Termination Date upon the request of the Company; *provided* that immediately after each such Facility LC is issued or Modified, (i) the aggregate amount of the outstanding LC Obligations shall not exceed $60,000,000 and (ii) the Aggregate Outstanding Revolving Credit Exposure shall not exceed the Aggregate Revolving Loan Commitment. No Facility LC shall have an expiry date later than the earlier of (x) the fifth Business Day prior to the Revolving Loan Termination Date and (y) one year after its issuance (or, in the case of any renewal or extension thereof, one year after such renewal or extension).

2.19.2. Participations. Upon the issuance or Modification by the LC Issuer of a Facility LC in accordance with this Section 2.19, the LC Issuer shall be deemed, without further action by any party hereto, to have unconditionally and irrevocably sold to each Revolving Lender, and each Revolving Lender shall be deemed, without further action by any party hereto, to have unconditionally and irrevocably purchased from the LC Issuer, a participation in such Facility LC (and each Modification thereof) and the related LC Obligations in proportion to its Revolving Loan Pro Rata Share.

2.19.3. Notice. Subject to Section 2.19.1, the Company shall give the LC Issuer notice prior to 10:00 a.m. (Chicago time) at least five Business Days prior to the proposed date of issuance or Modification of each Facility LC, specifying the beneficiary, the proposed date of issuance (or Modification) and the expiry date of such Facility LC, and describing the proposed terms of such Facility LC and the nature of the transactions proposed to be supported thereby. Upon receipt of such notice, the LC Issuer shall promptly notify the Agent, and the Agent shall promptly notify each Lender, of the contents thereof and of the amount of each Revolving Lender's participation in such proposed Facility LC. The issuance or Modification by the LC Issuer of any Facility LC shall, in addition to the conditions precedent set forth in Article IV (the satisfaction of which the LC Issuer shall have no duty to ascertain), be subject to the conditions precedent that such Facility LC shall be satisfactory to the LC Issuer and that the Company shall have executed and delivered such application agreement and/or such other instruments and agreements relating to such Facility LC as the LC Issuer shall have reasonably requested (each, a "Facility LC Application"). In the event of any conflict between the terms of this Agreement and the terms of any Facility LC Application, the terms of this Agreement shall control.

2.19.4. LC Fees. The Company shall pay to the Agent, for the account of the Revolving Lenders ratably in accordance with their respective Revolving Loan Pro Rata Shares, with respect to each Facility LC, a letter of credit fee at a per annum rate equal to the Applicable Margin for Eurocurrency Loans in effect from time to time on the average daily undrawn stated amount under such Facility LC, such fee to be payable in arrears on each Payment Date (the "LC Fee"). The Company shall also pay to the LC Issuer for its own account (x) at the time of issuance of each Facility LC, a fronting fee equal to 0.125% of the stated amount available for drawing under such Facility LC (or such other amount as the Company and the LC Issuer shall agree) and (y) documentary and processing charges in connection with the issuance or Modification of and draws under Facility LCs in accordance with the LC Issuer's standard schedule for such charges as in effect from time to time.

2.19.5. Administration; Reimbursement by Lenders. Upon receipt from the beneficiary of any Facility LC of any demand for payment under such Facility LC, the LC Issuer shall notify the Agent and the Agent shall promptly notify the Company and each other Revolving Lender as to the amount to be paid by the LC Issuer as a result of such demand and the proposed payment date (the "LC Payment Date"). The responsibility of the LC Issuer to the Company and each Revolving Lender shall be only to determine that the documents (including each demand for payment) delivered under each Facility LC in connection with such presentment shall be in conformity in all

material respects with such Facility LC. The LC Issuer shall endeavor to exercise the same care in the issuance and administration of the Facility LCs as it does with respect to letters of credit in which no participations are granted, it being understood that in the absence of any gross negligence or willful misconduct by the LC Issuer, each Revolving Lender shall be unconditionally and irrevocably liable without regard to the occurrence of any Default or any condition precedent whatsoever, to reimburse the LC Issuer on demand for (i) such Revolving Lender's Revolving Loan Pro Rata Share of the amount of each payment made by the LC Issuer under each Facility LC to the extent such amount is not reimbursed by the Company pursuant to Section 2.19.6 below, plus (ii) interest on the foregoing amount to be reimbursed by such Revolving Lender, for each day from the date of the LC Issuer's demand for such reimbursement (or, if such demand is made after 11:00 a.m. (Chicago time) on such date, from the next succeeding Business Day) to the date on which such Revolving Lender pays the amount to be reimbursed by it, at a rate of interest per annum equal to the Federal Funds Effective Rate for the first three days and, thereafter, at a rate of interest equal to the rate applicable to Floating Rate Advances.

2.19.6. Reimbursement by Company. The Company shall be irrevocably and unconditionally obligated to reimburse the LC Issuer on or before the applicable LC Payment Date for any amounts to be paid by the LC Issuer upon any drawing under any Facility LC, without presentment, demand, protest or other formalities of any kind; *provided* that neither the Company nor any Revolving Lender shall hereby be precluded from asserting any claim for direct (but not consequential) damages suffered by the Company or such Revolving Lender to the extent, but only to the extent, caused by (i) the willful misconduct or gross negligence of the LC Issuer in determining whether a request presented under any Facility LC issued by it complied with the terms of such Facility LC or (ii) the LC Issuer's failure to pay under any Facility LC issued by it after the presentation to it of a request strictly complying with the terms and conditions of such Facility LC. All such amounts paid by the LC Issuer and remaining unpaid by the Company shall bear interest, payable on demand, for each day until paid at a rate per annum equal to (x) the rate applicable to Floating Rate Advances for such day if such day falls on or before the applicable LC Payment Date and (y) the sum of 2% per annum plus the rate applicable to Floating Rate Advances for such day if such day falls after such LC Payment Date. The LC Issuer will pay to each Revolving Lender ratably in accordance with its Revolving Loan Pro Rata Share all amounts received by it from the Company for application in payment, in whole or in part, of the Reimbursement Obligation in respect of any Facility LC issued by the LC Issuer, but only to the extent such Revolving Lender has made payment to the LC Issuer in respect of such Facility LC pursuant to Section 2.19.5. Subject to the terms and conditions of this Agreement (including without limitation the submission of a Borrowing Notice in compliance with Section 2.8 and the satisfaction of the applicable conditions precedent set forth in Article IV), the Company may request an Advance hereunder for the purpose of satisfying any Reimbursement Obligation.

2.19.7. Obligations Absolute. The Company's obligations under this Section 2.19 shall be absolute and unconditional under any and all circumstances and irrespective of any setoff, counterclaim or defense to payment which the Company may have or have had against the LC Issuer, any Lender or any beneficiary of a Facility LC. The Company

further agrees with the LC Issuer and the Lenders that the LC Issuer and the Lenders shall not be responsible for, and the Company's Reimbursement Obligation in respect of any Facility LC shall not be affected by, among other things, the validity or genuineness of documents or of any endorsements thereon, even if such documents should in fact prove to be in any or all respects invalid, fraudulent or forged, or any dispute between or among the Company, any of its Affiliates, the beneficiary of any Facility LC or any financing institution or other party to whom any Facility LC may be transferred or any claims or defenses whatsoever of the Company or of any of its Affiliates against the beneficiary of any Facility LC or any such transferee. The LC Issuer shall not be liable for any error, omission, interruption or delay in transmission, dispatch or delivery of any message or advice, however transmitted, in connection with any Facility LC. The Company agrees that any action taken or omitted by the LC Issuer or any Lender under or in connection with each Facility LC and the related drafts and documents, if done without gross negligence or willful misconduct, shall be binding upon the Company and shall not put the LC Issuer or any Lender under any liability to the Company. Nothing in this Section 2.19.7 is intended to limit the right of the Company to make a claim against the LC Issuer for damages as contemplated by the proviso to the first sentence of Section 2.19.6.

2.19.8. Actions of LC Issuer. The LC Issuer shall be entitled to rely, and shall be fully protected in relying, upon any Facility LC, draft, writing, resolution, notice, consent, certificate, affidavit, letter, cablegram, telegram, telecopy, telex or teletype message, statement, order or other document believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons, and upon advice and statements of legal counsel, independent accountants and other experts selected by the LC Issuer. The LC Issuer shall be fully justified in failing or refusing to take any action under this Agreement unless it shall first have received such advice or concurrence of the Required Revolving Lenders as it reasonably deems appropriate or it shall first be indemnified to its reasonable satisfaction by the Revolving Lenders against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. Notwithstanding any other provision of this Section 2.19, the LC Issuer shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement in accordance with a request of the Required Revolving Lenders, and such request and any action taken or failure to act pursuant thereto shall be binding upon the Revolving Lenders and any future holders of a participation in any Facility LC.

2.19.9. Indemnification. The Company hereby agrees to indemnify and hold harmless each Lender, the LC Issuer and the Agent, and their respective directors, officers, agents and employees from and against any and all claims and damages, losses, liabilities, out-of-pocket costs or expenses which such Lender, the LC Issuer or the Agent may incur (or which may be claimed against such Lender, the LC Issuer or the Agent by any Person whatsoever) by reason of or in connection with the issuance, execution and delivery or transfer of or payment or failure to pay under any Facility LC or any actual or proposed use of any Facility LC, including, without limitation, any claims, damages, losses, liabilities, out-of-pocket costs or expenses which the LC Issuer may incur by reason of or in connection with (i) the failure of any other Lender to fulfill or comply with its obligations to the LC Issuer hereunder (but nothing herein contained shall affect any rights the Company may have against any defaulting Lender) or (ii) by reason of or

on account of the LC Issuer issuing any Facility LC which specifies that the term "Beneficiary" included therein includes any successor by operation of law of the named Beneficiary, but which Facility LC does not require that any drawing by any such successor Beneficiary be accompanied by a copy of a legal document, satisfactory to the LC Issuer, evidencing the appointment of such successor Beneficiary; provided that the Company shall not be required to indemnify any Lender, the LC Issuer or the Agent for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by (x) the willful misconduct or gross negligence of the LC Issuer in determining whether a request presented under any Facility LC complied with the terms of such Facility LC or (y) the LC Issuer's failure to pay under any Facility LC after the presentation to it of a request strictly complying with the terms and conditions of such Facility LC. Nothing in this Section 2.19.9 is intended to limit the obligations of the Company under any other provision of this Agreement.

2.19.10. Lenders' Indemnification. Each Revolving Lender shall, ratably in accordance with its Revolving Loan Pro Rata Share, indemnify the LC Issuer, its affiliates and their respective directors, officers, agents and employees (to the extent not reimbursed by the Company) against any cost, expense (including reasonable counsel fees and disbursements), claim, demand, action, loss or liability (except such as result from such indemnitees' gross negligence or willful misconduct or the LC Issuer's failure to pay under any Facility LC after the presentation to it of a request strictly complying with the terms and conditions of the Facility LC) that such indemnitees may suffer or incur in connection with this Section 2.19 or any action taken or omitted by such indemnitees hereunder.

2.19.11. Facility LC Collateral Account. The Company agrees that it will, upon the request of the Agent or the Required Revolving Lenders and until the final expiration date of any Facility LC and thereafter as long as any amount is payable to the LC Issuer or the Revolving Lenders in respect of any Facility LC, maintain a special collateral account pursuant to arrangements satisfactory to the Agent (the "Facility LC Collateral Account") at the Agent's office at the address specified pursuant to Article XIII, in the name of the Company but under the sole dominion and control of the Agent, for the benefit of the Lenders and in which the Company shall have no interest other than as set forth in Section 2.7(b) or 8.1. The Company hereby pledges, assigns and grants to the Agent, on behalf of and for the ratable benefit of the Lenders and the LC Issuer, a security interest in all of the Company's right, title and interest in and to all funds which may from time to time be on deposit in the Facility LC Collateral Account to secure the prompt and complete payment and performance of the Obligations. The Agent will invest any funds on deposit from time to time in the Facility LC Collateral Account in certificates of deposit of JPMorgan having a maturity not exceeding 30 days. Nothing in this Section 2.19.11 shall either obligate the Agent to require the Company to deposit any funds in the Facility LC Collateral Account or limit the right of the Agent to release any funds held in the Facility LC Collateral Account in each case other than as required by Section 2.7(b) or 8.1.

2.19.12. Rights as a Lender. In its capacity as a Lender, the LC Issuer shall have the same rights and obligations as any other Lender.

2.19.13. Transitional Letter of Credit Provisions. From and after the Closing Date, the letters of credit described on Schedule 2.19.13 (the "Existing Letters of Credit") shall be deemed to constitute Facility LCs issued pursuant to Section 2.19.1 in which the Lenders participate pursuant to Section 2.19.2. Fees shall accrue in respect of the Existing Letters of Credit as provided in Section 2.19.4 beginning as of the Closing Date.

2.20. Replacement of Lender. If a Borrower is required pursuant to Section 3.1, 3.2, 3.5 or 3.6 to make any additional or increased payment to any Lender, if any Lender's obligation to make or continue, or to convert Floating Rate Advances into, Eurocurrency Advances shall be suspended pursuant to Section 3.3 or if any Lender becomes a Defaulting Lender (any Lender so affected an "Affected Lender"), the Company may elect, if such amounts continue to be charged, such suspension is still effective or such Lender remains a Defaulting Lender, to replace such Affected Lender as a Lender party to this Agreement, *provided* that no Default or Unmatured Default shall have occurred and be continuing at the time of such replacement, and *provided further* that, concurrently with such replacement, (i) another bank or other entity which is reasonably satisfactory to the Company, the Agent and (if such Affected Lender is a Revolving Lender) JPMorgan in its capacity as LC Issuer shall agree, as of such date, to purchase for cash the Advances and other Obligations due to the Affected Lender pursuant to an assignment substantially in the form of Exhibit C and to become a Lender for all purposes under this Agreement and to assume all obligations of the Affected Lender to be terminated as of such date and to comply with the requirements of Section 12.3 applicable to assignments, and (ii) the Borrowers shall pay to such Affected Lender in same day funds on the day of such replacement (A) all interest, fees and other amounts then accrued but unpaid to such Affected Lender by the Borrowers hereunder to and including the date of termination, including without limitation payments due to such Affected Lender under Sections 3.1, 3.2, 3.5 and 3.6, and (B) an amount, if any, equal to the payment which would have been due to such Lender on the day of such replacement under Section 3.4 had the Loans of such Affected Lender been prepaid on such date rather than sold to the replacement Lender.

2.21. Defaulting Lenders. Notwithstanding any provision of this Agreement to the contrary, if any Revolving Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Revolving Lender is a Defaulting Lender:

(a) fees shall cease to accrue on the unfunded portion of the Revolving Loan Commitment of such Defaulting Lender pursuant to Section 2.5(a);

(b) the Revolving Loan Commitment and Outstanding Revolving Credit Exposure of such Defaulting Lender shall not be included in determining whether all Lenders, the Required Revolving Lenders or the Required Lenders have taken or may take any action hereunder (including any consent to any amendment or waiver pursuant to Section 8.2), provided that any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender which affects such Defaulting Lender differently than other affected Lenders shall require the consent of such Defaulting Lender;

(c) if any Swing Line Loans shall be outstanding or any LC Obligations shall exist at the time a Lender becomes a Defaulting Lender then:

(i) the Company shall within one Business Day following notice by the Agent (x) first, prepay such outstanding Swing Line Loans and (y) second, cash collateralize such Defaulting Lender's LC Exposure in accordance with the procedures set forth in Section 8.1 for so long as such LC Exposure is outstanding;

(ii) if the Company cash collateralizes any portion of such Defaulting Lender's LC Exposure pursuant to clause (i) above, the Company shall not be required to pay any fees to such Defaulting Lender pursuant to Section 2.19.4 with respect to such Defaulting Lender's LC Exposure during the period such Defaulting Lender's LC Exposure is cash collateralized; and

(iii) if any Defaulting Lender's LC Exposure is not cash collateralized pursuant to clause (i) above, then, without prejudice to any rights or remedies of the LC Issuer or any Lender hereunder, all letter of credit fees payable under Section 2.19.4 with respect to such Defaulting Lender's LC Exposure shall be payable to the LC Issuer until such LC Exposure is cash collateralized;

(d) so long as any Lender is a Defaulting Lender, the Issuing Bank shall not be required to issue or Modify any Facility LC, unless it is satisfied that the related exposure will be 100% covered by cash collateral provided by the Company in accordance with Section 2.21(c); and

(e) any amount payable to such Defaulting Lender hereunder (whether on account of principal, interest, fees or otherwise and including any amount that would otherwise be payable to such Defaulting Lender pursuant to Section 11.2 but excluding Section 2.20) shall, in lieu of being distributed to such Defaulting Lender, be retained by the Agent in a segregated account and, subject to any applicable requirements of law, be applied at such time or times as may be determined by the Agent (i) first, to the payment of any amounts owing by such Defaulting Lender to the Agent hereunder, (ii) second, pro rata, to the payment of any amounts owing by such Defaulting Lender to the LC Issuer or Swing Line Lender hereunder, (iii) third, to the funding of any Revolving Loan or the funding or cash collateralization of any participating interest in any Swing Line Loan or Facility LC in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Agent, (iv) fourth, if so determined by the Agent and the Company, held in such account as cash collateral for future funding obligations of the Defaulting Lender under this Agreement, (v) fifth, pro rata, to the payment of any amounts owing to the Company or the Lenders as a result of any judgment of a court of competent jurisdiction obtained by the Company or any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement, and (vi) sixth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided, that if such payment is (x) a prepayment of the principal amount of any Loans or Reimbursement Obligations in respect of draws under Facility LCs with respect to which the LC Issuer has funded its participation obligations and (y) made at a time when the conditions set forth in Section 4.02 are satisfied, such payment shall be applied solely to prepay the Loans of, and Reimbursement Obligations owed to, all Revolving Lenders that are not Defaulting Lenders pro rata prior to being applied to the prepayment of any Loans, or Reimbursement Obligations owed to, any Defaulting Lender.

In the event that the Agent, the Company, the LC Issuer and the Swing Line Lender each agrees that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then the Swing Line Exposure and LC Exposure of the Lenders shall be readjusted to reflect the inclusion of such Lender's Revolving Loan Commitment and on such date such Lender shall purchase at par such of the Revolving Loans of the other Lenders as the Agent shall determine may be necessary in order for such Lender to hold the Revolving Loans in each Agreed Currency of each Borrower in accordance with its Revolving Loan Pro Rata Share. For purposes of this Section 2.21, (x) "Swing Line Exposure" shall mean, with respect to any Defaulting Lender at any time, such Defaulting Lender's Revolving Loan Pro Rata Share of the aggregate principal amount of all Swing Line Loans outstanding at such time and (y) "LC Exposure" shall mean, with respect to any Defaulting Lender at any time, such Defaulting Lender's Revolving Loan Pro Rata Share of the LC Obligations at such time.

Nothing contained in the foregoing shall be deemed to constitute a waiver by any Borrower of any of its rights or remedies (whether in equity or law) against any Lender which fails to fund any of its Loans hereunder at the time or in the amount required to be funded under the terms of this Agreement.

2.22. Judgment Currency. If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due from any Borrower hereunder in the currency expressed to be payable herein (the "specified currency") into another currency, the parties hereto agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Agent could purchase the specified currency with such other currency at the Agent's main office in Chicago, Illinois on the Business Day preceding that on which the final, non-appealable judgment is given. The obligations of the applicable Borrower in respect of any sum due to any Lender or the Agent hereunder shall, notwithstanding any judgment in a currency other than the specified currency, be discharged only to the extent that on the Business Day following receipt by such Lender or the Agent (as the case may be) of any sum adjudged to be so due in such other currency such Lender or the Agent (as the case may be) may in accordance with normal, reasonable banking procedures purchase the specified currency with such other currency. If the amount of the specified currency so purchased is less than the sum originally due to such Lender or the Agent, as the case may be, in the specified currency, such Borrower agrees, to the fullest extent that it may effectively do so, as a separate obligation and notwithstanding any such judgment, to indemnify such Lender or the Agent, as the case may be, against such loss, and if the amount of the specified currency so purchased exceeds (a) the sum originally due to any Lender or the Agent, as the case may be, in the specified currency and (b) any amounts shared with other Lenders as a result of allocations of such excess as a disproportionate payment to such Lender under Section 11.2, such Lender or the Agent, as the case may be, agrees to remit such excess to the applicable Borrower.

2.23. Market Disruption. Notwithstanding the satisfaction of all conditions referred to in Article II with respect to any Advance in any Agreed Currency other than Dollars, if there shall occur on or prior to the date of such Advance any change in national or international financial, political or economic conditions or currency exchange rates or exchange controls

which would in the reasonable opinion of the applicable Borrower, the Agent or the Required Revolving Lenders make it impracticable for the Eurocurrency Loans comprising such Advance to be denominated in the Agreed Currency specified by the applicable Borrower, then the Agent shall forthwith give notice thereof to such Borrower and the Revolving Lenders or such Borrower shall give notice thereof to the Revolving Lenders, as the case may be, and such Eurocurrency Loans shall not be denominated in such currency but shall be made on such Borrowing Date in Dollars, in an aggregate principal amount equal to the Dollar Amount of the aggregate principal amount specified in the related Borrowing Notice, as Floating Rate Loans, unless the applicable Borrower notifies the Agent at least one Business Day before such date that (a) it elects not to borrow on such date or (b) it elects to borrow on such date in a different Agreed Currency, as the case may be, in which the denomination of such Eurocurrency Loans would in the opinion of the Agent and the Required Revolving Lenders be practicable and in an aggregate principal amount equal to the Dollar Amount of the aggregate principal amount specified in the related Borrowing Notice.

2.24. Foreign Subsidiary Borrowers. The Company may, at any time on or prior to May 8, 2009 (or such later date as the Agent shall agree in its sole discretion), add as a party to this Agreement not more than two UK Subsidiaries and not more than two Dutch Subsidiaries as "Foreign Subsidiary Borrowers" hereunder by (a) the execution and delivery to the Agent of a duly completed Assumption Letter by such Subsidiary, with the written consent of each other Borrower, (b) the execution and delivery to the Agent of such documents, instruments, opinions and certificates as shall be required in order to permit the Borrowers to be in compliance with Section 16.2 in connection with the joinder of such Foreign Subsidiary Borrower hereto and (c) the execution and delivery to the Agent of such documents, notices, instruments, opinions, documents of title and certificates as shall be required in order to permit the Borrowers to be in compliance with Section 6.21(d) after giving effect to the joinder of such Foreign Subsidiary Borrower hereto. Upon such execution, delivery and consent, such Subsidiary shall for all purposes be a party hereto as a Foreign Subsidiary Borrower as fully as if it had executed and delivered this Agreement.

ARTICLE III

YIELD PROTECTION; TAXES

3.1. Yield Protection. If, on or after the date of this Agreement, the adoption of any law or any governmental or quasi-governmental rule, regulation, policy, guideline or directive (whether or not having the force of law), or any change in the interpretation or administration thereof by any governmental or quasi-governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by any Lender or applicable Lending Installation or the LC Issuer with any request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency:

(i) subjects any Lender or any applicable Lending Installation or the LC Issuer to any Taxes (including UK Tax), or changes the basis of taxation of payments (other than with respect to Excluded Taxes) to any Lender or the LC Issuer in respect of its Eurocurrency Loans, Facility LCs or participations therein, or

(ii) imposes or increases or deems applicable any reserve, assessment, insurance charge, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Lender or any applicable Lending Installation or the LC Issuer (other than reserves and assessments taken into account in determining the interest rate applicable to Eurocurrency Advances), or

(iii) imposes any other condition the result of which is to increase the cost to any Lender or any applicable Lending Installation or the LC Issuer of making, funding or maintaining its Eurocurrency Loans, or of issuing or participating in Facility LCs, or reduces any amount receivable by any Lender or any applicable Lending Installation or the LC Issuer in connection with its Eurocurrency Loans, Facility LCs or participations therein, or requires any Lender or any applicable Lending Installation or the LC Issuer to make any payment calculated by reference to the amount of Eurocurrency Loans, Facility LCs or participations therein held or interest or LC Fees received by it, by an amount deemed material by such Lender or the LC Issuer as the case may be,

and the result of any of the foregoing is to increase the cost to such Lender or applicable Lending Installation or the LC Issuer, as the case may be, of making or maintaining its Eurocurrency Loans, Revolving Loan Commitment or Term Loan Commitment or of issuing or participating in Facility LCs or to reduce the return received by such Lender or applicable Lending Installation or the LC Issuer, as the case may be, in connection with such Eurocurrency Loans, Revolving Loan Commitment or Term Loan Commitment, Facility LCs or participations therein, then, within 15 days of demand by such Lender or the LC Issuer, as the case may be, the Borrowers shall pay such Lender or the LC Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or the LC Issuer, as the case may be, for such increased cost or reduction in amount received.

3.2. Changes in Capital Adequacy Regulations. If a Lender or the LC Issuer determines the amount of capital required or expected to be maintained by such Lender or the LC Issuer, any Lending Installation of such Lender or the LC Issuer, or any corporation controlling such Lender or the LC Issuer is increased as a result of a Change (as defined below), then, within 15 days of demand by such Lender or the LC Issuer, the applicable Borrower shall pay such Lender or the LC Issuer the amount necessary to compensate for any shortfall in the rate of return on the portion of such increased capital which such Lender or the LC Issuer determines is attributable to this Agreement, its Outstanding Revolving Credit Exposure, its Term Loans or Revolving Loan Commitment or Term Loan Commitment or its commitment to issue Facility LCs as the case may be, hereunder (after taking into account such Lender's or the LC Issuer's policies as to capital adequacy). "Change" means (i) any change after the date of this Agreement in the Risk-Based Capital Guidelines or (ii) any adoption of or change in any other law, governmental or quasi-governmental rule, regulation, policy, guideline, interpretation, or directive (whether or not having the force of law) after the date of this Agreement which affects the amount of capital required or expected to be maintained by any Lender or the LC Issuer or any Lending Installation or any corporation controlling any Lender or the LC Issuer. "Risk-Based Capital Guidelines" means (i) the risk-based capital guidelines in effect in the United States on the date of this Agreement, including transition rules, and (ii) the corresponding capital regulations promulgated by regulatory authorities outside the United States implementing the

July 1988 report of the Basle Committee on Banking Regulation and Supervisory Practices Entitled "International Convergence of Capital Measurements and Capital Standards," including transition rules, and any amendments to such regulations adopted prior to the date of this Agreement.

3.3. Availability of Types of Advances. If (a) any Lender determines that maintenance of its Eurocurrency Loans at a suitable Lending Installation would violate any applicable law, rule, regulation, or directive, whether or not having the force of law, (b) the Agent determines (which determination shall be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining the Adjusted Eurocurrency Base Rate or Eurocurrency Base Rate, as applicable, for any Eurocurrency Advance for any Interest Period or (c) the Required Lenders determine that the Adjusted Eurocurrency Base Rate or the Eurocurrency Base Rate, as applicable, for any Eurocurrency Advance for any Interest Period will not adequately and fairly reflect the cost to such Lenders (or Lender) of making or maintaining their Loans (or its Loan) included in such Advance for such Interest Period, then the Agent shall suspend the availability of Eurocurrency Advances and require any affected Eurocurrency Advances to be repaid or converted to Floating Rate Advances, subject to the payment of any funding indemnification amounts required by Section 3.4.

3.4. Funding Indemnification. If any payment of a Eurocurrency Advance occurs on a date which is not the last day of the applicable Interest Period, whether because of acceleration, prepayment or otherwise, or a Eurocurrency Advance is not made or continued, or a Floating Rate Advance is not converted into a Eurocurrency Advance, on the date specified by the applicable Borrower for any reason other than default by the Lenders, or a Eurocurrency Advance is not prepaid on the date specified by such Borrower for any reason, such Borrower will indemnify each Lender for any loss or cost incurred by it resulting therefrom, including, without limitation, any loss or cost in liquidating or employing deposits acquired to fund or maintain such Eurocurrency Advance.

3.5. Taxes.

3.5.1. All payments by the Borrowers to or for the account of any Lender, the LC Issuer or the Agent hereunder or under any Note or Facility LC Application shall be made free and clear of and without deduction for any and all Taxes. If any Borrower shall be required by law to deduct any Taxes from or in respect of any sum payable hereunder to any Lender, the LC Issuer or the Agent, (a) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 3.5) such Lender, the LC Issuer or the Agent (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (b) such Borrower shall make such deductions, (c) such Borrower shall pay the full amount deducted to the relevant authority in accordance with applicable law and (d) such Borrower shall furnish to the Agent the original copy of a receipt evidencing payment thereof within 30 days after such payment is made.

3.5.2. In addition, each Borrower hereby agrees to pay any present or future stamp or documentary taxes related to such Borrower and any other excise or property

taxes, charges or similar levies related to such Borrower which arise from any payment hereunder or under any Note or Facility LC Application or from the execution or delivery of, or otherwise with respect to, this Agreement or any Note or Facility LC Application ("Other Taxes").

3.5.3. Each Borrower hereby agrees to indemnify the Agent, the LC Issuer and each Lender for the full amount of Taxes or Other Taxes (including, without limitation, any Taxes or Other Taxes imposed on amounts payable under this Section 3.5) related to such Borrower paid by the Agent, the LC Issuer or such Lender as a result of its Revolving Loan Commitment, its Term Loan Commitment, any Loans made by it hereunder, or otherwise in connection with its participation in this Agreement and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto. Payments due under this indemnification shall be made within 30 days of the date the Agent, the LC Issuer or such Lender makes demand therefor pursuant to Section 3.6.

3.5.4. Each Lender agrees that it will, not more than ten Business Days after the date of this Agreement and at such other times prescribed by applicable law, deliver to each Borrower (with a copy to the Agent) such properly completed and executed documentation prescribed by applicable law or reasonably requested by such Borrower as will demonstrate that such Lender is entitled to an exemption from withholding tax under the law of the jurisdiction in which such Borrower is located or a treaty to which such jurisdiction is a party and will permit payments by such Borrower hereunder to be made without withholding. Without limiting the generality of the foregoing, in the event that a Borrower is resident for tax purposes in the United States of America, any Lender that is not incorporated under the laws of the United States of America or a state thereof (each a "Non-U.S. Lender") agrees that it will, not more than ten Business Days after the date of this Agreement, (i) deliver to the Agent two duly completed copies of United States Internal Revenue Service Form W-8BEN, W-8ECI or W-8IMY, certifying in either case that such Lender is entitled to receive payments under this Agreement without deduction or withholding of any United States federal income taxes, and (ii) deliver to the Agent a United States Internal Revenue Form W-8 or W-9, as the case may be, and certify that it is entitled to an exemption from United States backup withholding tax. Each Non-U.S. Lender further undertakes to deliver to each of the Company and the Agent (x) renewals or additional copies of such IRS form (or any successor form) on or before the date that such form expires or becomes obsolete, and (y) after the occurrence of any event requiring a change in the most recent IRS forms so delivered by it, such additional forms or amendments thereto as may be reasonably requested by the Company or the Agent. All documentation, forms or amendments described in the first or second sentence of this Section 3.5.4 shall certify or otherwise demonstrate that such Lender is entitled to receive payments under this Agreement without deduction or withholding of any income taxes in the applicable jurisdiction, *unless* an event (including without limitation any change in treaty, law or regulation) has occurred prior to the date on which any such delivery would otherwise be required which renders all such documentation inapplicable or which would prevent such Lender from duly completing and delivering any such documentation or amendment with respect to it and such Lender advises the Borrowers and the Agent that it is not capable of receiving payments without any deduction or withholding of income

tax in such jurisdiction. Each Lender shall promptly notify the Agent of any change in circumstances which would modify or render invalid any claimed exemption from withholding of income tax in any such jurisdiction.

3.5.5. For any period during which a Lender has failed to provide a Borrower with appropriate documentation pursuant to Section 3.5.4 (unless such failure is due to a change in treaty, law or regulation, or any change in the interpretation or administration thereof by any governmental authority, occurring subsequent to the date on which such documentation originally was required to be provided or, in the case of a Lender that became a party to this Agreement pursuant to an assignment, the assigning Lender was entitled, at the time of the assignment, to receive additional amounts with respect to such withholding tax pursuant to this Section 3.5), such Lender shall not be entitled to indemnification under this Section 3.5 by such Borrower with respect to Taxes imposed by the jurisdiction in which such Borrower is located *provided* that, should a Lender which is otherwise exempt from or subject to a reduced rate of withholding tax become subject to Taxes because of its failure to deliver a form required under Section 3.5.4, the Borrowers shall take such steps as such Lender shall reasonably request to assist such Lender to recover such Taxes.

3.5.6. If the U.S. Internal Revenue Service or any other governmental authority of the United States or any other country or any political subdivision thereof asserts a claim that the Agent did not properly withhold tax from amounts paid to or for the account of any Lender (because the appropriate documentation was not delivered or properly completed, because such Lender failed to notify the Agent of a change in circumstances which rendered its exemption from withholding ineffective, or for any other reason), such Lender shall indemnify the Agent fully for all amounts paid, directly or indirectly, by the Agent as tax, withholding therefor, or otherwise, including penalties and interest, and including taxes imposed by any jurisdiction on amounts payable to the Agent under this subsection, together with all costs and expenses related thereto (including attorneys fees and time charges of attorneys for the Agent, which attorneys may be employees of the Agent). The obligations of the Lenders under this Section 3.5.6 shall survive the payment of the Obligations and termination of this Agreement.

3.6. UK Tax.

(a) Definitions:

"Protected Party" means a Lender, the LC Issuer or the Agent which is or will be subject to any liability or required to make any payment for or on account of UK Tax, in relation to a sum received or receivable (or any sum deemed for the purposes of UK Tax to be received or receivable) under a Loan Document.

"Qualifying Lender" means:

(i) a Lender (other than a Lender within sub-paragraph (ii) below) which is beneficially entitled to interest payable to that Lender in respect of an advance under a Loan Document and is:

(A) a Lender:

(I) which is a bank (as defined for the purpose of section 879 of the Income Tax Act 2007) making an advance under a Loan Document; or

(II) in respect of an advance made under a Loan Document by a person that was a bank (as defined for the purpose of section 879 of the Income Tax Act 2007) at the time that advance was made,

and which is within the charge to United Kingdom corporation tax as respects any payments of interest made in respect of that advance; or

(B) a Lender which is:

(I) a company resident in the United Kingdom for United Kingdom tax purposes; or

(II) a partnership each member of which is:

1) a company resident in the United Kingdom; or

2) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account in computing its chargeable profits (for the purposes of section 11(2) of the Income and Corporation Taxes Act 1988) the whole of any share of interest payable in respect of that advance that falls to it by reason of sections 114 and 115 of the Income and Corporation Taxes Act 1988; or

(III) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account interest payable in respect of that advance in computing its chargeable profits (within the meaning given by section 11(2) of the Income and Corporation Taxes Act 1988).

(C) a Treaty Lender; or

(ii) a building society (as defined for the purpose of section 880 of the Income Tax Act 2007) making an advance under a Loan Document.

"Tax Credit" means a credit against, relief or remission for, or repayment of any UK Tax.

"Tax Deduction" means a deduction or withholding for or on account of UK Tax from a payment under a Loan Document.

"Tax Payment" means either an increased payment made by a Borrower to a Lender under 3.6(e) (Tax gross-up) or a payment under 3.6(j) (Tax indemnity).

"Treaty Lender" means a Lender which:

(i) is treated as a resident of a Treaty State for the purposes of the Treaty; and

(ii) does not carry on a business in the United Kingdom through a permanent establishment with which that Lender's participation in the Loan is effectively connected.

"Treaty State" means a jurisdiction having a double taxation agreement (a "Treaty") with the United Kingdom which makes provision for full exemption from tax imposed by the United Kingdom on interest.

"VAT" means value added tax as provided for in the Value Added Tax Act 1994 and any other tax of a similar nature.

(b) Unless a contrary indication appears, in this Section 3.6 a reference to "determines" or "determined" means a determination made in the absolute discretion of the person making the determination.

(c) Each Borrower shall make all payments to be made by it under a Loan Document without any Tax Deduction, unless a Tax Deduction is required by law.

(d) Each Borrower shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Agent accordingly. Similarly, a Lender shall notify the Agent on becoming so aware in respect of a payment payable to that Lender. If the Agent receives such notification from a Lender it shall notify that Borrower.

(e) If a Tax Deduction is required by law to be made by a Borrower under a Loan Document, the amount of the payment due from that Borrower shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.

(f) A Borrower is not required to make an increased payment to a Lender under paragraph (e) above for a Tax Deduction in respect of tax imposed by the United Kingdom from a payment of interest on a Loan, if on the date on which the payment falls due the payment could have been made to the relevant Lender without a Tax Deduction if it was a Qualifying Lender, but on that date that Lender is not or has ceased to be a Qualifying Lender other than as a result of any

change after the date it became a Lender under this Agreement in (or in the interpretation, administration, or application of) any law or any published practice or concession of any relevant taxing authority; or

(i) (A) the relevant Lender is a Qualifying Lender solely under sub-paragraph (i)(B) of the definition of Qualifying Lender;

(B) an officer of H.M. Revenue & Customs has given (and not revoked) a direction (a "Direction") under section 931 of the Income Tax Act 2007 (as that provision has effect on the date on which the relevant Lender became a party hereto) which relates to that payment and that Lender has received from such Borrower or the Company a certified copy of that Direction; and

(C) the payment could have been made to the Lender without any Tax Deduction in the absence of that Direction; or

(ii) the relevant Lender is a Treaty Lender and the Borrower making the payment is able to demonstrate that the payment could have been made to the Lender without the Tax Deduction had that Lender complied with its obligations under paragraph (i) below.

(g) If a Borrower is required to make a Tax Deduction, that Borrower shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.

(h) Within 30 days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Borrower making that Tax Deduction shall deliver to the Agent for the Lender entitled to the payment evidence reasonably satisfactory to the Lender that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

(i) A Treaty Lender and each Borrower which makes a payment to which that Treaty Lender is entitled shall co-operate in completing any procedural formalities necessary for that Borrower to obtain authorization to make that payment without a Tax Deduction.

(j) Each Borrower shall (within 3 Business Days of demand by the Agent) pay to a Protected Party an amount equal to the loss, liability or cost which that Protected Party determines will be or has been (directly or indirectly) suffered for or on account of UK Tax by that Protected Party in respect of a Loan Document.

(k) Paragraph (j) above shall not apply with respect to any UK Tax assessed on a Protected Party:

(A) under the law of the jurisdiction in which that Protected Party is incorporated or, if different, the jurisdiction (or jurisdictions) in which that Protected Party is treated as resident for tax purposes; or

(B) under the law of the jurisdiction in which that Protected Party's facility office is located in respect of amounts received or receivable in that jurisdiction,

if that UK Tax is imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by that Protected Party.

(l) Furthermore, paragraph (j) above shall not apply to the extent a loss, liability or cost:

(A) is compensated for by an increased payment under paragraphs (c) to (h) above; or

(B) would have been compensated for by an increased payment under paragraphs (c) to (h) above but was not so compensated solely because one of the exclusions in paragraph (f) applied.

(m) A Protected Party making, or intending to make a claim under paragraph (j) above shall promptly notify the Agent of the event which will give, or has given, rise to the claim, following which the Agent shall notify the Borrower.

(n) A Protected Party shall, on receiving a payment from a Borrower under paragraph (j), notify the Agent.

(o) If a Borrower makes a Tax Payment and the relevant Lender determines that:

(A) a Tax Credit is attributable to that Tax Payment; and

(B) that Lender has obtained, utilized and retained that Tax Credit,

the relevant Lender shall pay an amount to the Borrower which that Lender determines will leave it (after that payment) in the same after-Tax position as it would have been in had the Tax Payment not been made by the Borrower.

(p) Each Borrower shall pay and, within three Business Days of demand, indemnify each Lender against any cost, loss or liability that Lender incurs in relation to all stamp duty, registration and other similar UK Taxes payable in respect of any Loan Document (excluding, for the avoidance of doubt, any such UK Tax arising in connection with an assignment or transfer by that Lender of its rights under any Loan Document).

(q) All amounts set out, or expressed to be payable under a Loan Document by any party to a Lender which (in whole or part) constitute the consideration for VAT purposes shall be deemed to be exclusive of any VAT which is chargeable on such supply, and accordingly, subject to paragraph (r) below, if VAT is chargeable on any supply made by any Lender to any party under a Loan Document, that party shall pay to the Lender (in addition to and at the same time as paying the consideration) an amount equal to the amount of the VAT (and such Lender shall promptly provide an appropriate VAT invoice to such party).

(r) Where a Loan Document requires any party to reimburse a Lender for any costs or expenses, that party shall also at the same time pay and indemnify the Lender against all VAT incurred by the Lender in respect of the costs or expenses to the extent that the Lender reasonably determines that neither it nor any other member of any group of which it is a member for VAT purposes is entitled to credit or repayment from the relevant tax authority in respect of the VAT.

3.7. Lender Statements; Survival of Indemnity. To the extent reasonably possible, each Lender shall designate an alternate Lending Installation with respect to its Eurocurrency Loans to reduce any liability of the Borrowers to such Lender under Sections 3.1, 3.2, 3.5 and 3.6 or to avoid the unavailability of Eurocurrency Advances under Section 3.3, so long as such designation is not, in the judgment of such Lender, disadvantageous to such Lender. Each Lender shall deliver a written statement of such Lender to the applicable Borrower (with a copy to the Agent) as to the amount due, if any, under Section 3.1, 3.2, 3.4, 3.5 or 3.6. Such written statement shall set forth in reasonable detail the calculations upon which such Lender determined such amount and shall be final, conclusive and binding on such Borrower in the absence of manifest error. Determination of amounts payable under such Sections in connection with a Eurocurrency Loan shall be calculated as though each Lender funded its Eurocurrency Loan through the purchase of a deposit of the type, currency and maturity corresponding to the deposit used as a reference in determining the Eurocurrency Rate applicable to such Loan, whether in fact that is the case or not. Unless otherwise provided herein, the amount specified in the written statement of any Lender shall be payable on demand after receipt by the applicable Borrower of such written statement. The obligations of the Borrowers under Sections 3.1, 3.2, 3.4, 3.5 and 3.6 shall survive payment of the Obligations and termination of this Agreement.

ARTICLE IV

CONDITIONS PRECEDENT

4.1. Effectiveness of Agreement and Initial Credit Extension. Notwithstanding the execution and delivery of this Agreement on the Closing Date, this Agreement shall not become effective, the Existing Credit Agreement shall not be superseded as provided in Article XVII, no commitment to make Credit Extensions shall arise and no Lender shall be required to make the initial Credit Extension hereunder unless, on or before November 10, 2008, (a) the Company has furnished to the Agent with sufficient copies for the Lenders:

(i) Copies of the articles or certificate of incorporation (or comparable constituent document) of each Loan Party, together with all amendments, and a certificate of good standing, each certified by the appropriate governmental officer in its jurisdiction of incorporation or organization, as well as any other information required by Section 326 of the USA Patriot Act or necessary for the Agent or any Lender to verify the identity of any Loan Party as required by Section 326 of the USA Patriot Act.

(ii) Copies, certified by the Secretary or Assistant Secretary of each Loan Party, of its by-laws (or comparable governing document) and of its Board of Directors' resolutions and of resolutions or actions of any other body authorizing the execution of the Loan Documents to which such Loan Party is a party.

(iii) An incumbency certificate, executed by the Secretary or Assistant Secretary of each Loan Party, which shall identify by name and title and bear the signatures of the Financial Officers of the Company and any other officers of any Loan Party authorized to sign the Loan Documents to which such Loan Party is a party, upon which certificate the Agent and the Lenders shall be entitled to rely until informed of any change in writing by such Loan Party.

(iv) A certificate, signed by a Financial Officer of the Company, stating that on the Closing Date (A) the representations and warranties contained in Article V are true and correct and (B) no Default or Unmatured Default has occurred and is continuing.

(v) A written opinion of the Loan Parties' U.S. counsel, addressed to the Agent and the Lenders in substantially the form of Exhibit A.

(vi) Any Notes requested by a Lender pursuant to Section 2.13 payable to the order of each such requesting Lender.

(vii) Written money transfer instructions, in substantially the form of Exhibit D, addressed to the Agent and signed by a Financial Officer, together with such other related money transfer authorizations as the Agent may have reasonably requested.

(viii) Audited consolidated financial statements of the Company for the fiscal years ended August 31, 2008 and August 31, 2007 (such financial statements, collectively, the "Historical Financial Statements").

(ix) Satisfactory financial statement projections through and including the fiscal year ended August 31, 2013, together with such additional financial information as the Agent shall reasonably request (including, without limitation, a summary of the assumptions used in preparing such projections).

(x) An opening compliance certificate in substantially the form of Exhibit B signed by a Financial Officer of the Company showing the calculations necessary to determine compliance with the covenants contained in Section 6.19 and 6.21 of this Agreement, which calculations shall be prepared in a manner acceptable to the Agent and the Lenders (the "Opening Pro Forma Compliance Certificate").

(xi) The Domestic Subsidiary Guaranty, the Pledge Agreements (including all supporting documentation including, certificated securities, transfer powers and legal opinions, if any, required to be delivered in connection therewith) and the other documents listed on the List of Closing Documents attached hereto as Schedule 4.1 and not otherwise listed above.

(xii) Schedules and Exhibits to this Agreement in form and substance satisfactory to the Lenders.

(xiii) Such other documents as any Lender or its counsel may have reasonably requested.

(xiv) If the initial Credit Extension will be the issuance of a Facility LC (other than the deemed issuance of any Existing Letters of Credit), a properly completed Facility LC Application.

(b) The Borrower has paid to the Agent and the Arrangers the fees agreed to in the letter agreements described in Section 10.13 then due and owing and all reasonable out-of-pocket expenses for which invoices have been presented.

4.2. Initial Advance to each Additional Foreign Subsidiary Borrower. The Lenders shall not be required to make a Revolving Loan hereunder to or with respect to any Foreign Subsidiary Borrower which may become a party hereto after the Closing Date, unless:

(a) the Company or such Foreign Subsidiary Borrower has furnished or caused to be furnished to the Agent with sufficient copies for the Lenders, in each case, in form and substance reasonably satisfactory to the Agent:

(i) The Assumption Letter executed and delivered by such Foreign Subsidiary Borrower and containing the written consent of each other Borrower, as contemplated by Section 2.24.

(ii) Copies, certified by the Company Secretary, Assistant Secretary, managing director(s) or other authorized representative of such Foreign Subsidiary Borrower, if applicable, of its Board of Directors' resolutions (and resolutions of other bodies, if any are deemed necessary by counsel for any Lender) approving the terms of the entry into and the transactions contemplated by the Assumption Letter and the other Loan Documents to which such Foreign Subsidiary Borrower is a party, authorizing the execution of the incumbency certificate and approving the individuals set out therein to execute all other documents, certificates and notices in connection with the transaction and the Loan Documents on its behalf.

(iii) Copies, certified by the Company Secretary, Assistant Secretary, managing director(s) or other authorized representative of the constitutional documents of such Foreign Subsidiary Borrower.

(iv) An incumbency certificate, executed by the Secretary, Assistant Secretary, managing director(s) or other authorized representative of such Foreign Subsidiary Borrower, which shall identify by name and title and bear the signature of the officers, proxyholder or managing director(s) of such Foreign Subsidiary Borrower authorized to sign the Assumption Letter and the other Loan Documents to which such Foreign Subsidiary is a party, and all other documents and notices to be signed or dispatched by it under or in connection with this Agreement or the other Loan Documents, upon which certificate the Agent and the Lenders shall be entitled to rely until informed of any change in writing by the Company.

(v) (A) A written opinion of counsel to such Foreign Subsidiary Borrower, with respect to the laws of its jurisdiction of organization, addressed to the Agent and the Lenders and (B) a written opinion of U.S. counsel to the Company and such Foreign Subsidiary Borrower, addressed to the Agent and the Lenders.

(vi) Promissory notes payable to each of the Lenders requesting promissory notes pursuant to Section 2.13(d) hereof.

(vii) All documentation and other information required by bank regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the USA Patriot Act and (if applicable).

(viii) In the case of a Dutch Subsidiary, the Agent shall have received from such Dutch Subsidiary (A) an original up-to-date extract from the Chamber of Commerce Trade Register and (B) a confirmation by an authorized signatory of such Dutch Subsidiary that there is no works council with jurisdiction over the transactions as envisaged by any Loan Document, or, if a works council is established, a confirmation that all consultation obligations in respect of such works council have been complied with and that positive unconditional advice has been obtained, attaching a copy of the works council's advice on the transactions as envisaged by the Loan Documents and a copy of the request for such advice.

(ix) In the case of a UK Subsidiary, a valid direction from Her Majesty's Revenue and Customs authorizing such Subsidiary to make interest payments hereunder to any Lender which is:

(A) a Treaty Lender (as defined in Section 3.6(a)) with no withholding or deduction for or on account of UK Tax; or

(B) a resident of a jurisdiction having a double taxation agreement with the United Kingdom that makes provision for relief by way of reduction of (rather than exemption from) tax imposed by the United Kingdom on interest and which does not carry on a business in the United Kingdom through a permanent establishment with which that Lender's participation in the Loan is effectively connected, with the minimum withholding or deduction for or on account of UK Tax resulting from the application of such relief.

(x) Such other notices, instruments, documents, opinions, documents of title and certificates as any Lender or its counsel may have reasonably requested.

(b) the Company has, and has caused each applicable Subsidiary to, deliver all such documents, notices, instruments, opinions, documents of title and certificates as shall be required in order to permit the Borrowers to be in compliance with Section 6.21(d) after giving effect to the joinder of such Foreign Subsidiary Borrower hereto.

4.3. Each Credit Extension. The Lenders shall not (except as otherwise set forth in Section 2.4.4 with respect to Revolving Loans for the purpose of repaying Swing Line Loans) be required to make any Credit Extension unless on the applicable Credit Extension Date:

(i) No Default or Unmatured Default exists or would exist immediately after giving effect to such Credit Extension.

(ii) The representations and warranties contained in Article V are true and correct as of such Credit Extension Date except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall have been true and correct on and as of such earlier date.

(iii) All legal matters incident to the making of such Credit Extension shall be satisfactory to the Lenders and their counsel.

Each Borrowing Notice or Swing Line Borrowing Notice, as the case may be, or request for issuance or Modification of a Facility LC with respect to each such Credit Extension shall constitute a representation and warranty by the applicable Borrower that the conditions contained in Sections 4.3(i) and (ii) have been satisfied.

ARTICLE V

REPRESENTATIONS AND WARRANTIES

Each Borrower (as to itself and its Subsidiaries) represents and warrants to the Lenders that:

5.1. Existence and Standing. Each of the Company and its Subsidiaries is a corporation, partnership (in the case of Subsidiaries only) or limited liability company duly and properly incorporated or organized, as the case may be, validly existing and (to the extent such concept applies to such entity) in good standing under the laws of its jurisdiction of incorporation or organization and has all requisite authority to conduct its business in all material respects in each jurisdiction in which its business is conducted, except for any failure (other than by any Loan Party or any Material Foreign Subsidiary) to be in compliance with the foregoing that could not, individually or collectively, reasonably be expected to have a Material Adverse Effect.

5.2. Authorization and Validity. Each Loan Party has the power and authority and legal right to execute and deliver the Loan Documents to which it is a party and to perform its obligations thereunder. The execution and delivery by each Loan Party of the Loan Documents to which it is a party and the performance of its obligations thereunder have been duly authorized by proper corporate proceedings, and the Loan Documents to which such Loan Party is a party constitute legal, valid and binding obligations of such Loan Party enforceable against such Loan Party in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally or, in the case of any Foreign Subsidiary Borrower, by any general principles of law limiting its obligations which are specifically referred to on any legal opinion delivered pursuant to Section 4.2.

5.3. No Conflict; Government Consent. Neither the execution and delivery by each Loan Party of the Loan Documents to which it is a party, nor the consummation of the transactions therein contemplated, nor compliance with the provisions thereof will violate (i) any law, rule, regulation, order, writ, judgment, injunction, decree or award binding on the Company or any of its Subsidiaries or (ii) the Company's or any Subsidiary's articles or certificate of incorporation, partnership agreement, certificate of partnership, articles or certificate of organization, by-laws, or operating or other management agreement, as the case may be, or (iii) the provisions of any indenture, instrument or agreement to which the Company or any of its Subsidiaries is a party or is subject, or by which it, or its Property, is bound (including, without limitation, the Senior Note Indenture, the Senior Notes and the Convertible Note Indenture), or conflict with or constitute a default thereunder, or result in, or require, the creation or imposition of any Lien in, of or on the Property of the Company or a Subsidiary pursuant to the terms of any such indenture, instrument or agreement. No order, consent, adjudication, approval, license, authorization, or validation of, or filing, recording or registration with, or exemption by, or other action in respect of any governmental or public body or authority, or any subdivision thereof, which has not been obtained by the Company or any of its Subsidiaries, is required to be obtained by the Company or any of its Subsidiaries in connection with the execution and delivery of the Loan Documents, the borrowings under this Agreement, the payment and performance by the Borrowers of the Secured Obligations or the legality, validity, binding effect or enforceability of any of the Loan Documents.

5.4. Financial Statements. (a) The Historical Financial Statements of the Company and its Subsidiaries heretofore delivered to the Lenders were prepared in accordance with generally accepted accounting principles in effect on the date such statements were prepared and fairly present the consolidated financial condition and operations of the Company and its Subsidiaries at such dates and the consolidated results of their operations for the periods then ended.

(b) All pro forma financial statements or any projections furnished by or on behalf of the Company or any Subsidiary to the Agent or any Lender in connection with the negotiation of, or compliance with, the Loan Documents (including, without limitation, the financial statements that serve as the basis for the computations in the Opening Pro Forma Compliance Certificate), were prepared in good faith based upon reasonable assumptions at the time of preparation.

5.5. Material Adverse Change. Since August 31, 2008, there has been no change in the business, Property, prospects, condition (financial or otherwise) or results of operations of the Company and its Subsidiaries which could reasonably be expected to have a Material Adverse Effect.

5.6. Taxes. The Company and its Subsidiaries have filed all material United States federal tax returns and all other material tax returns which are required to be filed and have paid all material taxes due pursuant to said returns or pursuant to any assessment received by the Company or any of its Subsidiaries, except such taxes, if any, as are being contested in good faith and as to which adequate reserves have been provided in accordance with GAAP and as to which no Lien exists. The United States income tax returns of the Company and its Subsidiaries (other than Persons who became Subsidiaries of the Company after August 31, 2003) through the

fiscal year ended August 31, 2003, are closed for audit by the Internal Revenue Service. No tax liens have been filed and no claims are being asserted with respect to any such taxes which could reasonably be expected to have a Material Adverse Effect. The charges, accruals and reserves on the books of the Company and its Subsidiaries in respect of any taxes or other governmental charges are adequate.

5.7. Litigation and Contingent Obligations. Except as set forth on Schedule 5.7, there is no litigation, arbitration, governmental investigation, proceeding or inquiry pending or, to the knowledge of any of their officers, threatened against or affecting the Company or any of its Subsidiaries which could reasonably be expected to have a Material Adverse Effect or which seeks to prevent, enjoin or delay the making of any Credit Extensions or any other transactions contemplated by the Loan Documents. Other than any liability incident to any litigation, arbitration or proceeding which (i) could not reasonably be expected to have a Material Adverse Effect or (ii) is set forth on Schedule 5.7, the Company and its Subsidiaries have no material Contingent Obligations not provided for or disclosed in the financial statements referred to in Section 5.4.

5.8. Subsidiaries. Schedule 5.8 contains an accurate list of all Subsidiaries of the Company as of the Closing Date, setting forth their respective jurisdictions of organization and the percentage of their respective capital stock or other ownership interests owned by the Company or other Subsidiaries. All of the issued and outstanding shares of capital stock or other ownership interests of such Subsidiaries have been (to the extent such concepts are relevant with respect to such ownership interests) duly authorized and issued and are fully paid and non-assessable. Schedule 1.2 contains an accurate list of all of the Company's Material Domestic Subsidiaries and their respective jurisdictions of organization as of the Closing Date. Schedule 1.3 contains an accurate list of all of the Company's Material Foreign Subsidiaries and their respective jurisdictions of organization as of the Closing Date. As of the Closing Date, (i) the aggregate assets of the Company, the Material Domestic Subsidiaries listed on Schedule 1.2 and the Material Foreign Subsidiaries listed on Schedule 1.3 (in the case of such Material Foreign Subsidiaries, on a consolidated basis with their respective Subsidiaries) represent 75% or more of the Consolidated Assets of the Company and its Subsidiaries and (ii) such entities on an aggregate basis are responsible for 75% or more of the Consolidated Operating Income of the Company and its Subsidiaries.

5.9. Employee Benefit Plans. (a) The Unfunded Liabilities of all Single Employer Plans do not in the aggregate exceed $25,000,000, and no Single Employer Plan has any Unfunded Liabilities for which a minimum funding waiver request under Section 412 of the Code or Section 302 of ERISA has been filed or is reasonably anticipated to be filed. Neither the Company nor any other member of the Controlled Group has incurred, or is reasonably expected to incur, any withdrawal liability to Multiemployer Plans in excess of $20,000,000 in the aggregate. Each Single Employer Plan complies with all applicable requirements of law and regulations, except for any failure to comply that could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect; no Reportable Event has occurred with respect to any Plan that, together with all other Reportable Events that have occurred and are continuing, could reasonably be expected to result in liability to the Company and its Subsidiaries in an aggregate amount in excess of $20,000,000; neither the Company nor any other member of the Controlled Group has withdrawn from any Multiemployer Plan or Multiple Employer Plan or initiated steps to do so; and no steps have been taken to reorganize any Multiemployer Plan or terminate any Plan under Section 4041(c) or 4042 of ERISA.

(b) Each Foreign Pension Plan is in compliance with all requirements of law applicable thereto and the respective requirements of the governing documents for such plan except to the extent such non-compliance could not reasonably be expected to result in a Material Adverse Effect. With respect to each Foreign Pension Plan, none of the Company, its Affiliates or any of its directors, officers, employees or agents has engaged in a transaction that has subjected, or could reasonably be expected to subject, the Company or any of the Subsidiaries, directly or indirectly, to a tax or civil penalty that could reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect. With respect to each Foreign Pension Plan, reserves have been established in the financial statements furnished to Lenders in respect of any unfunded liabilities in accordance with applicable law or, where required, in accordance with ordinary accounting practices in the jurisdiction in which such Foreign Pension Plan is maintained. The aggregate unfunded liabilities, with respect to such Foreign Pension Plans could not reasonably be expected to result in a Material Adverse Effect. There are no actions, suits or claims (other than routine claims for benefits) pending or threatened against the Company or any of its Affiliates with respect to any Foreign Pension Plan which could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

5.10. Accuracy of Information. No information, exhibit or report furnished by any Borrower or any of their respective Subsidiaries to the Agent or to any Lender in connection with the negotiation of, or compliance with, the Loan Documents contained any material misstatement of fact or omitted to state a material fact or any fact necessary to make the statements contained therein not misleading in any material respect.

5.11. Regulation U. Margin stock (as defined in Regulation U) constitutes less than 25% of the value of those assets of the Company and its Subsidiaries which are subject to any limitation on sale, pledge, or other restriction hereunder, and none of the Pledged Collateral is margin stock.

5.12. Material Agreements. Neither the Company nor any Subsidiary is a party to any agreement or instrument or subject to any charter or other corporate restriction the compliance with which could reasonably be expected to have a Material Adverse Effect. Neither the Company nor any Subsidiary is in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any agreement to which it is a party, which default could reasonably be expected to have a Material Adverse Effect.

5.13. Compliance With Laws. The Company and its Subsidiaries have complied with all applicable statutes, rules, regulations, orders and restrictions of any domestic or foreign government or any instrumentality or agency thereof having jurisdiction over the conduct of their respective businesses or the ownership of their respective Property, except for any failure to comply with any of the foregoing which could not reasonably be expected to have a Material Adverse Effect. Furthermore, to the extent that any Dutch Borrower would qualify as a credit institution (*kredietinstelling*) under the Dutch Financial Supervision Act, it is in compliance therewith.

5.14. Ownership of Properties. On the Closing Date, the Company and its Subsidiaries will have good title, free of all Liens other than those permitted by Section 6.15, to all of the Property and assets reflected in the Company's most recent consolidated financial statements provided to the Agent as owned by the Company and its Subsidiaries, except as sold or otherwise disposed of in the ordinary course of business, other than defects in title that do not in the aggregate materially detract from the value of the property or assets of the Company and the Subsidiaries, taken as a whole, and do not materially impair the use thereof in the operation of the business of the Company and the Subsidiaries, taken as a whole.

5.15. Insurance. Schedule 5.15 sets forth a true, complete and correct description of all material insurance maintained by the Company or by the Company for its Subsidiaries as of the Closing Date. As of such date, such insurance is in full force and effect and all premiums have been duly paid. The Company and its Subsidiaries have insurance in such amounts and covering such risks and liabilities as are in accordance with normal industry practice and have adequate reserves for all deductibles and self-insurance programs.

5.16. Environmental Matters. In the ordinary course of its business, the officers of the Company consider the effect of Environmental Laws on the business of the Company and its Subsidiaries, in the course of which they identify and evaluate potential risks and liabilities accruing to the Company due to Environmental Laws. On the basis of this consideration, the Company has concluded that compliance with applicable Environmental Laws cannot reasonably be expected to have a Material Adverse Effect. Neither the Company nor any Subsidiary has received any notice to the effect that its operations are not in material compliance with any of the requirements of applicable Environmental Laws or are the subject of any federal or state investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, which non-compliance or remedial action could reasonably be expected to have a Material Adverse Effect.

5.17. Investment Company Act. Neither the Company nor any Subsidiary is an "investment company" or a company "controlled" by an "investment company", within the meaning of the Investment Company Act of 1940, as amended.

5.18. [Reserved]

5.19. Pledge Agreements. Each Pledge Agreement is effective to create in favor of the Agent, for the benefit of the holders of the Secured Obligations, a legal and valid security interest in the Pledged Collateral and, with respect to the U.S. Law Pledge Agreement, when financing statements in appropriate form are filed in the appropriate filing office in the jurisdiction of organization of each Pledgor, or certificates representing the Pledged Collateral are delivered to the Agent, or the issuer of the Pledged Collateral executes a control agreement in favor of the Agent, as applicable, the U.S. Law Pledge Agreement will create a valid and perfected first priority security interest in the Pledged Collateral subject thereto, in favor of the Agent for the benefit of the holders of the Secured Obligations.

5.20. [Reserved]

5.21. Solvency. Both before and after giving effect to (a) the initial Credit Extensions to be made or incurred on the Closing Date or such other date as Loans and Facility LCs requested hereunder are made or incurred, (b) the disbursement of the proceeds of such Loans pursuant to the instructions of the Borrowers and (c) the payment and accrual of all fees, costs and expenses in connection with the foregoing, each Loan Party is and will be Solvent.

5.22. No Default or Unmatured Default. No Default or Unmatured Default has occurred and is continuing.

5.23. Special Representations and Warranties of each Foreign Subsidiary Borrower. Each Foreign Subsidiary Borrower represents and warrants to the Lenders as provided in this Section 5.23 that:

5.23.1. Filing. To ensure the enforceability or admissibility in evidence of this Agreement and any Notes requested to be issued hereunder by any Foreign Subsidiary Borrower in its jurisdiction of organization (hereinafter referred to as its "Home Country"), it is not necessary that this Agreement or any such Notes or any other document be filed or recorded with any court or other authority in its Home Country or that any stamp or similar tax be paid to or in respect of this Agreement or any such Notes of such Foreign Subsidiary Borrower. To the knowledge of such Foreign Subsidiary Borrower, the qualification by any Lender or the Agent for admission to do business under the laws of its Home Country does not constitute a condition to, and the failure to so qualify does not affect, the exercise by any Lender or the Agent of any right, privilege, or remedy afforded to any Lender or the Agent in connection with the Loan Documents to which such Foreign Subsidiary Borrower is a party or the enforcement of any such right, privilege, or remedy against such Foreign Subsidiary Borrower. The performance by any Lender or the Agent of any action required or permitted under the Loan Documents will not (i) to the knowledge of such Foreign Subsidiary Borrower, violate any law or regulation of such Foreign Subsidiary Borrower's Home Country or any political subdivision thereof, (ii) to the knowledge of such Foreign Subsidiary Borrower, result in any tax (other than any withholding tax for which the Company has provided an indemnity in accordance with the proviso set forth below) or other monetary liability to such party pursuant to the laws of such Foreign Subsidiary Borrower's Home Country or political subdivision or taxing authority thereof or otherwise (provided that, should any such action result in any such tax or other monetary liability to the Lender or the Agent, the Company hereby agrees to indemnify such Lender or the Agent, as the case may be, against (x) any such tax or other monetary liability and (y) any increase in any tax or other monetary liability which results from such action by such Lender or the Agent and, to the extent the Company makes such indemnification, the incurrence of such liability by the Agent or any Lender will not constitute a Default) or (iii) violate any rule or regulation of any federation or organization or similar entity applicable to such Foreign Subsidiary Borrower of which such Foreign Subsidiary Borrower's Home Country is a member.

5.23.2. No Immunity. Neither such Foreign Subsidiary Borrower nor any of its assets is entitled to immunity from suit, execution, attachment or other legal process. Such Foreign Subsidiary Borrower's execution and delivery of the Loan Documents to

which it is a party constitute, and the exercise of its rights and performance of and compliance with its obligations under such Loan Documents will constitute, private and commercial acts done and performed for private and commercial purposes.

ARTICLE VI

COVENANTS

During the term of this Agreement, unless the Required Lenders shall otherwise consent in writing:

6.1. Financial Reporting. The Company will maintain, for itself and each Subsidiary, a system of accounting established and administered in accordance with generally accepted accounting principles, and furnish to the Agent (for further distribution to each Lender):

(i) Within 90 days after the end of each fiscal year, its consolidated and consolidating balance sheet and related statements of income and cash flows showing the financial condition of the Company and the Subsidiaries as of the close of such fiscal year and the results of the operations of the Company and the Subsidiaries during such year, all in reasonable detail, setting forth in each case in comparative form (a) the corresponding statements for the preceding fiscal year and (b) the budget corresponding to such period previously provided pursuant to Section 6.1(iii). Any such consolidated financial statements shall have been audited by PricewaterhouseCoopers LLP or other independent public accountants of recognized national standing, and shall be accompanied by (x) an opinion of such accountants (which shall not be qualified in any material respect) to the effect that such consolidated financial statements fairly present in all material respects the financial condition and results of operations of the Company and the Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, (y) any management letter prepared by such accountants and (z) at the reasonable request of the Agent, a certificate of such accountants that, in the course of their examination necessary for their certification of the foregoing, they have obtained no knowledge of any Default or Unmatured Default, or if, in the opinion of such accountants, any Default or Unmatured Default shall exist, stating the nature and status thereof.

(ii) Within 45 days after the end of each of the first three fiscal quarters of each fiscal year, its consolidated and consolidating balance sheet and related statements of income and cash flows showing the financial condition of the Company and the Subsidiaries as of the close of such fiscal quarter and the results of the operations of the Company and the Subsidiaries during such fiscal quarter and the then elapsed portion of the fiscal year, all in reasonable detail and certified by one of its Financial Officers as fairly presenting in all material respects the financial condition and results of operations of each of the Company and the Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, subject to normal year-end audit adjustments, setting forth in each case in comparative form the corresponding statements for the corresponding period in the preceding fiscal year.

(iii) No later than 75 days following the first day of each fiscal year of the Company, a budget in form reasonably satisfactory to the Agent (including budgeted statements of income by each of the Company's business segments and consolidated as to sources and uses of cash and balance sheets) prepared by the Company for each of the four quarters of such fiscal year prepared in the same level of detail as prepared for and delivered to the Company's board of directors, in each case, of the Company and the Subsidiaries, accompanied by the statement of a Financial Officer of the Company to the effect that the budget is a reasonable estimate for the period covered thereby.

(iv) Together with the financial statements required under Sections 6.1(i) and (ii), a compliance certificate in substantially the form of Exhibit B signed by one of its Financial Officers showing the calculations necessary to determine compliance with the covenants contained in Section 6.19 and 6.21 of this Agreement and stating that no Default or Unmatured Default exists, or if any Default or Unmatured Default exists, stating the nature and status thereof.

(v) As soon as possible and in any event within 10 days after the Company knows that any Reportable Event has occurred with respect to any Plan, a statement, signed by a Financial Officer of the Company, describing said Reportable Event and the action which the Company proposes to take with respect thereto.

(vi) Promptly upon the furnishing thereof to the shareholders of the Company, copies of all financial statements, reports and proxy statements so furnished. So long as the Company is a public company for reporting purposes under the Exchange Act, compliance with clause (vii) below shall be deemed to be in compliance with this clause (vi).

(vii) Promptly upon the filing thereof, copies of all registration statements and annual, quarterly, monthly or other regular reports which the Company or any of its Subsidiaries files with the Securities and Exchange Commission.

(viii) If requested by the Agent, together with the financial statements required under Section 6.1(i), a certificate of good standing for the Company and (to the extent such concept applies to such entity) each other Person which has pledged collateral in support of the Secured Obligations from the appropriate governmental officer in its jurisdiction of incorporation or organization.

(ix) Such other information (including non-financial information) as the Agent or any Lender may from time to time reasonably request.

If any information which is required to be furnished to the Lenders under this Section 6.1 is required by law or regulation to be filed by the Company with a government body on an earlier date, then the information required hereunder shall be furnished to the Lenders at such earlier date.

6.2. Use of Proceeds. Each Borrower will, and will cause each Subsidiary to, use the proceeds of each of the Credit Extensions for general corporate purposes, including, without limitation, liquidity support for commercial paper, for Permitted Acquisitions, to refinance certain existing indebtedness and for working capital purposes. Each Borrower will not, nor will it permit any Subsidiary to, use any of the proceeds of the Advances to purchase or carry any "margin stock" (as defined in Regulation U).

6.3. Notice of Default. The Company will, and will cause each Subsidiary to, give prompt notice in writing to the Agent (for further distribution to each Lender) of the occurrence of any Default or Unmatured Default and of any other development, financial or otherwise, which could reasonably be expected to have a Material Adverse Effect.

6.4. Conduct of Business. The Company will, and will cause each Subsidiary to, carry on and conduct its business in substantially the same manner as it is presently conducted and in (and only in) lines of business reasonably related to industrial manufacturing and distribution (including the rental of industrial equipment and the provision of services related to industrial equipment) and do all things necessary to remain duly incorporated or organized, validly existing and (to the extent such concept applies to such entity) in good standing as a domestic corporation, partnership or limited liability company in its jurisdiction of incorporation or organization, as the case may be, and maintain all requisite authority to conduct its business in all material respects in each jurisdiction in which its business is conducted, in each case, except to the extent that a failure to do so could not reasonably be expected to have a Material Adverse Effect.

6.5. Taxes. The Company will, and will cause each Subsidiary to, timely file complete and correct United States federal and applicable foreign, state and local tax returns required by law and pay when due all taxes, assessments and governmental charges and levies upon it or its income, profits or Property, except those which are being contested in good faith by appropriate proceedings and with respect to which adequate reserves have been set aside in accordance with GAAP.

6.6. Insurance. The Company will, and will cause each Subsidiary to, maintain with financially sound and reputable insurance companies insurance on all their Property in such amounts and covering such risks as is consistent with sound business practice, and the Company will furnish to any Lender upon reasonable request certificates of insurance as to the insurance carried.

6.7. Compliance with Laws. The Company will, and will cause each Subsidiary to, comply in all material respects with all laws, rules, regulations, orders, writs, judgments, injunctions, decrees or awards to which it may be subject including, without limitation, all Environmental Laws, the violation of which could reasonably be expected to have a Material Adverse Effect and/or result in the creation of any Lien not permitted by Section 6.15.

6.8. Maintenance of Properties. The Company will, and will cause each Subsidiary to, do all things necessary to maintain, preserve, protect and keep its Property in good repair, working order and condition, and make all necessary and proper repairs, renewals and replacements so that its business carried on in connection therewith may be properly conducted at all times in all material respects.

6.9. Books and Records; Inspection. The Company will, and will cause each of its Subsidiaries to, keep proper books of record and account in which full, true and correct entries are made of all dealings and transactions in relation to its business and activities. The Company will, and will cause each Subsidiary to, permit the Agent and the Lenders, by their respective representatives and agents, to inspect any of the Property, books and financial records of the Company and each Subsidiary, to examine and make copies of the books of accounts and other financial records of the Company and each Subsidiary, and to discuss the affairs, finances and accounts of the Company and each Subsidiary with, and to be advised as to the same by, their respective officers at such reasonable times and intervals as the Agent or any Lender may designate.

6.10. Dividends. The Company will not, nor will it permit any Subsidiary to, declare or pay any Dividends, except that:

(i) (a) Any Wholly-Owned Subsidiary of the Company may pay Dividends to the Company or any Wholly-Owned Subsidiary of the Company and (b) any Subsidiary that is not a Wholly-Owned Subsidiary may pay Dividends to its shareholders generally so long as the Company or its respective Subsidiary which owns the Equity Interest in the Subsidiary paying such Dividends receives at least its proportionate share thereof (based upon its relative holdings of Equity Interests in the Subsidiary paying such Dividends and taking into account the relative preferences, if any, of the various classes of Equity Interests in such Subsidiary).

(ii) So long as there shall exist no Default or Unmatured Default (both before and after giving effect to the payment thereof), the Company may repurchase outstanding shares of its common stock (or options to purchase such common stock) following the death, disability, retirement or termination of employment of employees, officers or directors of the Company or any of its Subsidiaries; *provided* that (a) all amounts used to effect such repurchases are obtained by the Company from a substantially concurrent issuance of its common stock (or options to purchase such common stock) to other employees, members of management, executive officers or directors of the Company or any of its Subsidiaries or (b) to the extent the proceeds used to effect any repurchase are not obtained as described in preceding clause (a), the aggregate amount of Dividends paid by the Company pursuant to this Section 6.10(ii) (exclusive of amounts paid as described pursuant to preceding clause (a)) shall not exceed $1,000,000 in any fiscal year of the Company; *provided* that, in the event that the maximum amount which is permitted to be expended in respect of Dividends during any fiscal year pursuant to this clause (b) is not fully expended during such fiscal year, the maximum amount which may be expended during the immediately succeeding fiscal year pursuant to this clause (b) shall be increased by such unutilized amount.

(iii) So long as there shall exist no Default or Unmatured Default (both before and after giving effect to the payment thereof), the Company may repurchase outstanding shares of its common stock or equivalents thereof or rights to purchase any of the foregoing issued in connection with the Company's directors compensation plan; *provided* that the aggregate amount of shares repurchased paid by the Company pursuant to this Section 6.10(iii) (exclusive of amounts paid as described pursuant to Section 6.10(ii)) shall not exceed $750,000 in any fiscal year and shall not exceed a maximum of $1,750,000 for all such repurchases made on or after the Closing Date.

(iv) So long as there shall exist no Default or Unmatured Default (both before and after giving effect to the declaration and payment thereof), the Company may pay Dividends with respect to its outstanding common stock, *provided* that (i) no Dividend shall be declared or paid during any fiscal year unless the Senior Leverage Ratio, determined as of the end of the immediately preceding fiscal year, was less than 2.50 to 1, and (ii) the aggregate amount of such Dividends declared or paid during any fiscal year shall not exceed 25% of the positive Consolidated Net Income of the Company and its Subsidiaries for the immediately preceding fiscal year.

6.11. Indebtedness. The Company will not, nor will it permit any Subsidiary to, create, incur or suffer to exist any Indebtedness, except:

(i) The Loans and the Reimbursement Obligations.

(ii) Subordinated Indebtedness.

(iii) Receivables Transaction Attributed Indebtedness.

(iv) Commercial paper issued by the Company in an aggregate principal amount not to exceed $100,000,000 at any one time outstanding, *provided* that at all times the Available Aggregate Revolving Loan Commitment shall be greater than the aggregate principal amount of such commercial paper outstanding at such time.

(v) Indebtedness actually outstanding on the date hereof and listed on Schedule 6.11 (excluding any Indebtedness described in clauses (i) through (iv) above or clause (xii) below), but not any refinancings or renewals thereof.

(vi) Rate Management Obligations under Rate Management Transactions entered into from time to time by the Company and its Subsidiaries and which the Company in good faith believes will provide protection against its reasonably estimated interest rate, foreign currency or commodity exposure.

(vii) (a) Capitalized Lease Obligations not to exceed $5,000,000 at any time outstanding and (b) Indebtedness pursuant to Sale and Leaseback Transactions, the Attributable Debt of which shall not exceed $40,000,000 at any time outstanding.

(viii) Intercompany Indebtedness of the Company and its Subsidiaries outstanding to the extent permitted by Section 6.14.

(ix) Any indebtedness arising under a declaration of joint and several liability used for the purpose of section 2:403 of the Dutch Civil Code (*Burgerlijk Wetboek*) (and any residual liability under such declaration arising pursuant to section 2:404(2) of the Dutch Civil Code (*Burgerlijk Wetboek*)).

(x) In addition to any Indebtedness permitted by the preceding clause (viii), Indebtedness of any Wholly-Owned Subsidiary to the Company or another Wholly-Owned Subsidiary constituting the purchase price in respect of intercompany transfers of goods and services made in the ordinary course of business to the extent not constituting Indebtedness for borrowed money.

(xi) Indebtedness under performance bonds, letter of credit obligations to provide security for worker's compensation claims and bank overdrafts, in each case incurred in the ordinary course of business; *provided* that any obligations arising in connection with such bank overdraft Indebtedness is extinguished within five Business Days of its incurrence.

(xii) Indebtedness incurred by Foreign Subsidiaries from time to time after the Closing Date, so long as the aggregate principal amount of all Indebtedness (including trade letters of credit) incurred pursuant to this clause (xi) at any time outstanding shall not exceed $75,000,000; *provided* that (A) such Indebtedness (1) shall not include Indebtedness assumed by any Foreign Subsidiary in connection with an Acquisition and (2) shall not be directly or indirectly guaranteed by the Company or any Domestic Subsidiary of the Company and (B) the aggregate principal amount of all such Indebtedness incurred by Foreign Subsidiary Borrowers shall not exceed $35,000,000.

(xiii) Senior Note Indebtedness.

(xiv) Additional Indebtedness of the Company and its Domestic Subsidiaries that is pari passu with the Obligations and is not otherwise permitted by the foregoing clauses of this Section 6.11 so long as the aggregate principal amount of all Indebtedness incurred pursuant to this clause (xiii) at any time outstanding shall not exceed $300,000,000.

6.12. Merger. The Company will not, nor will it permit any Subsidiary to, merge or consolidate with or into any other Person, except that a Subsidiary may merge (i) into the Company or a Wholly-Owned Subsidiary or (ii) in connection with a Permitted Acquisition, *provided*, in each case, that (a) if a Guarantor merges with another Subsidiary, the surviving entity shall be a Guarantor, (b) if a Foreign Subsidiary Borrower merges with another Subsidiary, the surviving entity shall be a Foreign Subsidiary Borrower and (c) a Domestic Subsidiary shall not merge with or into a Foreign Subsidiary.

6.13. Sale of Assets. The Company will not, nor will it permit any Subsidiary to, lease, sell or otherwise dispose of its Property to any other Person, except:

(i) Sales of inventory in the ordinary course of business and consistent with past practices.

(ii) Any transfer of an interest in accounts or notes receivable and related assets as part of a Qualified Receivables Transaction.

(iii) Investments to the extent permitted by Section 6.14.

(iv) Licenses, cross-licenses or sublicenses by the Company and its Subsidiaries of software, trademarks and other intellectual property in the ordinary course of business and which do not materially interfere with the business of the Company or of the Company and the Subsidiaries, taken as a whole.

(v) The Company and its Subsidiaries may sell or discount, in each case without recourse and in the ordinary course of business, overdue accounts receivable arising in the ordinary course of business, but only in connection with the compromise or collection thereof consistent with ordinary business practice (and not as part of any bulk sale).

(vi) (A) The Company or any Domestic Subsidiary of the Company that is a Wholly-Owned Subsidiary may transfer or lease Property to the Company or any other Domestic Subsidiary that is a Wholly-Owned Subsidiary, (B) any Foreign Subsidiary Borrower may transfer or lease Property to the Company, a Domestic Subsidiary or another Foreign Subsidiary Borrower and (C) any Foreign Subsidiary (other than a Foreign Subsidiary Borrower) may transfer or lease Property to the Company or any other Subsidiary.

(viii) Each of the Company and its Subsidiaries may, in the ordinary course of business, sell, lease or otherwise dispose of any assets which, in the reasonable judgment of such Person, are obsolete, worn out or otherwise no longer useful in the conduct of such Person's business.

(ix) Cortland Holding Company, a New York corporation and Wholly-Owned Subsidiary of the Company, may sell 100% of the Equity Interests of Cortland UK Holdings Limited, a company organized under the laws of England, to Actuant Ltd., a company organized under the laws of England, as described in Section 6.14(viii).

(x) The Company or any Domestic Subsidiary may sell Equity Interests in any Foreign Subsidiary to another Foreign Subsidiary; provided, that (A) if such Equity Interests are subject to a pledge in favor of the Agent, the Company shall be in pro form compliance with the requirements of Sections 6.21(c)(ii) and (iii) after giving effect to such sale and (B) such sale shall be made for cash at fair market value as reasonably determined by the Company or such Domestic Subsidiary.

(xi) Each of the Company and its Subsidiaries may, unless a Default shall have occurred and be continuing, subject to Section 2.7(b)(iii), sell, lease or otherwise dispose of any assets, *provided* that (A) the aggregate consideration received in respect of all Asset Sales pursuant to this clause (xi) during any four fiscal quarter period shall not exceed 10% of the Consolidated Assets of the Company and its Subsidiaries (measured as of the end of the fiscal quarter most recently completed prior to such disposition) and (B) the aggregate consideration received in respect of all Asset Sales pursuant to this clause (xi) after the Closing Date shall not exceed 15% of the Consolidated Assets of the Company and its Subsidiaries (measured as of the end of the fiscal quarter most recently completed prior to the first such disposition completed after the Closing Date).

(xii) The Company and its Subsidiaries may enter into one or more Sale and Leaseback Transactions,*provided* that the Attributable Debt arising therefrom shall not exceed $40,000,000 at any time outstanding.

6.14. Investments and Acquisitions. The Company will not, nor will it permit any Subsidiary to, make or suffer to exist any Investments (including without limitation, loans and advances to, and other Investments in, Subsidiaries), or commitments therefor, or to create any Subsidiary or to become or remain a partner in any partnership or joint venture, or to make any Acquisition of any Person, except:

(i) Cash Equivalent Investments.

(ii) Existing Investments in Subsidiaries and other Investments in existence on the Closing Date and described in Schedule 6.14.

(iii) Investments comprised of capital contributions (whether in the form of cash, a note, or other assets) to a Subsidiary or other special-purpose entity created solely to engage in a Qualified Receivables Transaction or otherwise resulting from transfers of assets permitted by Section 6.13(iii) to such a special-purpose entity.

(iv) Permitted Acquisitions.

(v) Investments by the Company or any Subsidiary in the Company or any Domestic Subsidiary.

(vi) Investments by the Company or any Subsidiary in any Foreign Subsidiary of the Company, *provided* that the aggregate amount (determined without regard to any write-downs or write-offs thereof) of (x) all such Investments of the Company and the Domestic Subsidiaries in Foreign Subsidiaries made after the Closing Date at any time outstanding and (y) all such Investments of the Foreign Subsidiary Borrowers in other Foreign Subsidiaries made after the Closing Date at any time outstanding shall not exceed $100,000,000.

(vii) In connection with the Japanese Restructuring, following the contribution of 50.4% of the outstanding Equity Interests of Enerpac B.V. by the Company to Actuant International Holdings, Inc., the contribution of such Equity Interests by

(x) Actuant International Holdings, Inc. to a newly formed Dutch "CV" and (y) such Dutch "CV" to a newly formed Dutch "CoOp" (it being understood that, following certain intercompany asset sales permitted hereunder, Enerpac B.V. shall become a Wholly-Owned Subsidiary of such Dutch "CoOp"); provided, that the Agent shall have received evidence satisfactory to the Agent that the Company has received assurances from its tax advisers in form and substance acceptable to the Agent that the Japanese Restructuring as a whole should not trigger any material tax penalties for the Company or its Affiliates under applicable U.S. or Japanese law, or under the applicable laws of each other foreign jurisdiction that is material to the Japanese Restructuring.

(viii) The purchase by Actuant Ltd., a company organized under the laws of England and Wholly-Owned Subsidiary of the Company, from Cortland Holding Company, a New York corporation and Wholly-Owned Subsidiary of the Company, of 100% of the Equity Interests of Cortland UK Holdings Limited, a company organized under the laws of England, using proceeds of a Loan to Actuant Ltd. after it shall have become a Foreign Subsidiary Borrower hereunder pursuant to Section 2.24.

(ix) The purchase by a Foreign Subsidiary of the Equity Interests of another Foreign Subsidiary as described in Section 6.13(x).

(x) Other Investments not otherwise permitted by clauses (i) through (viii) above, *provided* that the aggregate amount of all such Investments made after the Closing Date at any time outstanding (determined without regard to any write-downs or write-offs thereof) shall not exceed $5,000,000.

6.15. Liens. The Company will not, nor will it permit any Subsidiary to, create, incur, or suffer to exist any Lien in, of or on the Property of the Company or any of its Subsidiaries, except:

(i) Liens (other than any Lien imposed by ERISA or any Environmental Law) for taxes, assessments or governmental charges or levies on its Property if the same shall not at the time be delinquent or thereafter can be paid without penalty, or are being contested in good faith and by appropriate proceedings and for which adequate reserves in accordance with GAAP shall have been set aside on its books.

(ii) Liens imposed by law, such as carriers', warehousemen's and mechanics' liens and other similar liens arising in the ordinary course of business (a) which do not in the aggregate materially detract from the value of the property or assets of the Company and the Subsidiaries, taken as a whole, and do not materially impair the use thereof in the operation of the business of the Company and the Subsidiaries, taken as a whole, or (b) which are being contested in good faith by appropriate proceedings and for which adequate reserves shall have been set aside on its books.

(iii) Liens (other than any Lien imposed by ERISA) (a) arising out of pledges or deposits under worker's compensation laws, unemployment insurance, old age pensions, or other social security or retirement benefits, or similar legislation, (b) to secure the performance of tenders, statutory obligations (other than excise taxes), surety, stay, customs and appeal bonds, statutory bonds, bids, leases, government contracts, trade contracts, performance and return of money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money) or (c) arising by virtue of deposits made in the ordinary course of business to secure liability for premiums to insurance carriers; *provided* that the aggregate amount of deposits at any time pursuant to clause (b) and clause (c) shall not exceed $1,000,000 in the aggregate.

(iv) Utility easements, building restrictions and such other encumbrances or charges against real property as are of a nature generally existing with respect to properties of a similar character and which do not in any material way affect the marketability of the same or interfere with the use thereof in the business of the Company or its Subsidiaries.

(v) Liens existing on the Closing Date and described in Schedule 6.15, *provided* that (i) the aggregate principal amount of the Indebtedness, if any, secured by such Liens does not increase and (ii) such Liens do not encumber any additional assets or properties of the Company or any of its Subsidiaries.

(vi) Liens in favor of the Agent, for the benefit of the Lenders, in the Facility LC Collateral Account or granted pursuant to any Collateral Document.

(vii) Liens incurred in connection with any transfer of an interest in accounts or notes receivable or related assets as part of a Qualified Receivables Transaction.

(viii) Any Lien of a lessor under a Capitalized Lease on assets subject to such Capitalized Lease securing Capitalized Lease Obligations permitted by Section 6.11(vii).

(ix) Liens arising out of judgments or awards not giving rise to a Default in respect of which the Company or any of its Subsidiaries shall in good faith be prosecuting an appeal or proceedings for review and in respect of which there shall be secured a subsisting stay of execution pending such appeal or proceedings.

(x) Any interest or title of a lessor, sublessor, licensee or licensor under any lease (other than a Capitalized Lease) or license agreement permitted by this Agreement, including any Lien filed to prevent the impairment of any such interest.

(xi) Liens in favor of customs and revenue authorities arising as a matter of law to secure the payment of customs duties in connection with the importation of goods.

(xii) In the case of any Dutch Subsidiary, Liens created or to be created pursuant to the general conditions of a bank operating in the Netherlands based on the general conditions drawn up by the Netherlands Bankers' Association (*Nederlandse Vereniging van Banken*) and the Consumers' Union (*Consumenten bond*).

(xiii) Liens on assets of Foreign Subsidiaries (other than Foreign Subsidiary Borrowers);*provided* that (a) such Liens do not extend to, or encumber, assets which constitute Equity Interests in any of the Company's Subsidiaries and (b) such Liens extending to the assets of any Foreign Subsidiary secure only Indebtedness incurred by such Foreign Subsidiary pursuant to Section 6.11(xi).

(xiv) Liens upon assets of the Company or any of its Subsidiaries subject to Sale and Leaseback Transactions to the extent permitted by Section 6.13(viii);*provided* that (a) in each case, such Liens only serve to secure the payment of Attributable Debt arising under such Sale and Leaseback Transaction and do not encumber any other asset (other than proceeds thereof) of the Company or any Subsidiary of the Company and (b) the aggregate outstanding principal amount of all Attributable Debt secured by Liens permitted by this clause (xiii) shall not at any time exceed $40,000,000.

(xv) Liens not otherwise permitted by the foregoing clauses (i) through (xiii) to the extent attaching to properties and assets with an aggregate fair value not in excess of, and securing liabilities not in excess of, $5,000,000 in the aggregate at any time outstanding.

6.16. Affiliates. The Company will not, and will not permit any Subsidiary to, enter into any transaction (including, without limitation, the purchase or sale of any Property or service) with, or make any payment or transfer to, any Affiliate other than in the ordinary course of business and pursuant to the reasonable requirements of the Company's or such Subsidiary's business and upon fair and reasonable terms no less favorable to the Company or such Subsidiary than the Company or such Subsidiary would obtain in a comparable arms-length transaction, except (i) transactions between the Company or any Subsidiary, on the one hand, and any Subsidiary or other special-purpose entity created to engage solely in a Qualified Receivables Transaction and (ii) any other transaction between the Company and any Subsidiary or between a Subsidiary and another Subsidiary permitted by Section 6.10, 6.11, 6.12, 6.13 or 6.14.

6.17. Subordinated Indebtedness and Senior Note Indebtedness. The Company will not, and will not permit any Subsidiary to, make any amendment or modification to the indenture, note or other agreement evidencing or governing any Subordinated Indebtedness or Senior Note Indebtedness that is adverse to the interests of the Lenders, or directly or indirectly voluntarily prepay, defease or in substance defease, purchase, redeem, retire or otherwise acquire, any Subordinated Indebtedness other than, after the issuance of the Subordinated Indebtedness, the exchange of notes evidencing such Indebtedness for notes that have terms substantially identical in all material respects to such original notes, except that such new notes do not contain terms with respect to transfer restrictions. The Company shall give the Agent five Business Days' prior written notice of the terms of any amendment or modification to the indenture, note or other agreement evidencing or governing any Subordinated Indebtedness or Senior Note Indebtedness.

6.18. Contingent Obligations. The Company will not, nor will it permit any Subsidiary to, make or suffer to exist any Contingent Obligation (including, without limitation, any Contingent Obligation with respect to the obligations of a Subsidiary), except (i) by endorsement of instruments for deposit or collection in the ordinary course of business, (ii) the Reimbursement Obligations, (iii) guaranties of Indebtedness to the extent that and so long as such Indebtedness is permitted by Section 6.11 (except as provided in Section 6.11(xi)), provided that (a) only Guarantors may guarantee Indebtedness of the Company and (b) guaranties of Subordinated Indebtedness of the Company shall be subordinated to the Domestic Subsidiary Guaranty on the same basis, (iv) Contingent Obligations existing on the Closing Date and described in Schedule 6.18 (excluding Contingent Obligations with respect to Indebtedness described in clause (iii) above), and (v) other Contingent Obligations not otherwise permitted by clauses (i) through (iv) above not exceeding $20,000,000 in the aggregate outstanding at any one time.

6.19. Financial Covenants.

6.19.1. Leverage Ratio. The Company will not permit the Leverage Ratio, determined as of the end of each of its fiscal quarters, to be greater than 3.50 to 1. Notwithstanding the foregoing, the Leverage Ratio may be up to 4.00 to 1.0 for any fiscal quarter during which the Company or any of its Subsidiaries has entered into a Specified Acquisition (the "Trigger Quarter") and for the next succeeding fiscal quarter (or, if such Specified Acquisition occurred after the forty-fifth (45th) day of such Trigger Quarter, the next two succeeding fiscal quarters); provided, that the Leverage Ratio shall return to 3.50 to 1.0 (or lower) no later than the second fiscal quarter after such Trigger Quarter (or, if such Specified Acquisition occurred after the forty-fifth (45th) day of such Trigger Quarter, no later than the third fiscal quarter after such Trigger Quarter).

6.19.2. Fixed Charge Coverage Ratio. The Company will not permit the Fixed Charge Coverage Ratio, determined as of the end of each of its fiscal quarters, to be less than 1.75 to 1.

6.20. Fiscal Year. The Company will not change its fiscal year-end to a date other than August 31.

6.21. Guarantors; Pledges of Equity Interests in Foreign Subsidiaries

(a) Material Domestic Subsidiaries. If, at any time after the Closing Date, any Domestic Subsidiary (other than a Guarantor) shall constitute a Material Domestic Subsidiary, the Company shall promptly notify the Agent thereof, which notice shall specify the date as of which such Domestic Subsidiary became a Material Domestic Subsidiary. On or prior to the date 30 days after the date specified in such notice (or such longer period as may be agreed by the Agent in its sole discretion) or, if earlier, the date on which such Material Domestic Subsidiary becomes party to a guaranty of the Senior Note Indebtedness or any other obligation of the Company, the Company shall cause such Material Domestic Subsidiary to execute and

deliver to the Agent a supplement to the Domestic Subsidiary Guaranty, together with such supporting documentation, including authorizing resolutions and/or opinions of counsel, as the Agent may reasonably request. Notwithstanding the foregoing, (i) if the Company acquires a Material Domestic Subsidiary pursuant to a Permitted Acquisition, the Company may, as an alternative to complying with the preceding sentence, within 30 days after the consummation of such Permitted Acquisition (or such longer period as may be agreed by the Agent in its sole discretion), cause such Material Domestic Subsidiary to merge into, or to transfer all or substantially all of its assets to, the Company or a Guarantor, and (ii) if any Domestic Subsidiary is a Material Domestic Subsidiary solely because it holds Voting Equity Interests in a Material Foreign Subsidiary, but is not required to pledge such Voting Equity Interests pursuant to the last sentence of Section 6.21(b), then such Domestic Subsidiary shall not be required to become a Guarantor pursuant to this Section 6.21(a).

(b) Material Foreign Subsidiaries. If, at any time after the Closing Date, any Foreign Subsidiary (other than a Foreign Subsidiary listed on Schedule 1.3) shall constitute a Material Foreign Subsidiary, the Company shall promptly notify the Agent thereof, which notice shall specify the date as of which such Foreign Subsidiary became a Material Foreign Subsidiary. Within 30 days after the date specified in such notice (or such longer period as may be agreed by the Agent in its sole discretion), the Company shall, and/or shall cause each Domestic Subsidiary to, if and to the extent that each of them holds any Equity Interest in such Material Foreign Subsidiary, execute and deliver to the Agent a supplement to the U.S. Law Pledge Agreement or a new Foreign Law Pledge Agreement (as determined by the Agent in its discretion), together with such supporting documentation (including, without limitation, additional Collateral Documents, authorizing resolutions and/or opinions of counsel) as the Agent may reasonably request, in order to create a perfected, first priority security interest in the Equity Interests in such Material Foreign Subsidiary, *provided* that such pledges, individually or collectively, with respect to any Foreign Subsidiary shall not exceed the Applicable Pledge Percentage of the Voting Equity Interests in such Foreign Subsidiary. The Company or any particular Domestic Subsidiary shall not be required to execute and deliver a supplement to the Pledge Agreement pursuant to this Section 6.21(b) if such entity directly holds 35% or less of the Voting Equity Interests in such Foreign Subsidiary and, as a result of the limitation set forth in the preceding sentence, the Company can comply with this Section 6.21(b) without the pledge of such Voting Equity Interests.

(c) Minimum Requirements.

(i) 90% of Company and Domestic Subsidiaries. If, at any time after the Closing Date, (x) the aggregate assets of the Company and the Guarantors (other than Equity Interests in Subsidiaries) shall fail to represent 90% or more of the aggregate assets of the Company and its Domestic Subsidiaries (other than Equity Interests in Subsidiaries) as of such time or (y) such entities on an aggregate basis shall fail to be responsible for 90% or more of the aggregate operating income of the Company and its Domestic Subsidiaries for the four fiscal quarter period then ended, the Company shall promptly notify the Agent thereof, which notice shall specify the date as of which such failure arose. Within 30 days after the date specified in such notice (or such longer period as may be agreed by the Agent in its sole discretion), the Company shall, and shall cause its Domestic Subsidiaries

(whether or not they are Material Domestic Subsidiaries) to, comply with Section 6.21(a) (but without duplication of the 30-day grace period provided in this clause (c)(i)) to the extent necessary to cure the conditions giving rise to such failure.

(ii) 50% of Foreign Subsidiaries. If, at any time after the Closing Date, (x) the aggregate assets of the Company's Foreign Subsidiaries the Applicable Pledge Percentage of the Voting Equity Interests of which have been pledged under a Pledge Agreement as security for the Obligations of each Borrower (in the case of such Foreign Subsidiaries, on a consolidated basis with their respective Subsidiaries) shall fail to represent 50% or more of the aggregate assets of the Company's Foreign Subsidiaries (in the case of such Foreign Subsidiaries, on a consolidated basis with their respective Subsidiaries) or (y) such entities on an aggregate basis (on a consolidated basis with their respective Subsidiaries) shall fail to be responsible for 50% or more of the aggregate operating income of the Company's Foreign Subsidiaries for the four fiscal quarter period then ended, the Company shall promptly notify the Agent thereof, which notice shall specify the date as of which such failure arose. Within 30 days after the date specified in such notice (or such longer period as may be agreed by the Agent in its sole discretion), the Company shall, and shall cause its Domestic Subsidiaries (whether or not they are Material Domestic Subsidiaries and whether or not the pledged Subsidiaries are Material Foreign Subsidiaries) to, comply with Section 6.21(b) (but without duplication of the 30-day grace period provided in this clause (c)(ii)) to the extent necessary to cure the conditions giving rise to such failure.

(iii) 75% of the Company and its Consolidated Subsidiaries. If, at any time after the Closing Date, (x) the aggregate assets of the Company, the Guarantors (in the case of the Company and such Guarantors, excluding Equity Interests in Subsidiaries) and all Foreign Subsidiaries the Applicable Pledge Percentage of the Voting Equity Interests of which have been pledged under a Pledge Agreement as security for the Obligations of each Borrower (in the case of such Foreign Subsidiaries, on a consolidated basis with their respective Subsidiaries) shall fail to represent 75% or more of the Consolidated Assets of the Company and its Subsidiaries or (y) such entities on an aggregate basis (in the case of such Foreign Subsidiaries, on a consolidated basis with their respective Subsidiaries) shall fail to be responsible for 75% or more of the Consolidated Operating Income of the Company and its Subsidiaries for the four fiscal quarter period then ended, the Company shall promptly notify the Agent thereof, which notice shall specify the date as of which such failure arose. Within 30 days after the date specified in such notice (or such longer period as may be agreed by the Agent in its sole discretion), the Company shall, and shall cause its Domestic Subsidiaries (whether or not they are Material Domestic Subsidiaries and whether or not the pledged Subsidiaries are Material Foreign Subsidiaries) to, comply with Section 6.21(a) and/or (b) (but without duplication of the 30-day grace period provided in this clause (c)(iii)) to the extent necessary to cure the conditions giving rise to such failure.

(iv) Guaranties of Other Obligations. If, at any time after the Closing Date, any Subsidiary of the Company that is not party to the Domestic Subsidiary Guaranty shall become party to a guaranty of the Senior Note Indebtedness or any other obligation of the Company, the Company shall immediately notify the Agent thereof and cause such Subsidiary to comply with Section 6.21(a) (but without giving effect to the 30-day grace period provided therein).

(d) Foreign Subsidiary Borrowers. Notwithstanding the foregoing requirements of this Section 6.21, all of the Equity Interests of a Foreign Subsidiary Borrower and the Foreign Subsidiaries of the Company that directly or indirectly own the Equity Interests of such Foreign Subsidiary Borrower shall be pledged to the Agent to secure the Obligations owing by such Foreign Subsidiary Borrower and, to the extent permitted by applicable law, each other Foreign Subsidiary Borrower. If, at any time after the Closing Date, the Company or any Subsidiary shall possess any Equity Interests of any such Subsidiary, the Company shall immediately notify the Agent thereof and the Company shall, and/or shall cause each Subsidiary to, if and to the extent that each of them holds any Equity Interest in any such Subsidiary, immediately execute and deliver to the Agent a supplement to the U.S. Law Pledge Agreement or a new Foreign Law Pledge Agreement (as determined by the Agent in its discretion), together with such supporting documentation (including, without limitation, additional Collateral Documents, authorizing resolutions and/or opinions of counsel) as the Agent may reasonably request, in order to create a perfected, first priority security interest in all of the Equity Interests in such Subsidiary securing the Obligations owing by the applicable Foreign Subsidiary Borrower and, to the extent permitted by applicable law, each other Foreign Subsidiary Borrower.

(e) Releases.

(i) The Lenders hereby irrevocably authorize the Agent to, and the Agent shall, release any Liens granted to the Agent by the Loan Parties on any Pledged Collateral (i) upon the termination of the all Revolving Loan Commitments, the expiration or termination of all Facility LCs and payment and satisfaction in full in cash of all Secured Obligations (other than contingent indemnity obligations), (ii) constituting property being sold, transferred or otherwise disposed of if the Company certifies to the Agent that such sale, transfer or disposition is made in compliance with the terms of this Agreement (and the Agent may rely conclusively on any such certificate, without further inquiry) provided that after such release the Company remains in compliance with Section 6.21(c) or (iii) as required to effect any sale or other disposition of such Pledged Collateral in connection with any exercise of remedies of the Agent and the Lenders pursuant to this Agreement. Any such release shall not in any manner discharge, affect, or impair the Obligations or any Liens (other than those expressly being released) upon (or obligations of the Loan Parties in respect of) all interests retained by the Loan Parties.

(ii) The Lenders hereby irrevocably authorize the Agent to, and the Agent shall, in the event of a sale, transfer or other disposition of all of the Equity Interests of any Guarantor if the Company certifies to the Agent that such sale, transfer or disposition is made in compliance with the terms of this Agreement (and the

Agent may rely conclusively on any such certificate, without further inquiry), release such Guarantor from its obligations under the Domestic Subsidiary Guaranty, provided that (i) such Guarantor is concurrently released from any obligations it may have with respect to Subordinated Indebtedness and Senior Note Indebtedness and (ii) after such release the Company remains in compliance with Section 6.21(c).

(f) Foreign Pledge Agreements. Notwithstanding the foregoing provisions of this Section 6.21, the Company shall (or shall cause the applicable Domestic Subsidiary to):

(i) on or prior to the date ten (10) Business Days following the Closing Date (or such later date as the Agent shall agree in its sole discretion), execute and deliver to the Agent a Foreign Law Pledge Agreement with respect to the Equity Interests of Enerpac GmbH;

(ii) on or prior to the date sixty (60) days following the Closing Date (or such later date as the Agent shall agree in its sole discretion), execute and deliver to the Agent a Foreign Law Pledge Agreement with respect to the Equity Interests of Actuant Europe Holdings SAS (or such amendments and/or reaffirmations of the existing Foreign Law Pledge Agreement with respect to such Equity Interests as the Agent shall reasonably request); and

(iii) on or prior to the date ninety (90) days after the Closing Date (or such later date as the Agent shall agree in its sole discretion), execute and deliver to the Agent a Foreign Law Pledge Agreement with respect to the Equity Interests of AIC (Hong Kong) Ltd.;

in each case, in form and substance reasonably satisfactory to the Agent and together with such supporting documentation (including, without limitation, additional Collateral Documents, authorizing resolutions and/or opinions of counsel) as the Agent may reasonably request, in order to create a perfected, first priority security interest in the Equity Interests in such Foreign Subsidiary; *provided*, that such pledges, individually or collectively, with respect to any Foreign Subsidiary shall not exceed the Applicable Pledge Percentage of the Voting Equity Interests in such Foreign Subsidiary.

ARTICLE VII

DEFAULTS

The occurrence of any one or more of the following events shall constitute a Default:

7.1. Any representation or warranty made or deemed made by or on behalf of the Company or any of its Subsidiaries to the Lenders or the Agent under or in connection with this Agreement, any Credit Extension, or any certificate or information delivered in connection with this Agreement or any other Loan Document shall be materially false on the date as of which made.

7.2. Nonpayment of principal of any Loan when due, nonpayment of any Reimbursement Obligation within one Business Day after the same becomes due, or nonpayment of interest upon any Loan or of any commitment fee, LC Fee or other obligations under any of the Loan Documents within three Business Days after the same becomes due.

7.3. The breach by the Company of any of the terms or provisions of Section 6.2, 6.10, 6.11, 6.12, 6.13, 6.14, 6.15, 6.16, 6.17, 6.18, 6.19, 6.20 or 6.21.

7.4. The breach by any Loan Party (i) of Section 6.1 which is not remedied within ten days after the occurrence of such breach or (ii) (other than a breach which constitutes a Default under another Section of this Article VII) of any of the other terms or provisions of this Agreement or any other Loan Document which is not remedied within thirty days after the occurrence of such breach.

7.5. Failure of the Company or any of its Subsidiaries to pay when due any Material Indebtedness; or the default by the Company or any of its Subsidiaries in the performance (beyond the applicable grace period with respect thereto, if any) of any term, provision or condition contained in any Material Indebtedness Agreement, or any other event shall occur or condition exist, the effect of which default, event or condition is to cause, or to permit the holder(s) of such Material Indebtedness or the lender(s) under any Material Indebtedness Agreement to cause, such Material Indebtedness to become due prior to its stated maturity or any commitment to lend under any Material Indebtedness Agreement to be terminated prior to its stated expiration date (or, in the case of any Receivables Facility Attributable Indebtedness, cause such Indebtedness to amortize or liquidate or terminate the reinvestment of collections or proceeds of receivables); or any Material Indebtedness of the Company or any of its Subsidiaries shall be declared to be due and payable or required to be prepaid or repurchased (other than by a regularly scheduled payment) prior to the stated maturity thereof, provided, that the occurrence of any of the foregoing with respect to Receivables Facility Attributed Indebtedness shall not constitute an Event of Default hereunder so long as the aggregate outstanding amount thereof does not exceed the Available Aggregate Revolving Loan Commitment; or the occurrence of an early termination under any Rate Management Transaction resulting from (i) any event of default under such Rate Management Transaction as to which the Company or any Subsidiary is the defaulting party or (ii) any termination event as to which the Company or any Subsidiary is an affected party and, in either event, the termination value or other similar obligation owed by the Company or such Subsidiary as a result thereof is in excess of $10,000,000 and remains unpaid; or the Company or any of its Subsidiaries shall not pay, or admit in writing its inability to pay, its debts generally as they become due.

7.6. Any Borrower or any Material Subsidiary shall (i) have an order for relief entered with respect to it under any Federal, state or foreign bankruptcy, insolvency, administrative receivership or similar law now or hereafter in effect, (ii) make an assignment for the benefit of creditors, (iii) apply for, seek, consent to, or acquiesce in, the appointment of a receiver, custodian, trustee, examiner, liquidator or similar official for it or any Substantial Portion of its Property, (iv) institute any proceeding seeking an order for relief under any Federal, state or foreign bankruptcy, insolvency, administrative receivership or similar law now or hereafter in effect or seeking to adjudicate it a bankrupt or insolvent, or seeking dissolution, winding up, liquidation, reorganization, arrangement, adjustment or composition of it or its debts under any

Federal, state or foreign bankruptcy, insolvency, administrative receivership or similar law now or hereafter in effect or fail to file an answer or other pleading denying the material allegations of any such proceeding filed against it, (v) take any corporate or partnership action to authorize or effect any of the foregoing actions set forth in this Section 7.6 or (vi) fail to contest in good faith any appointment or proceeding described in Section 7.7.

7.7. Without the application, approval or consent of any Borrower or any Material Subsidiary, a receiver, trustee, examiner, liquidator or similar official shall be appointed for a Borrower or any Material Subsidiary or any Substantial Portion of its Property, or a proceeding described in Section 7.6(iv) shall be instituted against any Borrower or any Material Subsidiary and such appointment continues undischarged or such proceeding continues undismissed or unstayed for a period of 60 consecutive days.

7.8. Any court, government or governmental agency shall condemn, seize or otherwise appropriate, or take custody or control of, all or any portion of the Property of the Company and its Subsidiaries which, when taken together with all other Property of the Company and its Subsidiaries so condemned, seized, appropriated, or taken custody or control of, during the twelve-month period ending with the month in which any such action occurs, constitutes a Substantial Portion.

7.9. The Company or any of its Subsidiaries shall fail within 30 days to pay, bond or otherwise discharge one or more (i) judgments or orders for the payment of money in excess of $10,000,000 (or the equivalent thereof in currencies other than Dollars) in the aggregate, or (ii) nonmonetary judgments or orders which, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect, which judgment(s), in any such case, is/are not stayed on appeal or otherwise being appropriately contested in good faith.

7.10. The Unfunded Liabilities of all Single Employer Plans shall exceed in the aggregate $25,000,000, or any Reportable Event shall have occurred with respect to any Plan that, together with all other Reportable Events that have occurred and are continuing, could reasonably be expected to result in liability to the Company and its Subsidiaries in an aggregate amount in excess of $20,000,000, or any Single Employer Plan shall have any Unfunded Liabilities for which a minimum funding waiver request has been filed under Section 412 of the Code or Section 302 of ERISA.

7.11. The Company or any other member of the Controlled Group shall have been notified by the sponsor of a Multiemployer Plan that it has incurred withdrawal liability to such Multiemployer Plan in an amount which, when aggregated with all other amounts required to be paid to Multiemployer Plans by the Company or any other member of the Controlled Group as withdrawal liability (determined as of the date of such notification), exceeds $20,000,000 or requires payments exceeding $5,000,000 per annum.

7.12. Any Loan Document shall fail to remain in full force or effect or any action shall be taken to discontinue or to assert the invalidity or unenforceability of any Loan Document, or any Loan Party shall fail to comply with any of the terms or provisions of any Loan Document to which it is a party, or any Loan Party shall deny that it has any further liability under any Loan Document to which it is a party, or shall give notice to such effect.

7.13. Any Collateral Document shall for any reason fail to create a valid and perfected first priority security interest in any collateral purported to be covered thereby, except as permitted by the terms of any Collateral Document, or any Collateral Document shall fail to remain in full force or effect or any action shall be taken to discontinue or to assert the invalidity or unenforceability of any Collateral Document.

7.12. Any Change in Control shall occur.

ARTICLE VIII

ACCELERATION, WAIVERS, AMENDMENTS AND REMEDIES

8.1. Acceleration.

8.1.1. If any Default described in Section 7.6 or 7.7 occurs with respect to any Borrower, the obligations of the Lenders to make Loans hereunder and the obligation and power of the LC Issuer to issue Facility LCs shall automatically terminate and the Obligations shall immediately become due and payable without any election or action on the part of the Agent, the LC Issuer or any Lender and the Company will be and become thereby unconditionally obligated, without any further notice, act or demand, to pay to the Agent an amount in immediately available funds, which funds shall be held in the Facility LC Collateral Account, equal to the difference of (x) the amount of LC Obligations at such time, less (y) the amount on deposit in the Facility LC Collateral Account at such time which is free and clear of all rights and claims of third parties and has not been applied against the Obligations (such difference, the "Collateral Shortfall Amount"). If any other Default occurs, the Required Lenders (or the Agent with the consent of the Required Lenders) may (a) terminate or suspend the obligations of the Lenders to make Loans hereunder and the obligation and power of the LC Issuer to issue Facility LCs, or declare the Obligations to be due and payable, or both, whereupon the Obligations shall become immediately due and payable, without presentment, demand, protest or notice of any kind, all of which the Borrowers hereby expressly waive, and (b) upon notice to the Company and in addition to the continuing right to demand payment of all amounts payable under this Agreement, make demand on the Company to pay, and the Company will, forthwith upon such demand and without any further notice or act, pay to the Agent the Collateral Shortfall Amount, which funds shall be deposited in the Facility LC Collateral Account.

8.1.2. If at any time while any Default is continuing, the Agent determines that the Collateral Shortfall Amount at such time is greater than zero, the Agent may make demand on the Company to pay, and the Company will, forthwith upon such demand and without any further notice or act, pay to the Agent the Collateral Shortfall Amount, which funds shall be deposited in the Facility LC Collateral Account.

8.1.3. The Agent may at any time or from time to time after funds are deposited in the Facility LC Collateral Account, apply such funds to the payment of the Obligations and any other amounts as shall from time to time have become due and payable by the Company to the Lenders or the LC Issuer under the Loan Documents.

8.1.4. At any time while any Default is continuing, neither the Company nor any Person claiming on behalf of or through the Company shall have any right to withdraw any of the funds held in the Facility LC Collateral Account. After this Agreement has terminated in accordance with Section 2.7(c), any funds remaining in the Facility LC Collateral Account shall be returned by the Agent to the Company or paid to whomever may be legally entitled thereto at such time.

8.1.5. If, within 30 days after acceleration of the maturity of the Obligations or termination of the obligations of the Lenders to make Loans and the obligation and power of the LC Issuer to issue Facility LCs hereunder as a result of any Default (other than any Default as described in Section 7.6 or 7.7 with respect to a Borrower) and before any judgment or decree for the payment of the Obligations due shall have been obtained or entered, the Required Lenders (in their sole discretion) shall so direct, the Agent shall, by notice to the Borrowers, rescind and annul such acceleration and/or termination.

8.2. Amendments. Subject to the provisions of this Section 8.2, the Required Lenders (or the Agent with the consent in writing of the Required Lenders) and the Borrowers may enter into agreements supplemental hereto for the purpose of adding or modifying any provisions to the Loan Documents or changing in any manner the rights of the Lenders or the Borrowers hereunder or waiving any Default hereunder; *provided*, *however*, that:

(a) no such supplemental agreement shall, without the consent of each Lender affected thereby (which, in the case of clauses (ii), (iv), (vi) and (vii), shall in all instances be deemed to include each Lender):

(i) Extend the Revolving Loan Termination Date, or extend the expiry date of any Facility LC to a date after the Revolving Loan Termination Date, or forgive all or any portion of the principal amount of any Loan or any Reimbursement Obligation, or postpone any regularly scheduled payment of principal of any Loan or Reimbursement Obligation, or reduce the rate or extend the time of payment of interest or fees under this Agreement.

(ii) Reduce the percentage specified in the definition of Required Lenders or any other percentage of Lenders specified to be the applicable percentage in this Agreement to act on specified matters.

(iii) Except pursuant to Section 2.2(b) or 2.5(c), increase the amount of the Revolving Loan Commitment or the Term Loan Commitment of any Lender hereunder; or increase the commitment to issue Facility LCs.

(iv) Permit any Borrower to assign its rights under this Agreement.

(v) Amend this Section 8.2.

(vi) Amend the definition of "Agreed Currency" set forth in Section 1.1.

(vii) Release any Guarantor, except in connection with a disposition of all of the Equity Interests of a Guarantor otherwise permitted by the Loan Documents, or, except as provided in the Collateral Documents, release all or substantially all of the Collateral.

(viii) (A) Release the Company from its obligations under Section 16.1 or (B) unless at such time no Foreign Subsidiary Borrowers are party hereto, release any Foreign Subsidiary Borrower from its obligations under any Guaranty.

(ix) Amend Section 11.2 in a manner that would alter the pro rata sharing of payments required thereby; and

(b) without limiting the foregoing requirements, no such supplemental agreement shall (i) alter the order of application of (x) prepayments hereunder, (y) amounts paid or payable under any Guaranty or (z) proceeds of Collateral under any Pledge Agreement, in each case, without the consent of the Required Revolving Lenders and the Required Term Loan Lenders, (ii) modify the definition of Required Revolving Lenders without the consent of each of the Required Revolving Lenders or (iii) modify the definition of Required Term Loan Lenders without the consent of each of the Term Loan Lenders.

No amendment of any provision of this Agreement relating to the Agent shall be effective without the written consent of the Agent, and no amendment of any provision relating to the LC Issuer shall be effective without the written consent of the LC Issuer. No amendment to any provision of this Agreement relating to the Swing Line Lender or any Swing Line Loans shall be affective without the written consent of the Swing Line Lender. The Agent may waive payment of the fee required under Section 12.3.2.

8.3. Preservation of Rights. No delay or omission of the Lenders, the LC Issuer or the Agent to exercise any right under the Loan Documents shall impair such right or be construed to be a waiver of any Default or an acquiescence therein, and the making of a Credit Extension notwithstanding the existence of a Default or the inability of any Borrower to satisfy the conditions precedent to such Credit Extension shall not constitute any waiver or acquiescence. Any single or partial exercise of any such right shall not preclude other or further exercise thereof or the exercise of any other right, and no waiver, amendment or other variation of the terms, conditions or provisions of the Loan Documents whatsoever shall be valid unless in writing signed by the Lenders required pursuant to Section 8.2, and then only to the extent in such writing specifically set forth. All remedies contained in the Loan Documents or by law afforded shall be cumulative and all shall be available to the Agent, the LC Issuer and the Lenders until this Agreement terminates as described in Section 2.7(c).

ARTICLE IX

GENERAL PROVISIONS

9.1. Survival of Representations. All representations and warranties of the Borrowers contained in this Agreement shall survive the making of the Credit Extensions herein contemplated.

9.2. Governmental Regulation. Anything contained in this Agreement to the contrary notwithstanding, neither the LC Issuer nor any Lender shall be obligated to extend credit to any Borrower in violation of any limitation or prohibition provided by any applicable statute or regulation.

9.3. Headings. Section headings in the Loan Documents are for convenience of reference only, and shall not govern the interpretation of any of the provisions of the Loan Documents.

9.4. Entire Agreement. The Loan Documents embody the entire agreement and understanding among the Borrowers, the Agent, the LC Issuer and the Lenders and supersede all prior agreements and understandings among the Borrowers, the Agent, the LC Issuer and the Lenders relating to the subject matter thereof other than those contained in the fee letters described in Section 10.13, which shall survive and remain in full force and effect during the term of this Agreement.

9.5. Several Obligations; Benefits of this Agreement. The respective obligations of the Lenders hereunder are several and not joint and no Lender shall be the partner or agent of any other (except to the extent to which the Agent is authorized to act as such). The failure of any Lender to perform any of its obligations hereunder shall not relieve any other Lender from any of its obligations hereunder. This Agreement shall not be construed so as to confer any right or benefit upon any Person other than the parties to this Agreement and their respective successors and assigns, *provided*, *however*, that the parties hereto expressly agree that each Arranger shall enjoy the benefits of the provisions of Sections 9.6, 9.10 and 10.11 to the extent specifically set forth therein and shall have the right to enforce such provisions on its own behalf and in its own name to the same extent as if it were a party to this Agreement.

9.6. Expenses; Indemnification. (i) The Company shall reimburse the Agent and the Arrangers for any costs, internal charges and reasonable out-of-pocket expenses (including reasonable attorneys' fees and time charges of attorneys for the Agent, which attorneys may be employees of the Agent) paid or incurred by the Agent or the Arrangers in connection with the preparation, negotiation, execution, delivery, syndication, distribution (including, without limitation, via the internet), review, amendment, modification, and administration of the Loan Documents. The Company also agrees to reimburse the Agent, the Arrangers, the LC Issuer and the Lenders for any costs, internal charges and out-of-pocket expenses (including reasonable attorneys' fees and time charges of attorneys for the Agent, the Arrangers, the LC Issuer and the Lenders, which attorneys may be employees of the Agent, the Arrangers, the LC Issuer or the Lenders) paid or incurred by the Agent, the Arrangers, the LC Issuer or any Lender in connection with the collection and enforcement of the Loan Documents.

(ii) The Company hereby further agrees to indemnify the Agent, the Arrangers, the LC Issuer, each Lender, their respective affiliates, and each of their directors, officers and employees against all losses, claims, damages, penalties, judgments, liabilities and expenses (including, without limitation, all expenses of litigation or preparation therefor whether or not the Agent, the Arrangers, the LC Issuer, any Lender or any affiliate is a party thereto) which any of them may pay or incur arising out of or relating to this Agreement, the other Loan Documents, the transactions contemplated hereby or the direct or indirect application or proposed application of the proceeds of any Credit Extension hereunder except to the extent that they are determined in a final non-appealable judgment by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of the party seeking indemnification. The obligations of the Company under this Section 9.6 shall survive the termination of this Agreement.

9.7. Numbers of Documents. All statements, notices, closing documents, and requests hereunder shall be furnished to the Agent with sufficient counterparts so that the Agent may furnish one to each of the Lenders.

9.8. Accounting. Except as provided to the contrary herein, all accounting terms used herein shall be interpreted and all accounting determinations hereunder shall be made in accordance with GAAP in a manner consistent with that used in preparing the financial statements referred to in Section 5.4(a), except that any calculation or determination which is to be made on a consolidated basis shall be made for the Company and all of its Subsidiaries, including those Subsidiaries, if any, which are unconsolidated on the Company's audited financial statements. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Loan Document, and the Company, the Agent or the Required Lenders shall so request, the Agent, the Lenders and the Company shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders), *provided that*, until so amended, such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and the Company shall provide to the Agent and the Lenders reconciliation statements showing the difference in such calculation, together with the delivery of monthly, quarterly and annual financial statements required hereunder.

9.9. Severability of Provisions. Any provision in any Loan Document that is held to be inoperative, unenforceable, or invalid in any jurisdiction shall, as to that jurisdiction, be inoperative, unenforceable, or invalid without affecting the remaining provisions in that jurisdiction or the operation, enforceability, or validity of that provision in any other jurisdiction, and to this end the provisions of all Loan Documents are declared to be severable.

9.10. Nonliability of Lenders. The relationship between the Borrowers on the one hand and the Lenders, the LC Issuer and the Agent on the other hand shall be solely that of borrower and lender. None of the Agent, the Arrangers, the LC Issuer nor any Lender shall have any fiduciary responsibilities to any Borrower. None of the Agent, the Arrangers, the LC Issuer nor any Lender undertakes any responsibility to any Borrower to review or inform any Borrower of any matter in connection with any phase of such Borrower's business or operations. Each Borrower agrees that none of the Agent, the Arrangers, the LC Issuer nor any Lender shall have liability to such Borrower (whether sounding in tort, contract or otherwise) for losses suffered by such Borrower in connection with, arising out of, or in any way related to, the transactions contemplated and the relationship established by the Loan Documents, or any act, omission or event occurring in connection therewith, unless it is determined in a final non-appealable judgment by a court of competent jurisdiction that such losses resulted from the gross negligence or willful misconduct of the party from which recovery is sought. None of the Agent, the Arrangers, the LC Issuer nor any Lender shall have any liability with respect to, and each Borrower hereby waives, releases and agrees not to sue for, any special, indirect, consequential or punitive damages suffered by such Borrower in connection with, arising out of, or in any way related to the Loan Documents or the transactions contemplated thereby.

9.11. Confidentiality. The Agent and each Lender agrees to hold any confidential information which it may receive from the Borrowers in connection with this Agreement in confidence, except for disclosure (i) to its Affiliates and to the Agent and any other Lender and their respective Affiliates, (ii) to legal counsel, accountants, and other professional advisors to such Lender or to a Transferee, (iii) to regulatory officials, (iv) to any Person as requested pursuant to or as required by law, regulation, or legal process, (v) to any Person in connection with any legal proceeding to which it or its Affiliates is a party, (vi) to its direct or indirect contractual counterparties in swap agreements or to legal counsel, accountants and other professional advisors to such counterparties, (vii) permitted by Section 12.4, and (viii) to rating agencies if requested or required by such agencies in connection with a rating relating to the Advances hereunder. Without limiting Section 9.4, each Borrower agrees that the terms of this Section 9.11 shall set forth the entire agreement between such Borrower and each Lender (including the Agent) with respect to any confidential information previously or hereafter received by such Lender in connection with this Agreement, and this Section 9.11 shall supersede any and all prior confidentiality agreements entered into by such Lender with respect to such confidential information.

9.12. Nonreliance. Each Lender hereby represents that it is not relying on or looking to any margin stock (as defined in Regulation U) for the repayment of the Credit Extensions provided for herein.

9.13. Disclosure. The Borrowers and each Lender hereby acknowledge and agree that JPMorgan and/or its Affiliates from time to time may hold investments in, make other loans to or have other relationships with the Company and its Affiliates.

9.14. USA PATRIOT ACT; European "Know Your Customer" Checks.

9.14.1. Each Lender hereby notifies the Borrowers that pursuant to the requirements of the USA Patriot Act, it is required to obtain, verify and record information that identifies such Borrower, which information includes the name and address of such Borrower and other information that will allow such Lender to identify such Borrower in accordance with the USA Patriot Act.

9.14.2. If (a) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this Agreement; (b) any change in the status of a Borrower after the date of this Agreement; or (c) a proposed assignment or transfer by a Lender of any of its rights and obligations under this Agreement to a party that is not a Lender prior to such assignment or transfer, obliges the Agent or any Lender (or, in the case of clause (c) above, any prospective new Lender) to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, each Borrower shall promptly upon the request of the Agent or any Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Agent (for itself or on behalf of any Lender) or any Lender (for itself or, in the case of the event described in clause (c) above, on behalf of any prospective new Lender) in order for the Agent, such Lender or, in the case of the event described in clause (c) above, any prospective new Lender to carry out and be satisfied it has complied with all necessary

"know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in this Agreement and the other Loan Documents. Each Lender shall promptly upon the request of the Agent supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Agent (for itself) in order for the Agent to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in this Agreement and the other Loan Documents.

9.15. English Language. All certificates, instruments and other documents to be delivered under or supplied in connection with this Agreement shall be in the English language or shall attach a certified English translation thereof, which translation shall be the governing version. Within one month of the delivery of any financial statements or other information written in a language other than English, the Company shall deliver to the Agent (for distribution to the Lenders) an English translation of such financial statements.

9.16. Borrower Limitations. Each Borrower shall be liable for its Obligations (including, without limitation, Loans extended to it). The Company shall be liable for each Foreign Subsidiary Borrower's Obligations. Each Foreign Subsidiary Borrower shall be liable for each other Foreign Subsidiary Borrower's Obligations to extent set forth in its respective Guaranty, but shall in no event be liable for any of the Company's Obligations. Each Guarantor shall guaranty the repayment of all Obligations, irrespective of the Borrower that incurs such Obligations.

ARTICLE X

THE AGENT

10.1. Appointment; Nature of Relationship. JPMorgan is hereby appointed by each of the Lenders as its contractual representative (herein referred to as the "Agent") hereunder and under each other Loan Document, and each of the Lenders irrevocably authorizes the Agent to act as the contractual representative of such Lender with the rights and duties expressly set forth herein and in the other Loan Documents. The Agent agrees to act as such contractual representative upon the express conditions contained in this Article X. Notwithstanding the use of the defined term "Agent," it is expressly understood and agreed that the Agent shall not have any fiduciary responsibilities to any Lender by reason of this Agreement or any other Loan Document and that the Agent is merely acting as the contractual representative of the Lenders with only those duties as are expressly set forth in this Agreement and the other Loan Documents. In its capacity as the Lenders' contractual representative, the Agent (i) does not hereby assume any fiduciary duties to any of the Lenders, (ii) is a "representative" of the Lenders within the meaning of the term "secured party" as defined in the Illinois Uniform Commercial Code and (iii) is acting as an independent contractor, the rights and duties of which are limited to those expressly set forth in this Agreement and the other Loan Documents. Each of the Lenders hereby agrees to assert no claim against the Agent on any agency theory or any other theory of liability for breach of fiduciary duty, all of which claims each Lender hereby waives. Except as expressly set forth herein, the Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Company or any of its Subsidiaries that is communicated to or obtained by the bank serving as Agent or any of its Affiliates in any capacity.

10.2. Powers. The Agent shall have and may exercise such powers under the Loan Documents as are specifically delegated to the Agent by the terms of each thereof, together with such powers as are reasonably incidental thereto. The Agent shall have no implied duties to the Lenders, or any obligation to the Lenders to take any action thereunder except any action specifically provided by the Loan Documents to be taken by the Agent.

10.3. General Immunity. Neither the Agent nor any of its directors, officers, agents or employees shall be liable to the Borrowers, the Lenders or any Lender for any action taken or omitted to be taken by it or them hereunder or under any other Loan Document or in connection herewith or therewith except to the extent such action or inaction is determined in a final non-appealable judgment by a court of competent jurisdiction to have arisen from the gross negligence or willful misconduct of such Person.

10.4. No Responsibility for Loans, Recitals, etc. Neither the Agent nor any of its directors, officers, agents or employees shall be responsible for or have any duty to ascertain, inquire into, or verify (a) any statement, warranty or representation made in connection with any Loan Document or any borrowing hereunder; (b) the performance or observance of any of the covenants or agreements of any obligor under any Loan Document, including, without limitation, any agreement by an obligor to furnish information directly to each Lender; (c) the satisfaction of any condition specified in Article IV, except receipt of items required to be delivered solely to the Agent; (d) the existence or possible existence of any Default or Unmatured Default; (e) the validity, enforceability, effectiveness, sufficiency or genuineness of any Loan Document or any other instrument or writing furnished in connection therewith; (f) the value, sufficiency, creation, perfection or priority of any Lien in any collateral security; or (g) the financial condition of any Borrower or any guarantor of any of the Obligations or of any Borrower's or any such guarantor's respective Subsidiaries.

10.5. Action on Instructions of Lenders. The Agent shall in all cases be fully protected in acting, or in refraining from acting, hereunder and under any other Loan Document in accordance with written instructions signed by the Required Lenders, and such instructions and any action taken or failure to act pursuant thereto shall be binding on all of the Lenders. The Lenders hereby acknowledge that the Agent shall be under no duty to take any discretionary action permitted to be taken by it pursuant to the provisions of this Agreement or any other Loan Document unless it shall be requested in writing to do so by the Required Lenders. The Agent shall be fully justified in failing or refusing to take any action hereunder and under any other Loan Document unless it shall first be indemnified to its satisfaction by the Lenders pro rata against any and all liability, cost and expense that it may incur by reason of taking or continuing to take any such action.

10.6. Employment of Agents and Counsel. The Agent may execute any of its duties as Agent hereunder and under any other Loan Document by or through employees, agents, and attorneys-in-fact and shall not be answerable to the Lenders, except as to money or securities received by it or its authorized agents, for the default or misconduct of any such agents or attorneys-in-fact selected by it with reasonable care. The Agent shall be entitled to advice of counsel concerning the contractual arrangement between the Agent and the Lenders and all matters pertaining to the Agent's duties hereunder and under any other Loan Document.

10.7. Reliance on Documents; Counsel. The Agent shall be entitled to rely upon any Note, notice, consent, certificate, affidavit, letter, telegram, facsimile, telex, electronic mail message, statement, paper or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons, and, in respect to legal matters, upon the opinion of counsel selected by the Agent, which counsel may be employees of the Agent. For purposes of determining compliance with the conditions specified in Sections 4.1 and 4.3, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Agent shall have received notice from such Lender prior to the applicable date specifying its objection thereto.

10.8. Agent's Reimbursement and Indemnification. The Lenders agree to reimburse and indemnify the Agent ratably in proportion to their respective Pro Rata Shares of the applicable amount (i) for any amounts not reimbursed by the Company for which the Agent is entitled to reimbursement by the Company under the Loan Documents, (ii) for any other expenses incurred by the Agent on behalf of the Lenders, in connection with the preparation, execution, delivery, administration and enforcement of the Loan Documents (including, without limitation, for any expenses incurred by the Agent in connection with any dispute between the Agent and any Lender or between two or more of the Lenders) and (iii) for any liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind and nature whatsoever which may be imposed on, incurred by or asserted against the Agent in any way relating to or arising out of the Loan Documents or any other document delivered in connection therewith or the transactions contemplated thereby (including, without limitation, for any such amounts incurred by or asserted against the Agent in connection with any dispute between the Agent and any Lender or between two or more of the Lenders), or the enforcement of any of the terms of the Loan Documents or of any such other documents, *provided* that (i) no Lender shall be liable for any of the foregoing to the extent any of the foregoing is found in a final non-appealable judgment by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of the Agent, (ii) any indemnification required pursuant to Section 3.5.6 shall, notwithstanding the provisions of this Section 10.8, be paid by the relevant Lender in accordance with the provisions thereof. The obligations of the Lenders under this Section 10.8 shall survive payment of the Obligations and termination of this Agreement; *provided, however,* that any such amounts relating solely to the Term Loan Facility (as determined by the Agent in its sole discretion) shall be reimbursed by the Term Loan Lenders ratably in proportion to their respective Term Loan Pro Rata Shares thereof and any such amounts relating solely to the Revolving Loan Facility (as determined by the Agent in its sole discretion) shall be reimbursement by the Revolving Lenders ratably in proportion to their respective Revolving Loan Pro Rata Shares thereof.

10.9. Notice of Default. The Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Unmatured Default hereunder unless the Agent has received written notice from a Lender or a Borrower referring to this Agreement describing such Default or Unmatured Default and stating that such notice is a "notice of default". In the event that the Agent receives such a notice, the Agent shall give prompt notice thereof to the Lenders.

10.10. Rights as a Lender. In the event the Agent is a Lender, the Agent shall have the same rights and powers hereunder and under any other Loan Document with respect to its Revolving Loan Commitment, its Term Loan Commitment and its Loans as any Lender and may exercise the same as though it were not the Agent, and the term "Lender" or "Lenders" shall, at any time when the Agent is a Lender, unless the context otherwise indicates, include the Agent in its individual capacity. The Agent and its Affiliates may accept deposits from, lend money to, and generally engage in any kind of trust, debt, equity or other transaction, in addition to those contemplated by this Agreement or any other Loan Document, with the Company or any of its Subsidiaries in which the Company or such Subsidiary is not restricted hereby from engaging with any other Person.

10.11. Lender Credit Decision. Each Lender acknowledges that it has, independently and without reliance upon the Agent, the Arrangers or any other Lender and based on the financial statements prepared by the Borrowers and such other documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement and the other Loan Documents. Each Lender also acknowledges that it will, independently and without reliance upon the Agent, the Arrangers or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement and the other Loan Documents. Except for any notice, report, document or other information expressly required to be furnished to the Lenders by the Agent or Arrangers hereunder, neither the Agent nor the Arrangers shall have any duty or responsibility (either initially or on a continuing basis) to provide any Lender with any notice, report, document, credit information or other information concerning the affairs, financial condition or business of the Borrowers or any of their respective Affiliates that may come into the possession of the Agent or Arrangers (whether or not in their respective capacity as Agent or Arranger) or any of their Affiliates.

10.12. Successor Agent. The Agent may resign at any time by giving written notice thereof to the Lenders and the Borrowers, such resignation to be effective upon the appointment of a successor Agent or, if no successor Agent has been appointed, forty-five days after the retiring Agent gives notice of its intention to resign. Upon any such resignation, the Required Lenders shall have the right to appoint, on behalf of the Borrowers and the Lenders, a successor Agent. If no successor Agent shall have been so appointed by the Required Lenders within thirty days after the resigning Agent's giving notice of its intention to resign, then the resigning Agent may appoint, on behalf of the Borrower and the Lenders, a successor Agent. Notwithstanding the previous sentence, the Agent may at any time without the consent of any Borrower or any Lender, appoint any of its Affiliates which is a commercial bank as a successor Agent hereunder. If the Agent has resigned and no successor Agent has been appointed, the Lenders may perform all the duties of the Agent hereunder and the Borrowers shall make all payments in respect of the Obligations to the applicable Lender and for all other purposes shall deal directly with the Lenders. No successor Agent shall be deemed to be appointed hereunder until such successor Agent has accepted the appointment. Any such successor Agent shall be a commercial bank having capital and retained earnings of at least $100,000,000. Upon the acceptance of any appointment as Agent hereunder by a successor Agent, such successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the resigning Agent. Upon the effectiveness of the resignation of the Agent, the resigning Agent shall be discharged from its duties and obligations hereunder and under the Loan Documents. After the

effectiveness of the resignation of an Agent, the provisions of this Article X shall continue in effect for the benefit of such Agent in respect of any actions taken or omitted to be taken by it while it was acting as the Agent hereunder and under the other Loan Documents. In the event that there is a successor to the Agent by merger, or the Agent assigns its duties and obligations to an Affiliate pursuant to this Section 10.12, then the term "Prime Rate" as used in this Agreement shall mean the prime rate, base rate or other analogous rate of the new Agent.

10.13. Agent and Arranger Fees. Without limiting the continuing applicability of any fee letters delivered in connection with the Existing Credit Agreement, the Company agrees to pay to the Agent and the Arrangers, for their respective accounts, the fees agreed to by the Borrower and the Arrangers pursuant to the letter agreements among such parties dated October 30, 2008, or as otherwise agreed from time to time.

10.14. Delegation to Affiliates. The Borrowers and the Lenders agree that the Agent may delegate any of its duties under this Agreement to any of its Affiliates. Any such Affiliate (and such Affiliate's directors, officers, agents and employees) which performs duties in connection with this Agreement shall be entitled to the same benefits of the indemnification, waiver and other protective provisions to which the Agent is entitled under Articles IX and X.

10.15. Execution of Collateral Documents. The Lenders hereby empower and authorize the Agent to execute and deliver to the Loan Parties on their behalf the Pledge Agreement and all related financing statements, agreements, documents or instruments as shall be necessary or appropriate to effect the purposes of the Pledge Agreement.

10.16. Guaranty and Collateral Releases. The Lenders hereby authorize the Agent, at its option and in its discretion, to permit the release of any Guarantor from the Domestic Subsidiary Guaranty or of any Lien granted to or held by the Agent upon any Pledged Collateral (i) as described in Section 6.21(e); (ii) as permitted by, but only in accordance with, the terms of the applicable Loan Documents; or (iii) if approved, authorized or ratified in writing by the Required Lenders, unless such release is required to be approved by all of the Lenders hereunder. Upon request by the Agent at any time, the Lenders will confirm in writing the Agent's authority to release any particular Guarantor or particular types or items of Pledged Collateral pursuant hereto.

10.17. Dutch Parallel Debt.

10.17.1. Each of the Dutch Borrowers and the Company (each a "Parallel Debt Obligor") hereby irrevocably and unconditionally undertakes to pay to the Agent an amount equal to the aggregate amount payable by it from time to time in respect of (a) its Obligations and (b) each Rate Management Transaction entered into by it with any counterparty that was a Lender (or an Affiliate thereof) at the time such Rate Management Transaction was entered into (unless the applicable Lender party thereto agreed in writing not be secured pursuant to this Agreement) (the "Swap Obligations"). The payment undertaking of each Parallel Debt Obligor to the Agent is hereinafter to be referred to as such Parallel Debt Obligor's "Dutch Parallel Debt".

10.17.2. The Dutch Parallel Debt of each Parallel Debt Obligor will be payable in the currency or currencies of the corresponding Obligations and Swap Obligations.

10.17.3. Any obligation under the Dutch Parallel Debt of any Parallel Debt Obligor shall become due and payable (*opeisbaar*) as and when and to the extent one or more of the corresponding Obligations or Swap Obligations become due and payable. The parties hereto agree that a Default in respect of the Obligations or Swap Obligations shall constitute a default (*verzuim*) within the meaning of Article 3:248 Netherlands Civil Code with respect to the relevant Dutch Parallel Debt of a Parallel Debt Obligor as well without any notice being required therefor.

10.17.4. Each of the parties hereto acknowledges that:

(a) the Dutch Parallel Debt of each Parallel Debt Obligor constitutes an undertaking, obligation and liability of such Parallel Debt Obligor to the Agent which is separate and independent from, and without prejudice to, the Obligations and Swap Obligations; and

(b) the Dutch Parallel Debt of each Parallel Debt Obligor represents the Agent's own separate and independent claim (*eigen en zelfstandige vordering*) to receive payment of such Dutch Parallel Debt from such Parallel Debt Obligor and shall not constitute the Agent and any holder of Obligations or Swap Obligations as joint creditors (*hoofdelijk schuldeisers*) of any Obligation or Swap Obligation,

it being understood that the amount which may become payable by a Parallel Debt Obligor as its Dutch Parallel Debt shall never exceed the total of the amounts which are payable by it under its Obligations and Swap Obligations.

10.17.5. For the avoidance of doubt, each Parallel Debt Obligor and the Agent confirm that the claims of the Agent against each Parallel Debt Obligor in respect of its Dutch Parallel Debt and the claims of any one or more of the holders of Obligations or Swap Obligations against each Parallel Debt Obligor in respect of its Obligations and Swap Obligations payable by it to such holders of Obligations or Swap Obligations do not constitute common property (*gemeenschap*) within the meaning of article 3:166 Netherlands Civil Code and that the provisions relating to common property shall not apply. If, however, it shall be held that such claim of the Agent and such claims of any one or more of the holders of Obligations or Swap Obligations do constitute common property and the provisions relating to common property do apply, the parties agree that the applicable provisions of this Agreement shall constitute the respective administration agreement (*beheersregeling*) within the meaning of article 3:168 Netherlands Civil Code.

10.17.6. To the extent the Agent irrevocably (*onaantastbaar*) receives any amount in payment of any Dutch Parallel Debt, the Agent shall distribute such amount among the holders of Secured Obligations that are creditors of the corresponding Obligations or Swap Obligations in accordance with the applicable provisions of this Agreement. Each Parallel Debt Obligor and the Agent agree that upon irrevocable receipt by the Agent of any amount in payment of the Dutch Parallel Debt of any Parallel Debt

Obligor (a "Received Amount"), the corresponding Obligations or Swap Obligations shall be reduced by amounts totaling an amount equal to the Received Amount (a "Deductible Amount") in the manner as if the Deductible Amount were received as payment of the relevant Obligations or Swap Obligations on the date of receipt by the Agent of the Received Amount.

10.17.7. The parties hereto acknowledge and agree that, for purposes of a Dutch pledge, any resignation by the Agent is not effective until its rights under each Dutch Parallel Debt of a Parallel Debt Obligor is assigned to the successor Agent.

10.18. French Security. Each Lender, on behalf of itself and its Affiliates, hereby appoints the Agent to register, perform and enforce any security interest (sûreté réelle) granted by Actuant International Holdings, Inc., a Delaware corporation, or any other Loan Party under the laws of the Republic of France in order to secure the performance and payment of the Secured Obligations.

10.19. Syndication Agents; Documentation Agents. None of the Lenders identified in this Agreement as a Syndication Agent or Documentation Agent shall have any right, power, obligation, liability, responsibility or duty under this Agreement other than those applicable to all Lenders as such. Without limiting the foregoing, none of such Lenders shall have or be deemed to have a fiduciary relationship with any Lender. Each Lender hereby makes the same acknowledgments with respect to such Lenders as it makes with respect to the Agent in Section 10.11.

ARTICLE XI

SETOFF; RATABLE PAYMENTS

11.1. Setoff. In addition to, and without limitation of, any rights of the Lenders under applicable law, if any Borrower becomes insolvent, however evidenced, or any Default occurs, any and all deposits (including all account balances, whether provisional or final and whether or not collected or available) and any other Indebtedness at any time held or owing by any Lender or any Affiliate of any Lender to or for the credit or account of a Borrower may be offset and applied toward the payment of the Obligations owing to such Lender, whether or not the Obligations, or any part thereof, shall then be due (it being understood and agreed that deposits of any Foreign Subsidiary Borrower or Indebtedness held or owing by a Lender to or for the credit or account of any Foreign Subsidiary Borrower shall be offset by such Lender and applied only toward any Obligations incurred by or on behalf of a Foreign Subsidiary Borrower to that Lender).

11.2. Ratable Payments. If any Lender, whether by setoff or otherwise, has payment made to it upon its Outstanding Revolving Credit Exposure or its Term Loans (other than payments received pursuant to Section 3.1, 3.2, 3.4, 3.5 or 3.6) in a greater proportion than that received by any other Lender, such Lender agrees, promptly upon demand, to purchase a portion of the Aggregate Outstanding Revolving Credit Exposure and Term Loans held by the other Lenders so that after such purchase each Lender will hold its Revolving Loan Pro Rata Share of the Aggregate Outstanding Revolving Credit Exposure and its Term Loan Pro Rata Share of the

Term Loans. If any Lender, whether in connection with setoff or amounts which might be subject to setoff or otherwise, receives collateral or other protection for its Secured Obligations or such amounts which may be subject to setoff, such Lender agrees, promptly upon demand, to take such action necessary such that all Lenders share in the benefits of such collateral ratably in proportion to their respective Pro Rata Shares, Revolving Loan Pro Rata Shares and Term Loan Pro Rata Shares, as the case may be. In case any such payment is disturbed by legal process, or otherwise, appropriate further adjustments shall be made.

ARTICLE XII

BENEFIT OF AGREEMENT; ASSIGNMENTS; PARTICIPATIONS

12.1. Successors and Assigns. The terms and provisions of the Loan Documents shall be binding upon and inure to the benefit of the Borrowers and the Lenders and their respective successors and assigns permitted hereby, except that (i) no Borrower shall have the right to assign its rights or obligations under the Loan Documents without the prior written consent of each Lender, (ii) any assignment by any Lender must be made in compliance with Section 12.3, and (iii) any transfer by Participation must be made in compliance with Section 12.2. Any attempted assignment or transfer by any party not made in compliance with this Section 12.1 shall be null and void, unless such attempted assignment or transfer is treated as a participation in accordance with Section 12.3.2. The parties to this Agreement acknowledge that clause (ii) of this Section 12.1 relates only to absolute assignments and this Section 12.1 does not prohibit assignments creating security interests, including, without limitation, (x) any pledge or assignment by any Lender of all or any portion of its rights under this Agreement and any Note to a Federal Reserve Bank or (y) in the case of a Lender which is a Fund, any pledge or assignment of all or any portion of its rights under this Agreement and any Note to its trustee in support of its obligations to its trustee; *provided*, *however*, that no such pledge or assignment creating a security interest shall release the transferor Lender from its obligations hereunder unless and until the parties thereto have complied with the provisions of Section 12.3. The Agent may treat the Person which made any Loan or which holds any Note as the owner thereof for all purposes hereof unless and until such Person complies with Section 12.3; *provided*, *however*, that the Agent may in its discretion (but shall not be required to) follow instructions from the Person which made any Loan or which holds any Note to direct payments relating to such Loan or Note to another Person. Any assignee of the rights to any Loan or any Note agrees by acceptance of such assignment to be bound by all the terms and provisions of the Loan Documents. Any request, authority or consent of any Person, who at the time of making such request or giving such authority or consent is the owner of the rights to any Loan (whether or not a Note has been issued in evidence thereof), shall be conclusive and binding on any subsequent holder or assignee of the rights to such Loan.

12.2. Participations.

12.2.1. Permitted Participants; Effect. Any Lender may at any time sell to one or more banks or other entities ("Participants") participating interests in any Outstanding Revolving Credit Exposure owing to such Lender, any Term Loans of such Lender, any Note held by such Lender, any Revolving Loan Commitment or any Term Loan Commitment of such Lender or any other interest of such Lender under the Loan

Documents. In the event of any such sale by a Lender of participating interests to a Participant, such Lender's obligations under the Loan Documents shall remain unchanged, such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, such Lender shall remain the owner of its Outstanding Revolving Credit Exposure and/or Term Loans, as applicable, and the holder of any Note issued to it in evidence thereof for all purposes under the Loan Documents, all amounts payable by the Borrowers under this Agreement shall be determined as if such Lender had not sold such participating interests, and the Borrowers and the Agent shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under the Loan Documents.

12.2.2. Voting Rights. Each Lender shall retain the sole right to approve, without the consent of any Participant, any amendment, modification or waiver of any provision of the Loan Documents other than any amendment, modification or waiver with respect to any Outstanding Revolving Credit Exposure, Term Loans, Revolving Loan Commitment, Term Loan Commitment or Facility LC in which such Participant has an interest which would require consent of the Lender from which such Participant purchased its participation under clauses (i) through (v) of Section 8.2.

12.2.3. Benefit of Certain Provisions. The Borrowers agree that each Participant shall be deemed to have the right of setoff provided in Section 11.1 in respect of its participating interest in amounts owing under the Loan Documents to the same extent as if the amount of its participating interest were owing directly to it as a Lender under the Loan Documents, *provided* that each Lender shall retain the right of setoff provided in Section 11.1 with respect to the amount of participating interests sold to each Participant. The Lenders agree to share with each Participant, and each Participant, by exercising the right of setoff provided in Section 11.1, agrees to share with each Lender, any amount received pursuant to the exercise of its right of setoff, such amounts to be shared in accordance with Section 11.2 as if each Participant were a Lender. The Borrowers further agree that each Participant shall be entitled to the benefits of Sections 3.1, 3.2, 3.4, 3.5, 3.6, 9.6 and 9.10 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 12.3, *provided* that (i) a Participant shall not be entitled to receive any greater payment under Section 3.1, 3.2, 3.5 or 3.6 than the Lender who sold the participating interest to such Participant would have received had it retained such interest for its own account, unless the sale of such interest to such Participant is made with the prior written consent of the Company, and (ii) any Participant not incorporated under the laws of the United States of America or any State thereof agrees to comply with the provisions of Section 3.5 to the same extent as if it were a Lender.

12.3. Assignments.

12.3.1. Permitted Assignments. Any Lender may at any time assign to one or more banks or other entities ("Purchasers") all or any part of its rights and obligations under the Loan Documents subject to the following conditions:

(i) Each such assignment shall be of a constant and not varying ratable or non-pro rata percentage (as between the Term Loan Facility and the Revolving Facility) of the assigning Lender's rights and obligations under the Loan Documents;

(ii) Such assignment shall be substantially in the form of Exhibit C or in such other form as may be agreed to by the parties thereto;

(iii) Each such assignment with respect to a Purchaser which is not a Lender or an Affiliate of a Lender or an Approved Fund shall either be in an amount equal to the entire applicable Revolving Loan Commitment and Outstanding Revolving Credit Exposure and/or Term Loan Commitment (if any) and Term Loans, as applicable, of the assigning Lender or (unless each of the Company and the Agent otherwise consents; *provided* that the consent of the Company shall not be required if a Default has occurred and is continuing) be in an aggregate amount not less than $5,000,000. The amount of the assignment shall be based on the Revolving Loan Commitment or Outstanding Revolving Credit Exposure (if the Revolving Loan Commitment has been terminated) and/or the outstanding Term Loan Commitment (if any) or Term Loans subject to the assignment, determined as of the date of such assignment or as of the "Trade Date," if the "Trade Date" is specified in the assignment;

(iv) Except in the case of an assignment to an existing Lender that has advanced a Revolving Loan to each Dutch Borrower, the amount of such assignment with respect to a borrowing made to a Dutch Borrower shall always be at least €50,000 (or its equivalent in another Agreed Currency) unless an assignment is made to any Person which qualifies as a professional market party (*professionele markt partij*) under the Dutch Financial Supervision Act;

(v) The Purchaser (A) if it is a Non-U.S. Lender, shall have delivered tax certificates described in Section 3.5, which indicate that such Non-U.S. Lender is exempt from any withholding tax under the laws of the United States on payments by the Company in such jurisdiction, (B) shall have confirmed that it is exempt from any withholding tax under the laws of the Netherlands on payments by Dutch Borrowers and (C) shall provide to the Agent for the onward transmission to the relevant UK Borrower, in respect of Loans made to a UK Borrower, a tax certificate in the form set forth in the Exhibit H attached hereto, except, in the case of clauses (A) and (B), to the extent the assigning Lender was entitled, at the time of the assignment, to receive additional amounts with respect to such withholding taxes pursuant to Section 3.5; and

(vi) So long as no Event of Default shall have occurred and be continuing, no such assignment shall be made to any Person that is not capable of lending (A) Agreed Currencies to each Borrower and (B) each Type of Loan.

12.3.2. Consents. The consent of the Company shall be required prior to an assignment becoming effective unless the Purchaser is a Lender, an Affiliate of a Lender or an Approved Fund, *provided* that the consent of the Company shall not be required if a

Default has occurred and is continuing. The consent of the Agent shall be required prior to an assignment becoming effective. The consent of JPMorgan in its capacity as LC Issuer shall be required for assignments of the Revolving Loan Commitment and Outstanding Revolving Credit Exposure (but not Term Loans or any Term Loan Commitment) prior to an assignment becoming effective. Any consent required under this Section 12.3.2 shall not be unreasonably withheld or delayed.

12.3.3. Effect; Effective Date. Upon (i) delivery to the Agent of an assignment, together with any consents required by Sections 12.3.1 and 12.3.2, and (ii) payment of a $3,500 fee to the Agent for processing such assignment (unless such fee is waived by the Agent), such assignment shall become effective on the effective date specified in such assignment. The assignment shall contain a representation by the Purchaser to the effect that none of the consideration used to make the purchase of the Revolving Loan Commitment and Outstanding Revolving Credit Exposure and/or Term Loan Commitment (if any) and Term Loans under the applicable assignment agreement constitutes "plan assets" as defined under ERISA and that the rights and interests of the Purchaser in and under the Loan Documents will not be "plan assets" under ERISA. On and after the effective date of such assignment, such Purchaser shall for all purposes be a Lender party to this Agreement and any other Loan Document executed by or on behalf of the Lenders and shall have all the rights and obligations of a Lender under the Loan Documents, to the same extent as if it were an original party thereto, and the transferor Lender shall be released with respect to the Revolving Loan Commitment and Outstanding Revolving Credit Exposure and/or Term Loan Commitment (if any) and Term Loans assigned to such Purchaser without any further consent or action by the Borrowers, the Lenders or the Agent. In the case of an assignment covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a Lender hereunder but shall continue to be entitled to the benefits of, and subject to, those provisions of this Agreement and the other Loan Documents which survive payment of the Obligations and termination of the applicable agreement. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 12.3 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 12.2. Upon the consummation of any assignment to a Purchaser pursuant to this Section 12.3.3, the transferor Lender, the Agent and the Borrowers shall, if the transferor Lender or the Purchaser desires that its Loans be evidenced by Notes, make appropriate arrangements so that new Notes or, as appropriate, replacement Notes are issued to such transferor Lender and new Notes or, as appropriate, replacement Notes, are issued to such Purchaser, in each case in principal amounts reflecting their respective Revolving Loan Commitments (or, if the Revolving Loan Commitments have terminated, the Revolving Loan Credit Exposure) or Term Loan Commitment (if any) and Term Loans, as appropriate, as adjusted pursuant to such assignment.

12.3.4. Register. The Agent, acting solely for this purpose as an agent of the Borrowers, shall maintain at one of its offices in Chicago, Illinois a copy of each assignment agreement delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Revolving Loan Commitments and Term Loan Commitments of, and principal amounts of the Loans owing to, each Lender, and

participations of each Lender in Facility LCs, pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, and the Borrowers, the Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrowers at any reasonable time and from time to time upon reasonable prior notice.

12.4. Dissemination of Information. Each Borrower authorizes each Lender to disclose to any Participant or Purchaser or any other Person acquiring an interest in the Loan Documents by operation of law (each a "Transferee") and any prospective Transferee any and all information in such Lender's possession concerning the creditworthiness of such Borrower and its Subsidiaries; *provided* that each Transferee and prospective Transferee agrees to be bound by Section 9.11 of this Agreement.

12.5. Tax Treatment. If any interest in any Loan Document is transferred to any Transferee which is not incorporated under the laws of the United States or any State thereof, the transferor Lender shall cause such Transferee, concurrently with the effectiveness of such transfer, to comply with the provisions of Section 3.5.4.

ARTICLE XIII

NOTICES

13.1. Notices; Electronic Communication.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in paragraph (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier as follows:

(i) if to any Borrower or any other Loan Party, to:

Actuant Corporation
13000 West Silver Spring Drive
Butler, WI 53007
Attn: Mr. Andrew G. Lampereur
Phone: (262) 373-7401
Fax: (262) 373-7497

(ii) if to the Agent (except as set forth in clause (iii) below), to:

JPMorgan Chase Bank, National Association
10 South Dearborn, 7th Floor
Mail Code: IL1-0011
Chicago, IL 60603-2003
Attn: Leonida Mischke
Phone: (312) 385-7055
Fax: (312) 385-7096

(iii) if to the Agent in respect of a Borrowing Notice or Conversion/Continuation Notice for an Advance denominated in Euros or Pounds Sterling, to:

J.P. Morgan Europe Limited
125 London Wall
London EC2Y 5AJ
Attn: Loan Agency
Phone: 44 (0) 207 777 2940
Fax: 44 (0) 207 777 2360/2085

(with a copy to the Agent at the address specified in clause (ii) above)

(iv) if to JPMorgan in its capacity as LC Issuer, to:

JPMorgan Chase Bank, National Association
10 South Dearborn, 7th Floor
Mail Code: IL1-0011
Chicago, IL 60603-2003
Attn: Phyllis Huggins
Phone: (312) 732-2592
Fax: (312) 732-2729

(v) if to any other Person in its capacity as LC Issuer, at the address specified by such Person to the Company and the Agent upon such Person becoming an LC Issuer hereunder; and

(vi) if to a Lender, to it at its address (or telecopier number) set forth in its Administrative Questionnaire.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by telecopier shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices delivered through electronic communications to the extent provided in paragraph (b) below, shall be effective as provided in said paragraph (b).

(b) Electronic Communications. Notices and other communications to the Lenders and the LC Issuer hereunder may be delivered or furnished by electronic communication (including e-mail and internet or intranet websites) pursuant to procedures approved by the Agent or as otherwise determined by the Agent, *provided* that the foregoing shall not apply to notices to any Lender or the LC Issuer pursuant to Article II if such Lender or the LC Issuer, as applicable, has notified the Agent that it is incapable of receiving notices under such Article by electronic communication. The Agent or the Company may, in its respective discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it or as it otherwise determines, *provided* that such determination or approval may be limited to particular notices or communications.

Unless the Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgment), *provided* that if such notice or other communication is not given during the normal business hours of the recipient, such notice or communication shall be deemed to have been given at the opening of business on the next Business Day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(c) Change of Address, Etc. Any party hereto may change its address or telecopier number for notices and other communications hereunder by notice to the other parties hereto, except that a Lender shall be required to give such notice only to the Company and the Agent.

ARTICLE XIV

COUNTERPARTS; INTEGRATION; EFFECTIVENESS; ELECTRONIC EXECUTION

14.1 Counterparts; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Subject to the qualifications provided in Article IV, this Agreement shall become effective when it shall have been executed by the Agent, and when the Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by telecopy shall be effective as delivery of a manually executed counterpart of this Agreement.

14.2 Electronic Execution of Assignments. The words "execution," "signed," "signature," and words of like import in any assignment and assumption agreement shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any other state laws based on the Uniform Electronic Transactions Act.

ARTICLE XV

CHOICE OF LAW; CONSENT TO JURISDICTION; WAIVER OF JURY TRIAL

15.1. CHOICE OF LAW. THE LOAN DOCUMENTS (OTHER THAN THOSE CONTAINING A CONTRARY EXPRESS CHOICE OF LAW PROVISION) SHALL BE CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS (INCLUDING, WITHOUT LIMITATION, 735 ILCS SECTION 105/5-1 ET SEQ, BUT OTHERWISE WITHOUT REGARD TO THE CONFLICT OF LAWS PROVISIONS) OF THE STATE OF ILLINOIS, BUT GIVING EFFECT TO FEDERAL LAWS APPLICABLE TO NATIONAL BANKS.

15.2. CONSENT TO JURISDICTION. EACH BORROWER HEREBY IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF ANY UNITED STATES FEDERAL OR ILLINOIS STATE COURT SITTING IN CHICAGO, ILLINOIS IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENTS AND EACH BORROWER HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH COURT AND IRREVOCABLY WAIVES ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE AS TO THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT OR THAT SUCH COURT IS AN INCONVENIENT FORUM. NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE AGENT, THE LC ISSUER OR ANY LENDER TO BRING PROCEEDINGS AGAINST ANY BORROWER IN THE COURTS OF ANY OTHER JURISDICTION. ANY JUDICIAL PROCEEDING BY ANY BORROWER AGAINST THE AGENT, THE LC ISSUER OR ANY LENDER OR ANY AFFILIATE OF THE AGENT, THE LC ISSUER OR ANY LENDER INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH ANY LOAN DOCUMENT SHALL BE BROUGHT ONLY IN A COURT IN CHICAGO, ILLINOIS.

15.3. WAIVER OF JURY TRIAL. EACH BORROWER, THE AGENT, THE LC ISSUER AND EACH LENDER HEREBY WAIVE TRIAL BY JURY IN ANY JUDICIAL PROCEEDING INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH ANY LOAN DOCUMENT OR THE RELATIONSHIP ESTABLISHED THEREUNDER.

15.4. AGENT FOR SERVICE OF PROCESS. EACH FOREIGN SUBSIDIARY BORROWER HEREBY IRREVOCABLY APPOINTS THE COMPANY AS ITS AGENT FOR SERVICE OF PROCESS IN ANY PROCEEDING REFERRED TO IN SECTION 15.2 AND AGREES THAT SERVICE OF PROCESS IN ANY SUCH PROCEEDING MAY BE MADE BY MAILING OR DELIVERING A COPY THEREOF TO IT CARE OF COMPANY AT ITS ADDRESS FOR NOTICES SET FORTH IN ARTICLE XIII OF THIS AGREEMENT.

ARTICLE XVI

GUARANTY

16.1. Company Guaranty. In order to induce the Lenders to extend credit to the Foreign Subsidiary Borrowers hereunder, the Company hereby irrevocably and unconditionally guarantees, as a primary obligor and not merely as a surety, the payment when and as due of the Obligations of such Foreign Subsidiary Borrowers. The Company further agrees that the due and punctual payment of such Obligations may be extended or renewed, in whole or in part, without notice to or further assent from it, and that it will remain bound upon its guarantee hereunder notwithstanding any such extension or renewal of any such Obligation.

The Company waives presentment to, demand of payment from and protest to any Borrower of any of the Obligations, and also waives notice of acceptance of its obligations and notice of protest for nonpayment. The obligations of the Company hereunder shall not be affected by (a) the failure of the Agent, the LC Issuer or any Lender to assert any claim or demand or to enforce any right or remedy against any Borrower under the provisions of this Agreement, any other Loan Document or otherwise; (b) any extension or renewal of any of the Obligations; (c) any rescission, waiver, amendment or modification of, or release from, any of the terms or provisions of this Agreement, or any other Loan Document or agreement; (d) any default, failure or delay, willful or otherwise, in the performance of any of the Obligations; or (e) any other act (other than payment of the Obligations), omission or delay to do any other act which may or might in any manner or to any extent vary the risk of the Company or otherwise operate as a discharge of a guarantor as a matter of law or equity or which would impair or eliminate any right of the Company to subrogation.

The Company further agrees that its agreement hereunder constitutes a guarantee of payment when due (whether or not any bankruptcy or similar proceeding shall have stayed the accrual or collection of any of the Obligations or operated as a discharge thereof) and not merely of collection, and waives any right to require that any resort be had by the Agent, the LC Issuer or any Lender to any balance of any deposit account or credit on the books of the Agent, the LC Issuer or any Lender in favor of any Borrower or any other Person.

The obligations of the Company hereunder shall not be subject to any reduction, limitation, impairment or termination for any reason (other than payment of the Obligations), and shall not be subject to any defense or set-off, counterclaim, recoupment or termination whatsoever, by reason of the invalidity, illegality or unenforceability of any of the Obligations, any impossibility in the performance of any of the Obligations or otherwise.

The Company further agrees that its obligations hereunder shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of any Obligation is rescinded or must otherwise be restored by the Agent, the LC Issuer or any Lender upon the bankruptcy or reorganization of any Borrower or otherwise.

In furtherance of the foregoing and not in limitation of any other right which the Agent, the LC Issuer or any Lender may have at law or in equity against the Company by virtue hereof, upon the failure of any Foreign Subsidiary Borrower to pay any Obligation when and as the same shall become due, whether at maturity, by acceleration, after notice of prepayment or otherwise, the Company hereby promises to and will, upon receipt of written demand by the Agent, forthwith pay, or cause to be paid, to the Agent, in cash an amount equal to the unpaid principal amount of such Obligations then due, together with accrued and unpaid interest thereon. The Company further agrees that if payment in respect of any Obligation shall be due in a currency other than Dollars and/or at a place of payment other than at the address of the Agent specified in Article XIII and if, by reason of any adoption of, or change in, any law or regulation, disruption of currency or foreign exchange markets, war or civil disturbance or other event, payment of such Obligation in such currency or at such place of payment shall be impossible or, in the reasonable judgment of the Agent, disadvantageous to the Agent, the LC Issuer or any Lender, in any material respect, then, at the election of the Agent, the Company shall make payment of such Obligation in Dollars (based upon the applicable Exchange Rate in effect on the date of payment) and/or at the address of the Agent specified in Article XIII, and, as a separate and independent obligation, shall indemnify the Agent, the LC Issuer and each Lender against any losses or reasonable out-of-pocket expenses that it shall sustain as a result of such alternative payment.

Upon payment by the Company of any sums as provided above, all rights of the Company against any Foreign Subsidiary Borrower arising as a result thereof by way of right of subrogation or otherwise shall in all respects be subordinated and junior in right of payment to the prior indefeasible payment in full in cash of all the Obligations owed by such Foreign Subsidiary Borrower to the Agents and the Lenders.

Nothing shall discharge or satisfy the liability of the Company hereunder except the full performance and payment of the Obligations.

16.2. Foreign Subsidiary Borrower Guaranty. Upon the joinder of any Foreign Subsidiary as a Foreign Subsidiary Borrower hereunder, (i) such Foreign Subsidiary shall, to the extent permitted by applicable law, execute and deliver in favor of the Agent, for the benefit of the Lenders, a guaranty of payment of the Obligations of each other Foreign Subsidiary Borrower and (ii) each other Borrower shall, to the extent permitted by applicable law, execute and deliver a guaranty (or, as applicable, a reaffirmation of guaranty) of payment of the Obligations of such Foreign Subsidiary Borrower, in each case, in form and substance reasonably satisfactory to the Agent, together with such supporting documentation, including authorizing resolutions and/or opinions of counsel, as the Agent may reasonably request. Notwithstanding the foregoing, no Dutch Borrower shall be liable under such Guaranty to the extent that, if it were so liable, its entry into such Guaranty would violate sections 2:98c or 2:207 of the Dutch Civil Code (*Burgerlijk Wetboek*).

ARTICLE XVII

NO NOVATION OF EXISTING CREDIT AGREEMENT

17.1. No Novation of Existing Credit Agreement. It is the intent of the parties hereto that, from and after the Closing Date, this Agreement (i) shall re-evidence, in part, the Company's obligations and indebtedness under the Existing Credit Agreement, (ii) is entered into in substitution for, and not in payment of, the obligations and indebtedness of the Company under the Existing Credit Agreement, and (iii) is in no way intended to constitute a novation of any of the Company's obligations and indebtedness which were evidenced by the Existing Credit Agreement or any of the other Loan Documents (including any fee letters or Notes delivered in connection therewith). All Loans made and Obligations incurred under the Existing Credit Agreement which are outstanding on the Closing Date shall continue as Revolving Loans, Obligations and Secured Obligations under (and shall be governed by the terms of) this Agreement. Without limiting the foregoing, upon the effectiveness hereof, (i) all Existing Letters of Credit shall continue as Facility LCs under (and shall be governed by the terms of) this Agreement as provided in Section 2.19.13 and (ii) the Agent shall make such reallocations of each Lender's share of the outstanding Loans under the Existing Credit Agreement as are necessary in order that each such Lender's share of the outstanding Loans hereunder reflects such Lender's ratable share of the Aggregate Revolving Loan Commitment and Aggregate Term Loan Commitment hereunder. On the Closing Date, the Company shall pay to the Agent for the ratable account of the Lenders then party to the Existing Credit Agreement, (i) accrued and unpaid commitment fees under the Existing Credit Agreement through the Closing Date and (ii) accrued and unpaid interest on Loans under (and as defined in) the Existing Credit Agreement through the Closing Date.

17.2. References to This Agreement In Loan Documents. All references herein to "hereunder," "hereof," or words of like import and all references in any other Loan Document to the "Credit Agreement" or words of like import shall mean and be a reference to the Existing Credit Agreement as amended and restated hereby (and any section references in such Loan Documents to the Existing Credit Agreement shall refer to the applicable equivalent provision set forth herein although the section number thereof may have changed).

17.3. Departing Lenders. Each Departing Lender has agreed to execute and deliver a Departing Lender Signature Page, pursuant to which such Departing Lender shall cease to be a party to the Existing Credit Agreement, each Departing Lender's "Revolving Loan Commitment" under (and as defined in) the Existing Credit Agreement shall be terminated and each Departing Lender shall not be a Lender hereunder (provided that the indemnities and obligations of the Company contained in Section 9.6 of the Existing Credit Agreement in favor of each Departing Lender shall survive the termination of such Departing Lender's "Revolving Loan Commitment" under the Existing Credit Agreement).

[SIGNATURE PAGES TO BE POSTED SEPARATELY]

IN WITNESS WHEREOF, the Company, the Lenders, the LC Issuer and the Agent have executed this Agreement as of the date first above written.

ACTUANT CORPORATION,
as a Borrower

By: /s/ Terry M. Braatz
Name: Terry M. Braatz
Title: Treasurer

Revolving Loan Commitment: $61,003,236.25
Initial Term Loan Commitment: $13,996,763.75

JPMORGAN CHASE BANK, N.A.,
as a Lender, as LC Issuer and as Agent

By: /s/ James M. Sumoski
Name: James M. Sumoski
Title: Vice President

Revolving Loan Commitment: $61,003,236.24
Initial Term Loan Commitment: $13,996,763.76

BANK OF AMERICA, N.A.,
as a Syndication Agent and as a Lender

By: /s/ Jeffrey A. Armitage
Name: Jeffrey A. Armitage
Title: Senior Vice President

Revolving Loan Commitment: $61,003,236.24
Initial Term Loan Commitment: $13,996,763.76

WELLS FARGO BANK, N.A.,
as a Syndication Agent and as a Lender

By: /s/ Joseph Giampetroni
Name: Joseph Giampetroni
Title: Relationship Manager

Revolving Loan Commitment: $38,834,951.46
Initial Term Loan Commitment: $11,165,048.54

M&I MARSHALL & ILSLEY BANK,
as a Documentation Agent and as a Lender

By: /s/ Ronald J. Carey
Name: Ronald J. Carey
Title: Vice President

By: /s/ James R. Miller
Name: James R. Miller
Title: Senior Vice President

Revolving Loan Commitment: $38,834,951.46
Initial Term Loan Commitment: $11,165,048.54

U.S. BANK NATIONAL ASSOCIATION,
as a Documentation Agent and as a Lender

By: /s/ Caroline V. Krider
Name: Caroline V. Krider
Title: Vice President & Senior Lender

Revolving Loan Commitment: $35,000,000.00

UBS AG, STAMFORD BRANCH,
as a Lender

By: /s/ Richard L. Tavrow
Name: Richard L. Tavrow
Title: Director

By: /s/ Mary E. Evans
Name: Mary E. Evans
Title: Associate Director

Initial Term Loan Commitment: $25,000,000.00

CRÉDIT INDUSTRIEL ET
COMMERCIAL, as a Lender

By: /s/ Anthony Rock
Name: Anthony Rock
Title: Managing Director

By: /s/ Marcus Edward
Name: Marcus Edward
Title: Managing Director

Revolving Loan Commitment: $19,417,475.73
Initial Term Loan Commitment: $5,582,524.27

THE PRIVATEBANK AND TRUST COMPANY, as a Lender

By: /s/ Randy D. Olver
Name: Randy D. Olver
Title: Managing Director

Revolving Loan Commitment: $15,533,980.58
Initial Term Loan Commitment: $4,466,019.42

ASSOCIATED BANK, N.A.,
as a Lender

By: /s/ Daniel Holzhauer
Name: Daniel Holzhauer
Title: Vice President

Revolving Loan Commitment: $15,533,980.58
Initial Term Loan Commitment: $4,466,019.42

KEYBANK NATIONAL ASSOCIATION,
as a Lender

By: /s/ Brian P. Fox
Name: Brian P. Fox
Title: Assistant Vice President

Revolving Loan Commitment: $15,533,980.58
Initial Term Loan Commitment: $4,466,019.42

ROYAL BANK OF CANADA,
as a Lender

By: /s/ James F. Disher
Name: James F. Disher
Title: Authorized Signatory

Revolving Loan Commitment: $11,650,485.44
Initial Term Loan Commitment: $3,349,514.56

BMO CAPITAL MARKETS FINANCING, INC., as a Lender

By: /s/ Thad D. Rasche
Name: Thad D. Rasche
Title: Director

Revolving Loan Commitment: $15,000,000.00

NATIONAL CITY BANK,
as a Lender

By: /s/ Michael Leong
Name: Michael Leong
Title: Vice President

Revolving Loan Commitment: $11,650,485.44
Initial Term Loan Commitment: $3,349,514.56

THE NORTHERN TRUST COMPANY,
as a Lender

By: /s/ Patrick Cowan
Name: Patrick Cowan
Title: Vice President

The undersigned Departing Lender hereby acknowledges and agrees that, from and after the Closing Date, it is no longer a party to the Existing Credit Agreement.

MIZUHO CORPORATE BANK, LTD.

By: /s/ Hidekatsu Take
Name: Hidekatsu Take
Title: Deputy General Manager

The undersigned Departing Lender hereby acknowledges and agrees that, from and after the Closing Date, it is no longer a party to the Existing Credit Agreement.

WACHOVIA BANK, NATIONAL ASSOCIATION

By: /s/ C. Jeffrey Seaton
Name: C. Jeffrey Seaton
Title: Managing Director

EXHIBIT A

FORM OF OPINION OF LOAN PARTIES' U.S. COUNSEL

See attached.

November 10, 2008

The Agent, the LC Issuer, and the Lenders who
are parties to the Credit Agreement referred to below
c/o JPMorgan Chase Bank, N.A., as Agent
10 South Dearborn, Floor 19
Chicago, IL 60603

Re: Actuant Corporation

Ladies and Gentlemen:

We have acted as special counsel to Actuant Corporation, a Wisconsin corporation (the "Company") and the other Credit Parties referred to below, in connection with the preparation, execution and delivery of the Credit Agreement and the Loan Documents referred to below. This opinion is being delivered pursuant to Section 4.1(a)(v) of the Credit Agreement. Terms not otherwise defined herein are used herein as defined in the Credit Agreement.

In our examination of the documents referred to below, we have assumed the genuineness of all signatures including endorsements, the legal capacity of natural persons, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified or photostatic copies, and the authenticity of the originals of such copies. As to any facts material to this opinion which we did not independently verify, we have, without independent investigation, relied upon certificates, statements and representations of the Credit Parties and their respective officers and other representatives, and of public officials, including the facts set forth in the Officer's Certificate described below.

I. SCOPE OF REVIEW

In rendering the opinions set forth herein, we have examined and relied on originals or copies of the following, all (except as otherwise set forth below) dated as of November 10, 2008, and all delivered pursuant to the Credit Agreement:

(a) the Second Amended and Restated Credit Agreement (the "Credit Agreement") among the Company, the foreign subsidiary borrowers party thereto (with the Company, the "Borrowers"), the lenders from time to time party thereto (the "Lenders"), and JPMorgan Chase Bank, N.A., as Administrative Agent for the Lenders (the "Agent");

(b) the Second Amended and Restated Subsidiary Guaranty among the Subsidiaries of the Company signatory thereto (the "Subsidiary Guarantors") and the Agent (the "Guaranty");

(c) the Second Amended and Restated Pledge Agreement among the Company, GB Tools and Supplies, Inc., a Wisconsin corporation ("GB Tools") and the other Subsidiaries of the Company signatory thereto (collectively, the "Pledgors") and the Agent (the "U.S. Pledge Agreement");

(d) a certificate of the Secretary or Assistant Secretary of each Credit Party certifying as to (A) the charter, certificate of formation or certificate of limited partnership, as applicable, of such Credit Party (collectively, the "Charters"); (B) the by-laws, operating agreement, or partnership agreement, as applicable, of such Credit Party (collectively, together with the Charters, the "Organizational Documents"), (C) resolutions adopted on November 7, 2008, by the Board of Directors, sole member or general partner, as applicable, of each Credit Party, and (D) incumbency and specimen signatures of certain officers;

(e) certificates of the Secretary of State of Delaware, each dated a recent date, attesting to the continued corporate existence and good standing of (i) Versa Technologies, Inc., a Delaware corporation, (ii) Atlantic Guest, Inc., a Delaware corporation, (iii) Actuant International Holdings, Inc., a Delaware corporation, (iv) Maxima Holding Company, Inc., a Delaware corporation, (v) Maxima Holdings – Europe Inc., a Delaware corporation, (vi) Maxima Technologies & Systems, LLC, a Delaware limited liability company, (vii) Precision Sure-Lock, Inc., a Delaware corporation, (viii) Hydratight Operations, Inc., a Delaware corporation and (ix) Sanlo, Inc., a Delaware corporation (collectively, the "Delaware Credit Parties") in Delaware;

(f) certificates of the Secretary of State of New York, each dated a recent date, attesting to the continued corporate existence and good standing of (i) Key Components, Inc, a New York corporation. (ii) Acme Electric Corporation, a New York corporation, (iii) B.W. Elliott Manufacturing Co., LLC, a New York limited liability company and (iv) Cortland Cable Company, Inc., a New York corporation (collectively, the "New York Credit Parties") in New York;

(g) a certificate of the Secretary of State of Illinois, dated a recent date, attesting to the continued corporate existence and good standing of Templeton, Kenly & Co., Inc., an Illinois corporation (the "Illinois Credit Party") in Illinois;

(h) a certificate of the Secretary of State of Texas and a certificate of the Texas Comptroller of Public Accounts, each dated a recent date, attesting to the continued corporate existence and good standing of Superior Plant Services, LLC, a Texas limited liability company (the "Texas Credit Party") in Texas;

(i) a certificate in the form of Schedule I ("Officer's Certificate") executed by the Treasurer of the Company as to various factual matters;

(j) with respect to each Pledgor, a filed or, in the case of GB Tools, an unfiled copy of a financing statement (individually a "UCC Financing Statement" and collectively the "UCC Financing Statements") naming such Pledgor as debtor and the Agent as secured party, filed or, in the case of GB Tools, to be filed in the filing office listed opposite the name of such Pledgor on Schedule II attached hereto (collectively, the

"Filing Offices") with respect to the security interests granted to the Agent pursuant to the U.S. Pledge Agreement (a copy of the UCC Financing Statements being attached as Schedule III); and

(k) such other documents and records, and other certificates, opinions and instruments and have conducted such investigation as we have deemed necessary as a basis for the opinions expressed below.

The documents referred to in clauses (a) through (c) above are herein collectively called the "Loan Documents." The Company, the Subsidiary Guarantors and the Pledgors in their respective capacities as such, are herein collectively called the "Credit Parties."

For purposes hereof, the following terms have the following meanings: (a) "Applicable Laws" means those laws, rules and regulations of the State of Illinois, of the State of New York, of the State of Texas and of the United States of America which, in our experience, are normally applicable to transactions of the type contemplated by the Loan Documents, it being understood, however, that Applicable Laws shall not include securities laws, antitrust laws, and Federal Reserve margin regulations; (b) "Governmental Authority" means any executive, legislative, judicial, administrative or regulatory body of the State of Illinois, of the State of New York, of the State of Texas or of the United States of America; (c) "Governmental Approval" means any consent, approval, license, authorization or validation of, or filing, recording or registration with, any Governmental Authority pursuant to Applicable Laws to the extent specifically referred to herein; and (d) "Applicable Contracts" collectively means those indentures, loans or credit agreements, leases, guarantees, mortgages, security agreements, bonds, notes and other agreements or instruments set forth on Schedule I of the Officer's Certificate, which have been identified to us as all the agreements and instruments which could reasonably be expected to contain provisions affecting or purporting to affect the right of any Credit Party to perform its obligations under the Loan Documents to which it is a party and the breach of which could reasonably be expected to have a Material Adverse Effect on the Credit Parties.

We are admitted to the Bar in the States of Illinois, New York and Texas. Except as provided in the immediately following paragraph, we express no opinion as to the laws of any jurisdiction other than (a) the laws of the State of Illinois, (b) the laws of the State of New York, (c) the laws of the State of Texas, (d) the Delaware General Corporation Law, (e) the Delaware Limited Liability Company Act and (f) the federal laws of the United States of America to the extent such laws are Applicable Laws or are otherwise specifically referred to herein.

With respect to our opinions in paragraph 9 below regarding the perfection of Pledged Collateral, to the extent our opinions are not governed by the laws described in the immediately preceding paragraph, our opinions are based solely on a review of Sections 9-102, 9-108, 9-203, 9-301, 9-304, 9-305, 9-307, 9-308, 9-310, 9-312, 9-315, 9-501, 9-502, 9-503, 9-504, 9-509, 9-510, 9-516 and 9-521 of the Uniform Commercial Code of the States of Wisconsin and Indiana as printed in the CCH Secured Transactions Guide as updated through October 14, 2008 (the foregoing states are sometimes herein called the "Designated States" and the Uniform Commercial Codes as adopted and in effect in such Designated States are sometimes herein called the "Designated UCC's"). We have not reviewed any other sections of the Designated UCC's, including any provisions that are referred to in the sections that we have reviewed which are noted above, nor have we reviewed any local filing rules or any other statutes of the Designated States or judicial decisions construing the laws of the Designated States. By rendering the opinions set forth in paragraph 9 below, we do not intend to indicate that we are experts on, or qualified to render opinions on, the laws of the Designated States. Accordingly, we caution you that the opinions in

paragraph 9 below could be materially affected by other provisions of the Designated UCC's, other statutes, laws, rules or regulations of the Designated States or judicial decisions of courts construing the laws of the Designated States.

Our opinions are also subject to the following assumptions and qualifications:

II. ASSUMPTIONS

We have assumed, with your permission, that:

(1) each Credit Party (other than the Delaware Credit Parties, the New York Credit Parties, the Illinois Credit Party and the Texas Credit Party) is validly existing and is in good standing under the laws of its jurisdiction of organization;

(2) each of the Credit Parties (other than the Delaware Credit Parties, the New York Credit Parties, the Illinois Credit Party and the Texas Credit Party) has the power to execute, deliver and perform all of its obligations under each of the Loan Documents to which it is a party. The execution and delivery of each of such Loan Documents and the consummation by each of the Credit Parties (other than the Delaware Credit Parties, the New York Credit Parties, the Illinois Credit Party and the Texas Credit Party) of the transactions contemplated thereby have been duly authorized by requisite corporate and limited partnership action, as applicable, on the part of each of the Credit Parties (other than the Delaware Credit Parties, the New York Credit Parties, the Illinois Credit Party and the Texas Credit Party);

(3) each of the Loan Documents has been duly authorized, executed and delivered by the parties thereto (other than the Delaware Credit Parties, the New York Credit Parties, the Illinois Credit Party and the Texas Credit Party);

(4) each of the Loan Documents constitutes the legal, valid and binding obligation of each party thereto (other than the Credit Parties), enforceable against such parties (other than the Credit Parties) in accordance with its terms;

(5) the execution, delivery and performance by each Credit Party of any of its obligations under the Loan Documents to which it is a party does not and will not conflict with, contravene, violate or constitute a default under (A) any lease, indenture, instrument or other agreement to which such Credit Party or its property is subject (other than the Organizational Documents or the Applicable Contracts as to which we express our opinion in paragraph 5 herein), (B) any rule, law or regulation to which such Credit Party is subject (other than the Applicable Laws as to which we express our opinion in paragraph 6 herein), or (C) any judicial or administrative order or decree of any Governmental Authority (other than as to which we express our opinion in paragraph 7 herein); and

(6) no authorization, consent or other approval of, notice to or filing with any court, governmental authority or regulatory body (other than the Governmental Approvals as to which we express our opinion in paragraph 7 herein) is required to authorize or is required in connection with the execution, delivery or performance by any Credit Party of any Loan Document to which it is a party or the transactions contemplated thereby.

We understand that you are separately receiving an opinion, subject to certain assumptions and limitations, with respect to certain of the foregoing from special local counsel to the Credit Parties.

III. QUALIFICATIONS

A. We express no opinion as to the effect on the opinions herein stated of (i) the compliance or non-compliance of any party (other than the Credit Parties) to the Loan Documents with any federal, state, or other laws or regulations applicable to them or (ii) the legal or regulatory status or the nature of the business of such other parties (other than the Credit Parties).

B. We express no opinion as to the applicability or effect of Sections §§364, 547, 548 or 552 of the United States Bankruptcy Code or any comparable provision of state law on the Loan Documents or any transaction contemplated thereby.

C. We express no opinion as to the enforceability of the provisions of the Loan Documents providing for indemnity by the parties thereto against any loss in obtaining the currency due to such party under such document from a court judgment in another currency. We note that courts in the United States generally award judgments only in United States dollars. We call your attention to the fact that a judgment of a court in New York that is entered in a currency other than United States dollars is to be converted into United States dollars at the rate of exchange prevailing on the date of entry of such judgment.

D. We express no opinion as to the perfection (except as expressly set forth herein) or priority of any security interest of the Agent.

E. In the case of investment property:

(1) to the extent the security interest of the Agent in any certificated securities is perfected by possession, we express no opinion as to the perfection of such security interest in any securities the continuous possession of which is not maintained by the Agent in the State of Illinois or New York, and, in addition, we call to your attention that the perfection (and the effect of perfection and non-perfection) of the security interest of the Agent in such certificated securities may be governed by laws other than those of the Illinois or New York UCC to the extent such securities become located in a jurisdiction other than the State of Illinois or New York; and

(2) you should be aware that in the case of Collateral consisting of securities, the Agent or the Lenders may not be entitled to vote such securities or to receive dividends or other distributions directly from the issuer thereof prior to becoming record holder of such securities, nor may such securities be sold or further transferred by the Agent or the Lenders without registration under the Securities Act of 1933, except pursuant to an exemption from registration contained in such act, and qualification or exemption under any applicable state securities or “blue sky” laws.

IV. OPINIONS

Based upon the foregoing and subject to the assumptions, limitations, qualifications, exceptions and other limitations set forth herein, we are of the opinion that:

1. Each of the Delaware Credit Parties, the New York Credit Parties, the Illinois Credit Party and the Texas Credit Party is validly existing and in good standing under the laws of its jurisdiction of organization.

2. Each of the Delaware Credit Parties, the New York Credit Parties, the Illinois Credit Party and the Texas Credit Party has the corporate or limited liability company power to execute, deliver and perform all of its obligations under the Loan Documents to which it is a party. The execution and delivery of the Loan Documents and the consummation by each of the Delaware Credit Parties, the New York Credit Parties, the Illinois Credit Party and the Texas Credit Party of the transactions contemplated thereby have been duly authorized by requisite corporate or limited liability company action on the part of each of the Delaware Credit Parties, the New York Credit Parties, the Illinois Credit Party and the Texas Credit Party.

3. Each of the Delaware Credit Parties, the New York Credit Parties, the Illinois Credit Party and the Texas Credit Party has executed and delivered each of the Loan Documents to which it is party.

4. Each of the Loan Documents constitutes the valid and binding obligation of each Credit Party which is a party thereto, enforceable in accordance with its terms, subject to the following qualifications:

(i) enforcement may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other similar laws affecting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in equity or at law), including, without limitation, concepts of materiality, reasonableness, unconscionability, good faith and fair dealing;

(ii) we express no opinion as to: the enforceability of any rights to contribution or indemnification provided for in the Loan Documents which are violative of the public policy underlying any law, rule or regulation (including any federal or state securities law, rule or regulation) or which are determined by a court or other tribunal to be in an unreasonable amount or to constitute a penalty;

(iii) we express no opinion with respect to the enforceability of (a) the provisions of the Loan Documents to the extent that they provide that provisions of the Loan Documents may only be waived in writing, (b) the provisions of the Loan Documents to the extent that any recovery of attorneys' fees is limited to reasonable attorneys' fees, (c) the provisions of the Loan Documents to the extent they state that the provisions of the Loan Documents are severable, (d) the agreements of the Credit Parties in the Loan Documents purporting to permit advances of funds for the payment of interest without the consent of the Credit Parties or to pay compound interest or interest on overdue interest, (e) the agreements of the Credit Parties in the Loan Documents to indemnify you against costs or expenses or liability notwithstanding your acts of gross negligence or willful misconduct, and (f) the provisions of the Loan Documents regarding submission to the jurisdiction or venue of a particular court, the waiver of the right to jury trial, or service of process, and/or choice of law;

(iv) we express no opinion with respect to the enforceability of (a) the ordinances and statutes, the administrative decisions and orders and the rules and regulations of any municipality, county or other political subdivision of the State of Illinois and (b) any of the waivers or remedies contained in the Loan Documents, whether

or not any Loan Document deems any such waiver or remedy commercially reasonable, if such waivers or remedies are determined not to be commercially reasonable within the meaning of the Uniform Commercial Code; and

(v) certain of the provisions contained in the Loan Documents may be limited or rendered unenforceable by applicable laws or judicial decisions governing such provisions or holding their enforcement to be unreasonable under the then-existing circumstances, but such laws and judicial decisions do not, in our opinion, render the Loan Documents invalid as a whole or leave you without remedies.

5. The execution and delivery by each Credit Party of the Loan Documents to which it is a party and performance by each of the Credit Parties of their obligations under such Loan Documents, each in accordance with its terms, do not (i) in the case of Delaware Credit Parties, the New York Credit Parties, the Illinois Credit Party and the Texas Credit Party, conflict with the Organizational Documents of such Credit Party, (ii) constitute a violation of or a default under any Applicable Contracts (except that we express no opinion with respect to compliance with financial covenants or tests), or (iii) cause the creation of any Lien upon any of the property of any Credit Party (except for Liens permitted by the Credit Agreement) pursuant to any Applicable Contract.

6. The execution and delivery by each Credit Party of the Loan Documents to which it is a party and performance by each of the Credit Parties of their obligations under such Loan Documents, each in accordance with its terms, do not violate any provision of any Applicable Law.

7. No Governmental Approval, which has not been obtained or taken and is not in full force and effect, is required to authorize or is required in connection with the execution, delivery or performance of any of the Loan Documents by the Credit Parties except as may be required to be made or obtained by you as a result of your involvement in the transactions contemplated by the Loan Documents.

8. The Obligations constitute senior indebtedness which is entitled to the benefits of the subordination provisions of all Subordinated Indebtedness outstanding and in effect on the date hereof.

9. As to each Pledgor, the U.S. Pledge Agreement creates, in favor of the Agent, a valid security interest in the "Pledged Collateral" (as defined in the U.S. Pledge Agreement). The UCC Financing Statement of each Pledgor has been filed in the Filing Office listed opposite the name of such Pledgor in Schedule II or, in the case of the UCC Financing Statement of GB Tools, is in proper form for filing in Filing Office opposite the name of GB Tools in Schedule II. Upon the filing of the UCC Financings Statement of GB Tools in the applicable Filing Office, the security interests in the Pledged Collateral granted by each Pledgor to the Agent pursuant to the U.S. Pledge Agreement will be perfected to the extent that such security interests may be perfected under the applicable Designated UCC by the filing a financing statement in the Filing Office listed opposite the name of such Pledgor in Schedule II.

10. The Company is not an "investment company" registered or required to be registered under the Investment Company Act of 1940, as amended, or, to our knowledge, controlled by such a company.

11. To our knowledge, no Credit Party is subject to any orders or decrees of Governmental Authorities which will be contravened by the execution, delivery and performance by such Credit Party of its obligations under the Loan Documents.

12. The making of the Loans and the application of the proceeds thereof as provided in the Credit Agreement do not violate Regulations T, X or U of the Board of Governors of the Federal Reserve System.

This opinion is limited to the matters expressly set forth herein and no opinion is implied or may be inferred beyond the matters expressly so stated. This opinion is given as of the date hereof and we do not undertake any liability or responsibility to inform you of any change in circumstances occurring, or additional information becoming available to us, after the date hereof which might alter the opinions contained herein. As used herein, the qualification "to our knowledge" is limited to the actual knowledge of the following McDermott Will & Emery LLP attorneys who worked directly on the transactions contemplated hereby: Michael L. Boykins, John P. Hammond and Emily Garrison.

This opinion is furnished to you solely for your benefit and your successors and permitted assigns under the Credit Agreement in connection with the transactions described above and is not to be used, circulated, quoted, relied upon or otherwise referred to for any other purpose without our prior written consent, and this opinion may not be relied upon by you for any other purpose or by any other person in any manner or for any purpose.

Very truly yours,

SCHEDULE I

Officer's Certificate

I, Terry M. Braatz, do hereby certify that I am the Treasurer of Actuant Corporation, a Wisconsin corporation (the "Company"), and that, as such, I am authorized to execute this certificate on behalf of the Company. I do hereby further certify that:

1. The Company is a party to that certain Second Amended and Restated Credit Agreement (the "Credit Agreement") among the Company, the foreign subsidiary borrowers party thereto (with the Company, the "Borrowers"), the lenders from time to time party thereto (the "Lenders"), and JPMorgan Chase Bank, N.A., as Administrative Agent for the Lenders (the "Agent").

2. I understand that this certificate will be relied upon by McDermott Will & Emery LLP ("Law Firm"), special counsel to the Company, in connection with a legal opinion (the "Opinion") to be delivered by Law Firm in connection with the transactions contemplated by the Credit Agreement and the Loan Documents. The Opinion will address certain issues related to the Loan Documents.

3. I am familiar with the transactions and other factual matters described in the Opinion and have made such investigations and inquiries as are necessary to enable me to execute and deliver this certificate.

4. All representations and warranties in the Credit Agreement and the Loan Documents are true and correct as to factual matters.

5. No Default or Unmatured Default exists or will exist after giving effect to the consummation of the initial transactions contemplated under the Credit Agreement.

6. Schedule 1 is a complete listing of each indenture, loan or credit agreement, lease, guarantee, mortgage, security agreement, bond, note and other agreement or instrument ("Applicable Contracts") which could reasonably be expected to contain provisions affecting or purporting to affect the right of any Credit Party to perform its obligations under the Loan Documents and the breach of which could reasonably be expected to have a material adverse effect on the Credit Parties.

7. The Company is not an "investment company" under the Investment Company Act of 1940 in that it is not:

a. in the business of investing, reinvesting, or trading in securities nor does it hold itself out as being engaged primarily, nor proposes to engage primarily, in the business of investing, reinvesting, or trading in securities;

b. engaged nor proposes to engage in the business of issuing face-amount certificates of the installment type, nor does the Company have any such certificate outstanding after having been previously engaged in such business; and

c. engaged nor proposes to engage in the business of investing, reinvesting, owning, holding, or trading in securities and does not own nor proposes to acquire investment securities having a value exceeding 40 per cent of the value of the Company's total assets (exclusive of Government securities and cash items) on an unconsolidated basis.

For the purpose of the foregoing:

"investment securities" includes all securities except (i) Government securities, (ii) securities issued by employee's securities companies, and (iii) securities used by majority-owned subsidiaries that (x) are not themselves investment companies and are not exempt under the Investment Company Act of 1940 on account of being owned by not more than one hundred persons or qualified purchasers (those who own not less than $5 million in total investment) and (y) have not made nor propose to make a public offering of securities;

"face-amount certificates of the installment type" means any certificate, investment contract, or other security which represents an obligation on the part of its issuer to pay a stated or determinable sum or sums at fixed or determinable times more than 24 months after issuance, in consideration of the payment of periodic installments;

"security" means any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in any profit-sharing agreement, collateral-trust certificate, preorganization certificate or subscription, transferable share, investment contract, voting-trust certificate, certificate of deposit for security, fractional undivided interest in oil, gas or other mineral rights, any put, call, straddle, option, or privilege on any security (including a certificate of deposit) or on any group or index of securities (including any interest therein or based on the value thereof), or any put, call, straddle, option, or privilege entered into on a national securities exchange relating to foreign currency, or, in general, any interest or instrument commonly known as a "security", or any certificate for, receipt for, guarantee of, or warrant or right to subscribe to a purchase any of the foregoing.

9. The name, address, jurisdiction of organization and organizational ID of the Company, Engineered Solutions, L.P., GB Tools and Supplies, Inc. and Actuant International Holdings, Inc. is as set forth in Schedule 2 hereto.

10. Each of the Company, Engineered Solutions, L.P., GB Tools and Supplies, Inc. and Actuant International Holdings, Inc. is a "registered organization" (as defined in Section 9-102(70) of the Uniform Commercial Code as in effect in Wisconsin, Delaware and Indiana).

11. All capitalized terms used but not defined herein have the respective meanings assigned to them in the Credit Agreement.

IN WITNESS WHEREOF, I have duly executed this certificate on November 10, 2008.

Name: Terry M. Braatz
Title: Treasurer

Schedule 1 - List of Applicable Contracts
Schedule 2 - UCC Information

SCHEDULE 1

Applicable Contracts

1. Indenture dated as of November 10, 2003 among the Company, certain of its Subsidiaries, as guarantors, and U.S. Bank National Association, as trustee.

2. Indenture dated as of June 11, 2007 between the Company and the "Trustee" referred to therein.

3. Receivables Sale Agreement dated as of May 30, 2001, as amended through the Closing Date, among the Company and certain of its Subsidiaries, as Originators, and Actuant Receivables Corporation, as Buyer.

4. Receivables Purchase Agreement dated as of May 30, 2001, as amended through the Closing Date, among Actuant Receivables Corporation, as Seller, the Company, as Initial Servicer, Variable Funding Capital Company LLC (as assignee of Blue Ridge Asset Funding Corporation) and Wachovia Bank, N.A., as Agent.

5. Amended and Restated Receivables Purchase Agreement dated as of September 10, 2008, to be effective on the Effective Date (as defined therein), among Actuant Receivables Corporation, as Seller, the Company, as Initial Servicer, and Wachovia Bank, N.A.

SCHEDULE 2

to Officer's Certificate

Credit Party: Company
Name: Actuant Corporation
Address: 6100 North Baker Road, Milwaukee, WI 53209
Jurisdiction of organization: Wisconsin
Organizational ID: 1A05989

Credit Party: Pledgor
Name: Engineered Solutions, L.P.
Address: 6100 North Baker Road, Milwaukee, WI 53209
Jurisdiction of organization: Indiana
Organizational ID: 2001022201002

Credit Party: Pledgor
Name: GB Tools and Supplies, Inc.
Address: 13000 West Silver Spring Drive Butler, WI 53007
Jurisdiction of organization: Wisconsin
Organizational ID: 1G04396

Credit Party: Pledgor
Name: Actuant International Holdings, Inc.
Address: 13000 West Silver Spring Drive Butler, WI 53007
Jurisdiction of organization: Delaware
Organizational ID: 4477526

SCHEDULE II

Pledgor	Filing Office
Actuant Corporation	State of Wisconsin Department of Financial Institutions
GB Tools and Supplies, Inc.	State of Wisconsin Department of Financial Institutions
Actuant International Holdings, Inc.	Secretary of State of Delaware
Engineered Solutions, L.P.	Secretary of State of Indiana

SCHEDULE III

Financing Statements

EXHIBIT B

COMPLIANCE CERTIFICATE

Dated as of [ ]

To: The Lenders party to the
Credit Agreement Described Below

This Compliance Certificate is furnished pursuant to that certain Second Amended and Restated Credit Agreement dated as of November 10, 2008 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") among Actuant Corporation, a Wisconsin corporation (the "Company"), the Foreign Subsidiary Borrowers party thereto, the lenders party thereto and JPMorgan Chase Bank, N.A., as Agent for the Lenders and as LC Issuer. Unless otherwise defined herein, capitalized terms used in this Compliance Certificate have the meanings ascribed thereto in the Credit Agreement.

THE UNDERSIGNED HEREBY CERTIFIES THAT:

1. I am the duly elected [Chief Financial Officer] [Treasurer] [Controller] [principal accounting officer] of the Company;

2. I have reviewed the terms of the Credit Agreement and I have made, or have caused to be made under my supervision, a detailed review of the transactions and conditions of the Company and its Subsidiaries during the accounting period covered by the attached financial statements (the fiscal quarter ended on the last day of the accounting period covered by the attached financial statements is referred to below as the "Fiscal Quarter");

3. The examinations described in paragraph 2 did not disclose, and I have no knowledge of, the existence of any condition or event which constitutes a Default or Unmatured Default during or at the end of the accounting period covered by the attached financial statements or as of the date of this Certificate, except as set forth below;

4. Schedule I [and Schedule II] attached hereto set[s] forth financial data and computations evidencing the Company's compliance with certain covenants of the Credit Agreement, all of which data and computations are true, complete and correct; and

5. Annex A attached hereto sets forth the various reports and deliveries which are required at this time under the Credit Agreement and the other Loan Documents and the status of compliance.

Described below are the exceptions, if any, to paragraph 3 by listing, in detail, the nature of the condition or event, the period during which it has existed and the action which the Company has taken, is taking, or proposes to take with respect to each such condition or event:

The foregoing certifications, together with the computations set forth in Schedule I [and Schedule II] hereto and the financial statements delivered with this Certificate in support hereof, are made and delivered this day of , 20 .

ACTUANT CORPORATION

By:
Name:
Title:

SCHEDULE I TO COMPLIANCE CERTIFICATE

Consolidated Net Income

+/– consolidated net after tax income (or loss) of the Company and its consolidated Subsidiaries (other than positive net income of any Subsidiary to the extent that the declaration or payment of dividends or similar distributions is not permitted of such Subsidiary as of the date of calculation)	$_____
+ any non-cash charges associated with the sale or discontinuance of assets, businesses or product lines	+_____
+ the cumulative effect of accounting changes	+_____
= Consolidated Net Income	$_____

Consolidated EBITDA

+/– Consolidated Net Income (Loss)	$_____
+ Consolidated Interest Expense	+_____
+ provisions for taxes based on income	+_____
+ total depreciation expense	+_____
+ total amortization expense	+_____
+ unrealized non-cash Net Mark-to-Market Exposure under Rate Management Transactions	+_____
+/– adjustments for extraordinary gains or losses or gains or losses from sales of assets other than inventory sold in the ordinary course of business	+/-_____
+ noncash charges attributable to the expensing of stock options	+_____
+ the write-off of deferred financing fees and any premium actually paid in connection with the Specified Financing Transactions	+_____
Consolidated EBITDA	=_____

A. LEVERAGE RATIO (Section 6.19.1)

Calculate the Leverage Ratio for the four-fiscal quarter period ended on the last day of the Fiscal Quarter, by dividing Consolidated Indebtedness by Consolidated EBITDA. If a Permitted Acquisition or Asset Sale has occurred during the applicable four-quarter period, calculate the Leverage Ratio on a pro forma basis (describe in reasonable detail on Schedule II hereto pro forma adjustments for Permitted Acquisitions and Asset Sales, if any, during such four-quarter period).

Net Consolidated Indebtedness may be used instead of Consolidated Indebtedness to calculate the Leverage Ratio if each of the following conditions are satisfied: (1) the Company did not use Net Consolidated Indebtedness instead of Consolidated Indebtedness to calculate the Leverage Ratio at the end of the immediately preceding Fiscal Quarter, and (2) there were no Loans outstanding under the Credit Agreement as of the calculation date of this Compliance Certificate.

Consolidated Indebtedness as of the last day of the Fiscal Quarter	$ _____
Consolidated EBITDA	$ _____
(a) Actual Leverage Ratio for Fiscal Quarter	_____ to 1
(b) Maximum permitted Leverage Ratio for Fiscal Quarter	[3.50 to 1.0] [4.00 to 1.0 due to Specified Acquisition completed on _____, 20__][1]

[1] The Leverage Ratio may be up to 4.00 to 1.0 for any fiscal quarter during which the Company or any of its Subsidiaries has entered into a Specified Acquisition (the "Trigger Quarter") and for the next succeeding fiscal quarter (or, if such Specified Acquisition occurred after the forty-fifth (45th) day of such Trigger Quarter, the next two succeeding fiscal quarters). At all other times, the maximum Leverage Ratio is 3.50 to 1.0.

B. FIXED CHARGE COVERAGE RATIO (Section 6.19.2)

Calculate the Fixed Charge Coverage Ratio for the four-fiscal quarter period ended on the last day of the Fiscal Quarter, as follows:

Consolidated EBITDA	$ _____
– Consolidated Capital Expenditures	– _____
+ Consolidated Rentals	+ _____
= Numerator	= _____
Consolidated Interest Expense	$ _____
– Non-cash Interest Expense	– _____
+ Consolidated Rentals	+ _____
+ expense for taxes paid or accrued	+ _____
+ cash dividends paid by the Company during such period	+ _____
= Denominator	= _____
(a) Actual Fixed Charge Coverage Ratio for Fiscal Quarter (Numerator/Denominator)	_____ to 1
(b) Minimum Permitted Fixed Charge Coverage Ratio	1.75 to 1

C. MATERIAL DOMESTIC SUBSIDIARY AND MATERIAL FOREIGN SUBSIDIARY CLASSIFICATION (DEFINITIONS,SECTION 6.21(a), (b))

1. 10.0% of the Consolidated Assets of the Company and its Subsidiaries as of the last day of the Fiscal Quarter $ _____

2. 10.0% of the Consolidated Operating Income of the Company and its Subsidiaries for the Fiscal Quarter $ _____

3. Material Domestic Subsidiaries

(a) Identify on Exhibit A hereto each Domestic Subsidiary of the Company (i) that directly holds any Equity Interest in any Material Foreign Subsidiary as of the end of the Fiscal Quarter, (ii) directly or indirectly holds any Equity Interest in a Foreign Subsidiary Borrower or (iii) on a consolidated basis with its Subsidiaries, (A) had assets as of the last day of the Fiscal Quarter (other than Equity Interests in Material Foreign Subsidiaries) that exceeded the amount set forth in Item C.1 or (B) was responsible for a portion of the Consolidated Operating Income of the Company and its Subsidiaries for the Fiscal Quarter in excess of the amount set forth in Item C.2 (excluding, with respect to any of the foregoing clauses (i), (ii) and (iii), any Domestic Subsidiary that is a special purpose Subsidiary created to engage solely in a Qualified Receivables Transaction) and (b) indicate on Exhibit A hereto whether each such Domestic Subsidiary is a Guarantor.

4. Material Foreign Subsidiaries

(a) Identify on Exhibit A hereto each Foreign Subsidiary of the Company any Equity Interest of which are held by the Company or any Domestic Subsidiary and that, on a consolidated basis with its Subsidiaries, (i) had assets as of the last day of the Fiscal Quarter that exceeded the amount set forth Item C.1 or (ii) was responsible for a portion of the Consolidated Operating Income of the Company and its Subsidiaries for the Fiscal Quarter in excess of the amount set forth in Item C.2 and (b) indicate on Exhibit A hereto whether any Equity Interests in any such Foreign Subsidiary have not been pledged to the Agent as and to the extent required pursuant to Section 6.21(b).

D. ADDITIONAL GUARANTORS AND PLEDGED FOREIGN SUBSIDIARIES (SECTION 6.21(C))

(i)	90% of Company and Domestic Subsidiaries.		
1.	90.0% of the aggregate assets of the Company and its Domestic Subsidiaries (other than Equity Interests in Subsidiaries) as of the last day of the Fiscal Quarter	$_____	
2.	The aggregate assets (other than Equity Interests in Subsidiaries) of the Company and the Guarantors as of the last day of the Fiscal Quarter	$_____	
3.	Does Item D.i.2 exceed Item D.i.1?		Yes/No
4.	90.0% of the aggregate operating income of the Company and its Domestic Subsidiaries for the Fiscal Quarter		$ _____
5.	The net income of the Company and its Domestic Subsidiaries for the Fiscal Quarter represented by the Company and the Guarantors		$ _____
6.	Does Item D.i.5 exceed Item D.i.4?		Yes/No
(ii)	50% of Foreign Subsidiaries.		
1.	50.0% of the aggregate assets of the Foreign Subsidiaries of the Company as of the last day of the Fiscal Quarter		$ _____
2.	The aggregate assets (on a consolidated basis with their respective Subsidiaries) as of the last day of the Fiscal Quarter of the Foreign Subsidiaries the Applicable Pledge Percentage of the Voting Equity Interests of which have been pledged under a Pledge Agreement as security for the Obligations of each Borrower (each, a "Pledged Foreign Subsidiary")		$ _____
3.	Does Item D.ii.2 exceed Item D.ii.1?		Yes/No
4.	50.0% of the aggregate operating income of the Foreign Subsidiaries of the Company for the Fiscal Quarter		$ _____
5.	The aggregate income of the Pledged Foreign Subsidiaries for the Fiscal Quarter		$ _____
6.	Does Item D.ii.5 exceed Item D.ii.4?		Yes/No
(iii)	75% of Company and its Consolidated Subsidiaries.		
1.	75.0% of the Consolidated Assets of the Company and its Subsidiaries as of the last day of the Fiscal Quarter		$ _____

2.	The aggregate assets, as of the last day of the Fiscal Quarter, of the Company, the Guarantors (in the case of the Company and such Guarantors, excluding Equity Interests in Subsidiaries) and all Pledged Foreign Subsidiaries (in the case of such Foreign Subsidiaries, on a consolidated basis with their respective Subsidiaries)		$_____
3.	Does Item D.iii.2 exceed Item D.iii.1?	Yes/No	
4.	75.0% of the Consolidated Operating Income of the Company and its Subsidiaries for the Fiscal Quarter		$_____
5.	The aggregate operating income of the Company, the Guarantors and all Pledged Foreign Subsidiaries (in the case of such Foreign Subsidiaries, on a consolidated basis with their respective Subsidiaries)		$_____
6.	Does Item D.iii.5 exceed Item D.iii.4?	Yes/No	

(iv) Additional Guarantors and Pledged Subsidiaries.

1. If the answer indicated in either of Item D.i.3, D.i.6, D.ii.3, D.ii.6, D.iii.3 or D.iii.6 is "No", indicate on Exhibit B hereto additional Domestic Subsidiaries that shall become Guarantors in accordance with Section 6.21(a) or 6.21(c) and/or additional Foreign Subsidiaries the Equity Interests of which shall be pledged in accordance with Section 6.21(b) or 6.21(c), in each case such that, after giving effect to such additional Guarantors and Pledged Collateral (and the compliance of any additional Domestic Subsidiaries with the terms of Sections 6.21(a) and the pledge of Equity Interests of any additional Foreign Subsidiaries pursuant to Section 6.21(b)), the calculations set forth in this Section D would result in the answers set forth in such Items being "Yes".

2. Provide on Exhibit B hereto detailed calculations demonstrating, as applicable, either (i) that the answer indicated in both Items D.i.3, D.i.6, D.ii.3, D.ii.6, D.iii.3 and D.iii.6 is "Yes" or (ii) compliance with the foregoing Item D.iv.1.

EXHIBIT A
TO
SCHEDULE 1 of COMPLIANCE CERTIFICATE

Material Domestic Subsidiaries

Material Domestic Subsidiaries	Guarantor (Y/N)

Material Foreign Subsidiaries

Material Foreign Subsidiary	Equity Interests Pledged (Y/N)

EXHIBIT B
TO
SCHEDULE 1 of COMPLIANCE CERTIFICATE

[Additional Guarantors]

[Additional Pledged Foreign Subsidiaries]

Calculations of Compliance with Section 6.21(c)

SCHEDULE II TO COMPLIANCE CERTIFICATE

[Add detail as applicable]

ANNEX A TO COMPLIANCE CERTIFICATE

Reports and Deliveries Currently Due

EXHIBIT C

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption (the "Assignment and Assumption") is dated as of the Effective Date set forth below and is entered into by and between [*Insert name of Assignor*] (the "Assignor") and [*Insert name of Assignee*] (the "Assignee"). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, the "Credit Agreement"), receipt of a copy of which is hereby acknowledged by the Assignee. The Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Agent as contemplated below, the interest in and to all of the Assignor's rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto that represents the amount and percentage interest identified below of all of the Assignor's outstanding rights and obligations under the respective facilities identified below (including without limitation any letters of credit, guaranties and swingline loans included in such facilities and, to the extent permitted to be assigned under applicable law, all claims (including without limitation contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity), suits, causes of action and any other right of the Assignor against any Person whether known or unknown arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby) (the "Assigned Interest"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

1. Assignor: _____

2. Assignee: _____ , [an Affiliate/Approved Fund of [*identify Lender*]][2]

3. Company: ActuantCorporation, a Wisconsin corporation

4. Agent: JPMorgan Chase Bank, N.A., as the Agent under the Credit Agreement

5. Credit Agreement: Second Amended and Restated Credit Agreement dated as of November 10, 2008 among Actuant Corporation, a Wisconsin corporation, the Foreign Subsidiary Borrowers party thereto, the Lenders party thereto, and JPMorgan Chase Bank, N.A., as Agent.

[2] Select as applicable

6. Assigned Interest:

Facility Assigned (Revolving/Term)	Aggregate Amount of Commitment/Loans for all Lenders *	Amount of Commitment/Loans Assigned*	Percentage Assigned of Commitment/Loans[3]
	$	$	%
	$	$	%
	$	$	%

7. Trade Date: [4]

Effective Date: , 20 [TO BE INSERTED BY AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER BY THE AGENT.]

The terms set forth in this Assignment and Assumption are hereby agreed to

ASSIGNOR
[NAME OF ASSIGNOR]

By: _____
Title:

ASSIGNEE
[NAME OF ASSIGNEE]

By: _____
Title:

Consented to and Accepted:
JPMORGAN CHASE BANK, N.A.,
as Agent [and as LC Issuer] [5]

By: _____
Title:

* Amount to be adjusted by the counterparties to take into account any payments or prepayments made between the [Trade Date] and the Effective Date.
[3] Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.
[4] Insert if satisfaction of minimum amounts is to be determined as of the [Trade Date].
[5] To be added only if the consent of the LC Issuer is required by the terms of the Credit Agreement.

ANNEX 1
TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties.

1.1 Assignor. The Assignor represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby. Neither the Assignor nor any of its officers, directors, employees, agents or attorneys shall be responsible for (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency, perfection, priority, collectibility, or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of the Company, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document, (iv) the performance or observance by the Company, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Documents, (v) inspecting any of the property, books or records of the Company, any other Borrower or any guarantor, or (vi) any mistake, error of judgment, or action taken or omitted to be taken in connection with the Loans or the Loan Documents.

1.2. Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iii) agrees that its payment instructions and notice instructions are as set forth in Schedule 1 to this Assignment and Assumption, (iv) confirms that none of the funds, monies, assets or other consideration being used to make the purchase and assumption hereunder are “plan assets” as defined under ERISA and that its rights, benefits and interests in and under the Loan Documents will not be “plan assets” under ERISA, (v) agrees to indemnify and hold the Assignor harmless against all losses, costs and expenses (including, without limitation, reasonable attorneys’ fees) and liabilities incurred by the Assignor in connection with or arising in any manner from the Assignee’s non-performance of the obligations assumed under this Assignment and Assumption, (vi) it has received a copy of the Credit Agreement, together with copies of financial statements and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Agent or any other Lender, and (vii) attached as Schedule 1 to this Assignment and Assumption is any documentation required to be delivered by the Assignee with respect to its tax status pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee and (b) agrees that (i) it will, independently and without reliance on the Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payments. The Assignee shall pay the Assignor, on the Effective Date, the amount agreed to by the Assignor and the Assignee. From and after the Effective Date, the Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, Reimbursement Obligations, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued from and after the Effective Date.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the State of Illinois.

EXHIBIT D
LOAN/CREDIT RELATED MONEY TRANSFER INSTRUCTION

***** To be completed by the Company. *****

To JPMORGAN CHASE BANK, N.A.,
as Agent (the "Agent") under the Credit Agreement
Described Below.

Re: Second Amended and Restated Credit Agreement, dated as of November 10, 2008 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Actuant Corporation, a Wisconsin corporation (the "Company"), the Foreign Subsidiary Borrowers party thereto, the Lenders named therein, the LC Issuer and the Agent. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned thereto in the Credit Agreement.

The Agent is specifically authorized and directed to act upon the following standing money transfer instructions with respect to the proceeds of Advances or other extensions of credit from time to time until receipt by the Agent of a specific written revocation of such instructions by the Company, *provided, however*, that the Agent may otherwise transfer funds as hereafter directed in writing by the Company in accordance with Section 13.1 of the Credit Agreement or based on any telephonic notice made in accordance with Section 2.14 of the Credit Agreement.

Customer/Account Name _____

Transfer Funds To _____

For Account No. _____

Reference/Attention To _____

Authorized Officer
(Customer Representative) Date _____

_____ _____
(Please Print) Signature

Bank Officer Name Date _____

_____ _____
(Please Print) Signature

(Deliver Completed Form to Credit Support Staff For Immediate Processing)

EXHIBIT E-1

NOTE FOR REVOLVING LOANS

_____, 20__

[Actuant Corporation, a Wisconsin corporation] [[ ], a company organized under the laws of [ ]] (the "Borrower"), promises to pay to the order of (the "Lender") the aggregate unpaid principal amount of all Revolving Loans made by the Lender to the Borrower pursuant to Article II of the Credit Agreement (as hereinafter defined), in immediately available funds in Dollars or the applicable Agreed Currency at the office of JPMorgan Chase Bank, N.A., as Agent, specified in Article XIII of the Credit Agreement, together with interest on the unpaid principal amount hereof at the rates and on the dates set forth in the Credit Agreement. The Borrower shall pay the principal of and accrued and unpaid interest on such Revolving Loans in full on the Revolving Loan Termination Date.

The Lender shall, and is hereby authorized to, record on the schedule attached hereto, or to otherwise record in accordance with its usual practice, the date and amount of each such Revolving Loan and the date and amount of each principal payment hereunder.

This Note is one of the Notes issued pursuant to, and is entitled to the benefits of, the Second Amended and Restated Credit Agreement, dated as of November 10, 2008 (which, as it may be amended, restated, supplemented or otherwise modified and in effect from time to time, is herein called the "Credit Agreement"), among [Actuant Corporation, a Wisconsin corporation], [the Foreign Subsidiary Borrowers party thereto], the lenders party thereto, including the Lender, the LC Issuer and JPMorgan Chase Bank, N.A., as Agent, to which Credit Agreement reference is hereby made for a statement of the terms and conditions governing this Note, including the terms and conditions under which this Note may be prepaid or its maturity date accelerated. This Note is secured pursuant to the Collateral Documents and guaranteed pursuant to the Guaranty, all as more specifically described in the Credit Agreement, and reference is made thereto for a statement of the terms and provisions thereof. Capitalized terms used herein and not otherwise defined herein are used with the meanings attributed to them in the Credit Agreement.

The Borrower hereby waives presentment, demand, protest and any notice (except as to notice specifically set forth in the Agreement) of any kind. No failure to exercise and no delay in exercising, any rights hereunder on the part of the holder hereof shall operate as a waiver of such rights.

This Note shall be governed by and construed in accordance with the internal laws (including, without limitation, 735 ILCS Section 105/5-1 et seq., but otherwise without regard to the conflict of laws provisions) of the State of Illinois, but giving effect to federal laws applicable to national banks.

[ACTUANT CORPORATION]
[FOREIGN SUBSIDIARY BORROWER]

By: _____
Name: _____
Title: _____

SCHEDULE OF LOANS AND PAYMENTS OF PRINCIPAL
TO

NOTE OF ,
DATED ,

Date	Principal Amount of Loan	Maturity of Interest Period	Principal Amount Paid	Unpaid Balance

EXHIBIT E-2

NOTE FOR TERM LOANS

_____, 20__

Actuant Corporation, a Wisconsin corporation (the "Borrower"), promises to pay to the order of (the "Lender") the aggregate unpaid principal amount of all Term Loans made by the Lender to the Borrower pursuant to Article II of the Credit Agreement (as hereinafter defined), in immediately available funds in Dollars at the office of JPMorgan Chase Bank, N.A., as Agent, specified in Article XIII of the Credit Agreement, together with interest on the unpaid principal amount hereof at the rates and on the dates set forth in the Credit Agreement. The Borrower shall pay the principal of and accrued and unpaid interest on such Term Loans on the dates and in the amounts specified in the Credit Agreement.

The Lender shall, and is hereby authorized to, record on the schedule attached hereto, or to otherwise record in accordance with its usual practice, the date and amount of each such Term Loan and the date and amount of each principal payment hereunder.

This Note is one of the Notes issued pursuant to, and is entitled to the benefits of, the Second Amended and Restated Credit Agreement, dated as of November 10, 2008 (which, as it may be amended, restated, supplemented or otherwise modified and in effect from time to time, is herein called the "Credit Agreement"), among the Borrower, the Foreign Subsidiary Borrowers party thereto, the lenders party thereto, including the Lender, the LC Issuer and JPMorgan Chase Bank, N.A., as Agent, to which Credit Agreement reference is hereby made for a statement of the terms and conditions governing this Note, including the terms and conditions under which this Note may be prepaid or its maturity date accelerated. This Note is secured pursuant to the Collateral Documents and guaranteed pursuant to the Guaranty, all as more specifically described in the Credit Agreement, and reference is made thereto for a statement of the terms and provisions thereof. Capitalized terms used herein and not otherwise defined herein are used with the meanings attributed to them in the Credit Agreement.

The Borrower hereby waives presentment, demand, protest and any notice (except as to notice specifically set forth in the Agreement) of any kind. No failure to exercise and no delay in exercising, any rights hereunder on the part of the holder hereof shall operate as a waiver of such rights.

This Note shall be governed by and construed in accordance with the internal laws (including, without limitation, 735 ILCS Section 105/5-1 et seq., but otherwise without regard to the conflict of laws provisions) of the State of Illinois, but giving effect to federal laws applicable to national banks.

ACTUANT CORPORATION

By: _____
Name: _____
Title: _____

SCHEDULE OF LOANS AND PAYMENTS OF PRINCIPAL
TO
NOTE OF ,
DATED ,

Date	Principal Amount of Loan	Maturity of Interest Period	Principal Amount Paid	Unpaid Balance

EXHIBIT F

FORM OF COMMITMENT AND ACCEPTANCE

Dated [ ]

Reference is made to the Second Amended and Restated Credit Agreement dated as of November 10, 2008 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") among Actuant Corporation, a Wisconsin corporation (the "Company"), the Foreign Subsidiary Borrowers party thereto (collectively with the Company, the "Borrowers") the financial institutions party thereto (the "Lenders"), and JPMorgan Chase Bank, N.A., as administrative agent and contractual representative for the Lenders (in such capacity, the "Agent"). Terms defined in the Credit Agreement are used herein with the same meaning.

Pursuant to Section [2.2(b)] [2.5(c)] of the Credit Agreement, the Company has requested an increase in the Aggregate [Term] [Revolving] Loan Commitment from $ to $. Such increase in the Aggregate [Term] [Revolving] Loan Commitment is to become effective on the date (the "Effective Date") which is the later of (i) , and (ii) the date on which the conditions precedent set forth in Section [2.2(b)] [2.5(c)] in respect of such increase have been satisfied. In connection with such requested increase in the Aggregate [Term] [Revolving] Loan Commitment, the Borrowers, the Agent and (the "Accepting Lender") hereby agree as follows:

1. Effective as of the Effective Date, [the Accepting Lender shall become a party to the Credit Agreement as a Lender and shall have all of the rights and obligations of a Lender thereunder and shall thereupon have a [Term] [Revolving] Loan Commitment under and for purposes of the Credit Agreement in an amount equal to the] [the [Term] [Revolving] Loan Commitment of the Accepting Lender under the Credit Agreement shall be increased from $ to the] amount set forth opposite the Accepting Lender's name on the signature page hereof.

[2. The Accepting Lender hereby (a) confirms that it has received a copy of the Credit Agreement, together with copies of the financial statements and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Commitment and Acceptance Agreement; (b) agrees that it will, independently and without reliance upon the Agent or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement; (c) appoints and authorizes the Agent to take such action as contractual representative on its behalf and to exercise such powers under the Credit Agreement and the other Loan Documents as are delegated to the Agent by the terms thereof, together with such powers as are reasonably incidental thereto; and (d) agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Credit Agreement are required to be performed by it as a Lender and (e) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Commitment and Acceptance and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) agrees that its payment instructions and notice

instructions are as set forth in Schedule 1 to this Commitment and Acceptance, (iii) confirms that none of the funds, monies, assets or other consideration to be used to make the loans contemplated hereunder are or will be "plan assets" as defined under ERISA and that its rights, benefits and interests in and under the Loan Documents will not be "plan assets" under ERISA and (iv) attached as Schedule 1 to this Commitment and Acceptance is any documentation required to be delivered by the Accepting Lender with respect to its tax status pursuant to the terms of the Credit Agreement, duly completed and executed by the Accepting Lender.][6]

[3]. Each Borrower hereby represents and warrants that as of the date hereof and as of the Effective Date, (a) all representations and warranties set forth in the Loan Documents shall be true and correct in all material respects as though made on such date (except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall have been true and correct on and as of such earlier date) and (b) no event shall have occurred and then be continuing which constitutes a Default or an Unmatured Default.

[4]. THIS COMMITMENT AND ACCEPTANCE AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS (INCLUDING, WITHOUT LIMITATION, §735 ILCS 105/5-1 ET SEQ. BUT OTHERWISE WITHOUT REGARD TO THE CONFLICT OF LAWS PROVISIONS) OF THE STATE OF ILLINOIS, BUT GIVING EFFECT TO FEDERAL LAWS APPLICABLE TO NATIONAL BANKS.

[5]. This Commitment and Acceptance Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

[6] To be added only if the Accepting Lender is not already a Lender.

IN WITNESS WHEREOF, the parties hereto have caused this Commitment and Acceptance Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

ACTUANT CORPORATION

By: _____
Name:
Title:

[FOREIGN SUBSIDIARY BORROWERS]

By: _____
Name:
Title:

JPMORGAN CHASE BANK, N.A., as Agent

By: _____
Name:
Title:

[TERM] [REVOLVING]
LOAN COMMITMENT

$ _____

ACCEPTING LENDER

[NAME OF ACCEPTING LENDER]

By: _____
Name:
Title:

REAFFIRMATIONS OF GUARANTORS AND PLEDGORS

Each of the undersigned hereby acknowledges receipt of the foregoing Commitment and Acceptance. Capitalized terms used in this Reaffirmation and not defined herein shall have the meanings given to them in the Credit Agreement referred to in the foregoing Commitment and Acceptance. Without in any way establishing a course of dealing by the Agent or any Lender, (i) each of the undersigned Guarantors reaffirms the terms and conditions of the Second Amended and Restated Guaranty dated as of November [ ], 2008 executed by it (the "Guaranty"), and (ii) each of the undersigned Pledgors reaffirms the terms and conditions of the Second Amended and Restated Pledge Agreement dated as of November [ ], executed by it (the "Pledge Agreement"), and each Guarantor and Pledgor acknowledges and agrees that such Guaranty and Pledge Agreement, and applicable, and each and every other Loan Document executed by the undersigned in connection with the Credit Agreement remain in full force and effect and are hereby ratified, reaffirmed and confirmed. All references to the Credit Agreement contained in the above-referenced documents shall be a reference to the Credit Agreement as so amended by the Commitment and Acceptance and as the same may from time to time hereafter be amended, restated, supplemented or otherwise modified. The failure of any Guarantor or Pledgor to sign this Reaffirmation shall not release, discharge or otherwise affect the obligations of any of the Guarantors or Pledgors hereunder or under the Guaranty or Pledge Agreement, as applicable.

[GUARANTORS], as a Guarantor [and Pledgor]

By: _____
Name:
Title:

EXHIBIT G

FORM OF ASSUMPTION LETTER

To the Agent and the Lenders
party to the Credit Agreement
referred to below
Ladies and Gentlemen:

Reference is made to that certain Second Amended and Restated Credit Agreement dated as of November 10, 2008 among Actuant Corporation, a Wisconsin corporation (the "**Company**"), the undersigned (upon the effectiveness of this Assumption Letter and the satisfaction of certain other conditions), the other Foreign Subsidiary Borrowers party thereto the financial institutions from time to time party thereto (the "**Lenders**") and JPMorgan Chase Bank, N.A., as administrative agent and contractual representative for the Lenders (in such capacity, the "**Agent**") (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "**Credit Agreement**"). Terms defined in the Credit Agreement and used herein are used herein as defined therein.

The undersigned, [ ], a company organized under the laws of [ ] (the "**Subsidiary**"), wishes to become a "Foreign Subsidiary Borrower" under the Credit Agreement, and accordingly hereby agrees that from the date hereof it shall become a "Foreign Subsidiary Borrower" under the Credit Agreement and agrees that from the date hereof and until the payment in full of the principal of and interest on all Loans made to it and performance of all of its other obligations thereunder, it shall perform, comply with and be bound by each of the provisions of the Credit Agreement which are stated to apply to the "Borrowers" or a "Foreign Subsidiary Borrower." Without limiting the generality of the foregoing, the Subsidiary hereby represents and warrants that: (i) the representations and warranties set forth in Section 5.23 of the Credit Agreement are true and correct on and as of the date hereof, and (ii) it has heretofore received a true and correct copy of the Credit Agreement (including any amendments or modifications thereof or supplements or waivers thereto) as in effect on the date hereof. In addition, the Subsidiary hereby authorizes the Company to act on its behalf as and to the extent provided for in Article II of the Credit Agreement.

CHOICE OF LAW. THIS ASSUMPTION LETTER SHALL BE CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS (INCLUDING, WITHOUT LIMITATION, 735 ILCS SECTION 105/5-1 ET SEQ, BUT OTHERWISE WITHOUT REGARD TO THE CONFLICT OF LAWS PROVISIONS) OF THE STATE OF ILLINOIS, BUT GIVING EFFECT TO FEDERAL LAWS APPLICABLE TO NATIONAL BANKS.

This Assumption Letter may be executed in any number of counterparts, each of which shall be an original, but all of which shall together constitute one and the same agreement.

IN WITNESS WHEREOF, the Subsidiary has duly executed and delivered this Assumption Letter as of the date and year first above written.

[NAME OF SUBSIDIARY]

By: _____
Name:
Title:

Acknowledged by:

JPMORGAN CHASE BANK, N.A.,
as Agent

By: _____
Name:
Title:

ACTUANT CORPORATION, as the Company

By: _____
Name:
Title:

[FOREIGN SUBSIDIARY BORROWERS]

REAFFIRMATIONS OF GUARANTORS AND PLEDGORS

Each of the undersigned hereby acknowledges receipt of the foregoing Assumption Letter. Capitalized terms used in this Reaffirmation and not defined herein shall have the meanings given to them in the Credit Agreement referred to in the foregoing Assumption Letter. Without in any way establishing a course of dealing by the Agent or any Lender, (i) each of the undersigned Guarantors reaffirms the terms and conditions of the Second Amended and Restated Guaranty dated as of November [ ], 2008 executed by it (the "Guaranty"), and (ii) each of the undersigned Pledgors reaffirms the terms and conditions of the Second Amended and Restated Pledge Agreement dated as of November [ ], executed by it (the "Pledge Agreement"), and each Guarantor and Pledgor acknowledges and agrees that such Guaranty and Pledge Agreement, and applicable, and each and every other Loan Document executed by the undersigned in connection with the Credit Agreement remain in full force and effect and are hereby ratified, reaffirmed and confirmed. All references to the Credit Agreement contained in the above-referenced documents shall be a reference to the Credit Agreement as so amended by the Assumption Letter and as the same may from time to time hereafter be amended, restated, supplemented or otherwise modified. The failure of any Guarantor or Pledgor to sign this Reaffirmation shall not release, discharge or otherwise affect the obligations of any of the Guarantors or Pledgors hereunder or under the Guaranty or Pledge Agreement, as applicable.

[GUARANTORS], as a Guarantor [and Pledgor]

By: _____
Name:
Title:

EXHIBIT H

FORM OF UK TAX CERTIFICATE

To: JPMorgan Chase Bank, N.A. as Agent

From: **[***The Existing Lender***]** (the "**Existing Lender**") and **[***The New Lender***]** (the "**New Lender**")

Dated:

ACTUANT CORPORATION and OTHERS - Second Amended and Restated Credit Agreement
dated as of November [—], 2008 (the "Agreement")

1. We refer to the Agreement. Terms defined in the Agreement have the same meaning in this certificate unless given a different meaning in this certificate.

2. We refer to Clause **[**12.3(v)**]** (*Assignments*):

The New Lender confirms by checking the relevant box that the person beneficially entitled to interest payable to that Lender in respect of an advance under a Finance Document is:

☐ a Lender:

(i) which is a bank (as defined for the purpose of section 879 of the Income Tax Act 2007) making an advance under a Loan Document; or

(i) in respect of an advance made under a Loan Document by a person that was a bank (as defined for the purpose of section 879 of the Income Tax Act 2007) at the time that advance was made,

and which is within the charge to United Kingdom corporation tax as respects any payments of interest made in respect of that advance

☐ a company resident in the United Kingdom for United Kingdom tax purposes; or

☐ a partnership each member of which is:

(i) a company so resident in the United Kingdom; or

(ii) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which is

required to bring into account in computing its chargeable profits (for the purposes of section 11(2) of the Taxes Act) the whole of any share of interest payable in respect of that advance that falls to it by reason of sections 114 and 115 of the Taxes Act; or

☐ a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account interest payable in respect of an advance under a Finance Document in computing the chargeable profits (for the purposes of section 11(2) of the Taxes Act) of that company;

☐ a Treaty Lender; or

☐ a building society (as defined for the purpose of section 880 of the Income Tax Act 2007) making an advance under a Loan Document; or

☐ none of the above.

3. This certificate 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 certificate.

PRICING SCHEDULE

APPLICABLE MARGIN	LEVEL I STATUS	LEVEL II STATUS	LEVEL III STATUS	LEVEL IV STATUS	LEVEL V STATUS	LEVEL VI STATUS	LEVEL VII STATUS	LEVEL VIII STATUS
Eurocurrency Rate	1.25%	1.50%	1.75%	2.00%	2.25%	2.50%	2.75%	3.00%
Floating Rate	0.00%	0.25%	0.50%	0.75%	1.00%	1.25%	1.50%	1.75%

APPLICABLE FEE RATE	LEVEL I STATUS	LEVEL II STATUS	LEVEL III STATUS	LEVEL IV STATUS	LEVEL V STATUS	LEVEL VI STATUS	LEVEL VII STATUS	LEVEL VIII STATUS
Commitment Fee	0.25%	0.275%	0.30%	0.325%	0.350%	0.40%	0.45%	0.50%

For the purposes of this Schedule, the following terms have the following meanings, subject to the final paragraph of this Schedule:

"Financials" means the annual or quarterly financial statements of the Company delivered pursuant to Section 6.1(i) or (ii).

"Level I Status" exists at any date if, as of the last day of the fiscal quarter of the Company referred to in the most recent Financials, the Leverage Ratio is less than 1.00 to 1.00.

"Level II Status" exists at any date if, as of the last day of the fiscal quarter of the Company referred to in the most recent Financials, (i) the Company has not qualified for Level I Status and (ii) the Leverage Ratio is less than 1.50 to 1.00.

"Level III Status" exists at any date if, as of the last day of the fiscal quarter of the Company referred to in the most recent Financials, (i) the Company has not qualified for Level I Status or Level II Status and (ii) the Leverage Ratio is less than 2.00 to 1.00.

"Level IV Status" exists at any date if, as of the last day of the fiscal quarter of the Company referred to in the most recent Financials, (i) the Company has not qualified for Level I Status, Level II Status or Level III Status and (ii) the Leverage Ratio is less than 2.25 to 1.00.

"Level V Status" exists at any date if, as of the last day of the fiscal quarter of the Company referred to in the most recent Financials, (i) the Company has not qualified for Level I Status, Level II Status, Level III Status or Level IV Status and (ii) the Leverage Ratio is less than 2.50 to 1.00.

"Level VI Status" exists at any date if, as of the last day of the fiscal quarter of the Company referred to in the most recent Financials, (i) the Company has not qualified for Level I Status, Level II Status, Level III Status, Level IV Status or Level V Status and (ii) the Leverage Ratio is less than 3.00 to 1.00.

"Level VII Status" exists at any date if, as of the last day of the fiscal quarter of the Company referred to in the most recent Financials, (i) the Company has not qualified for Level I Status, Level II Status, Level III Status, Level IV Status, Level V Status or Level VI Status and (ii) the Leverage Ratio is less than 3.50 to 1.00.

"Level VIII Status" exists at any date if the Company has not qualified for Level I Status, Level II Status, Level III Status, Level IV Status, Level V, Level VI Status or Level VII Status.

"Status" means Level I Status, Level II Status, Level III Status, Level IV Status, Level V Status, Level VI Status, Level VII Status or Level VIII Status.

For the period from the Closing Date until the receipt of the Company's Financials for the quarter ending February 28, 2009, the higher of Level VI Status or the Applicable Margin and Applicable Fee Rate determined in accordance with the foregoing table based on the Company's Status as reflected in the then most recent Financials shall be in effect. Thereafter, the Applicable Margin and Applicable Fee Rate shall be determined in accordance with the foregoing table based on the Company's Status as reflected in the then most recent Financials. Adjustments, if any, to the Applicable Margin or Applicable Fee Rate shall be effective five Business Days after the Agent has received the applicable Financials. If the Company fails to deliver the Financials to the Agent at the time required pursuant to Section 6.1, then the Applicable Margin and Applicable Fee Rate shall be the highest Applicable Margin and Applicable Fee Rate set forth in the foregoing table until five days after such Financials are so delivered.

Schedule 1.2

Material Domestic Subsidiaries

Material Domestic Subsidiary (each a Subsidiary Guarantor)	Jurisdiction of Organization
Actuant International Holdings, Inc.	Delaware
Engineered Solutions L.P.	Indiana
Key Components, Inc.	New York

Other Subsidiary Guarantors

Subsidiary Guarantor	Jurisdiction of Organization
Acme Electric Corporation	New York
Applied Power Investments II, Inc.	Nevada
Atlantic Guest, Inc.	Delaware
B.W. Elliott Manufacturing Co., LLC	New York
Cortland Cable Company, Inc.	New York
G.B. Tools and Supplies, Inc.	Wisconsin
Hydratight Operations, Inc	Delaware
Maxima Holding Company, Inc.	Delaware
Maxima Holdings – Europe, Inc.	Delaware
Maxima Technologies & Systems, LLC	Delaware
Precision Sure-Lock, Inc.	Delaware
Sanlo, Inc.	Delaware
Superior Plant Services, LLC	Texas
Templeton, Kenly & Co., Inc.	Illinois
Versa Technologies, Inc.	Delaware

Schedule 1.3

Material Foreign Subsidiaries

Material Foreign Subsidiary	Jurisdiction of Organization
Actuant Europe Holdings SAS	France
Enerpac GmbH	Germany

Other Foreign Subsidiaries whose Stock is Pledged

Foreign Subsidiary	Jurisdiction of Organization
Actuant Canada Corporation	Canada
Applied Power International S.A.	Switzerland
Applied Power Europa BV	Netherlands
AIC Hong Kong Ltd.	Hong Kong

Schedule 1.4

Initial Pledgors

Pledgor	Jurisdiction of Organization
Actuant Corporation	Wisconsin
Engineered Solutions L.P.	Indiana
Actuant International Holdings, Inc.	Delaware
G.B. Tools and Supplies, Inc.	Wisconsin

SCHEDULE 1.5
TO
CREDIT AGREEMENT

Mandatory Cost

1. The Mandatory Cost is an addition to the interest rate to compensate Lenders for the cost of compliance with (a) the requirements of the Bank of England and/or the Financial Services Authority (or, in either case, any other authority which replaces all or any of its functions) or (b) the requirements of the European Central Bank.

2. On the first day of each Interest Period (or as soon as possible thereafter) the Agent shall calculate, as a percentage rate, a rate (the "Associated Costs Rate") for each Lender, in accordance with the paragraphs set out below. The Mandatory Cost will be calculated by the Agent as a weighted average of the Lenders' Associated Costs Rates (weighted in proportion to the percentage participation of each Lender in the relevant Loan) and will be expressed as a percentage rate per annum.

3. The Associated Costs Rate for any Lender lending from a Facility Office in a Participating Member State will be the percentage notified by that Lender to the Agent. This percentage will be certified by that Lender in its notice to the Agent to be its reasonable determination of the cost (expressed as a percentage of that Lender's participation in all Loans made from that Facility Office) of complying with the minimum reserve requirements of the European Central Bank in respect of loans made from that Facility Office.

4. The Associated Costs Rate for any Lender lending from a Facility Office in the United Kingdom will be calculated by the Agent as follows:

(a) in relation to a Loan in Pounds Sterling:

$$\frac{AB + C(B - D) + E \times 0.01}{100 - (A + C)} \text{ per cent. per annum}$$

(b) in relation to a Loan in any currency other than Pounds Sterling:

$$\frac{E \times 0.01}{300} \text{ per cent. per annum}$$

Where:

A is the percentage of Eligible Liabilities (assuming these to be in excess of any stated minimum) which that Lender is from time to time required to maintain as an interest free cash ratio deposit with the Bank of England to comply with cash ratio requirements.

B is the percentage rate of interest (excluding the Applicable Margin and the Mandatory Cost and, if the Loan is an Unpaid Sum, the additional rate of interest specified in Section 2.13(c) payable for the relevant Interest Period on the Loan.

C is the percentage (if any) of Eligible Liabilities which that Lender is required from time to time to maintain as interest bearing Special Deposits with the Bank of England.

D is the percentage rate per annum payable by the Bank of England to the Agent on interest bearing Special Deposits.

E is designed to compensate Lenders for amounts payable under the Fees Rules and is calculated by the Agent as being the average of the most recent rates of charge supplied by the Reference Banks to the Agent pursuant to paragraph 7 below and expressed in pounds per £1,000,000.

5. For the purposes of this Schedule:

(a) "**Eligible Liabilities**" and "**Special Deposits**" have the meanings given to them from time to time under or pursuant to the Bank of England Act 1998 or (as may be appropriate) by the Bank of England;

(b) "**Facility Office**" means the office or offices notified by a Lender to the Agent in writing on or before the date it becomes a Lender (or, following that date, by not less than five Business Days' written notice) as the office or offices through which it will perform its obligations under this Agreement.

(c) "**Fees Rules**" means the rules on periodic fees contained in the FSA Supervision Manual or such other law or regulation as may be in force from time to time in respect of the payment of fees for the acceptance of deposits;

(d) "**Fee Tariffs**" means the fee tariffs specified in the Fees Rules under the activity group A.1 Deposit acceptors (ignoring any minimum fee or zero rated fee required pursuant to the Fees Rules but taking into account any applicable discount rate);

(e) "**Participating Member State**" means any member state of the European Union that adopts or has adopted the euro as its lawful currency in accordance with legislation of the European Union relating to economic and monetary union.

(f) "**Reference Banks**" means, in relation to Mandatory Cost, (i) the principal London offices of JPMorgan Chase Bank, N.A. and (ii) the principal London offices of Bank of America, N.A.

(g) "**Tariff Base**" has the meaning given to it in, and will be calculated in accordance with, the Fees Rules.

(h) "**Unpaid Sum**" means any sum due and payable but unpaid by the relevant Borrower under the Loan Documents.

6. In application of the above formulae, A, B, C and D will be included in the formulae as percentages (i.e. 5 per cent. will be included in the formula as 5 and not as 0.05). A negative result obtained by subtracting D from B shall be taken as zero. The resulting figures shall be rounded to four decimal places.

7. If requested by the Agent, each Reference Bank shall, as soon as practicable after publication by the Financial Services Authority, supply to the Agent, the rate of charge payable by that Reference Bank to the Financial Services Authority pursuant to the Fees Rules in respect of the relevant financial year of the Financial Services Authority (calculated for this purpose by that Reference Bank as being the average of the Fee Tariffs applicable to that Reference Bank for that financial year) and expressed in pounds per £1,000,000 of the Tariff Base of that Reference Bank.

8. Each Lender shall supply any information required by the Agent for the purpose of calculating its Associated Costs Rate. In particular, but without limitation, each Lender shall supply the following information on or prior to the date on which it becomes a Lender:

(i) the jurisdiction of its Facility Office; and

(j) any other information that the Agent may reasonably require for such purpose.

Each Lender shall promptly notify the Agent of any change to the information provided by it pursuant to this paragraph.

9. The percentages of each Lender for the purpose of A and C above and the rates of charge of each Reference Bank for the purpose of E above shall be determined by the Agent based upon the information supplied to it pursuant to paragraphs 7 and 8 above and on the assumption that, unless a Lender notifies the Agent to the contrary, each Lender's obligations in relation to cash ratio deposits and Special Deposits are the same as those of a typical bank from its jurisdiction of incorporation with a Facility Office in the same jurisdiction as its Facility Office.

10. The Agent shall have no liability to any person if such determination results in an Associated Costs Rate which over or under compensates any Lender and shall be entitled to assume that the information provided by any Lender or Reference Bank pursuant to paragraphs 3, 7 and 8 above is true and correct in all respects.

11. The Agent shall distribute the additional amounts received as a result of the Mandatory Cost to the Lenders on the basis of the Associated Costs Rate for each Lender based on the information provided by each Lender and each Reference Bank pursuant to paragraphs 3, 7 and 8 above.

12. Any determination by the Agent pursuant to this Schedule in relation to a formula, the Mandatory Cost, an Associated Costs Rate or any amount payable to a Lender shall, in the absence of manifest error, be conclusive and binding on all parties hereto.

The Agent may from time to time, after consultation with the relevant Borrower and the relevant Lenders, determine and notify to all parties hereto any amendments which are required to be made to this Schedule in order to comply with any change in law, regulation or any requirements from time to time imposed by the Bank of England, the Financial Services Authority or the European Central Bank (or, in any case, any other authority which replaces all or any of its functions) and any such determination shall, in the absence of manifest error, be conclusive and binding on all parties hereto.

Schedule 2.19.13

Existing Letters of Credit

Bank	Beneficiary	Original Issue Date	LOC Number	USD Equivalent Amount	Expiration/ Next Renewal
M&I Bank	Nat'l Union Fire Insurance/AIG	08/31/00	SB5329	$ 380,000	03/31/09
M&I Bank	Nat'l Union Fire Insurance/AIG	10/01/99	SB5124	$ 293,000	10/05/09
M&I Bank	Liberty Mutual Insurance Co.	10/15/98	SB4917	$ 320,883	11/01/09
M&I Bank	CNA Surety Corp	04/02/02	SB6019	$ 74,005	03/31/09
M&I Bank	The Travelers Indemnity Company	10/04/03	SB7010	$ 3,810,000	09/14/09
M&I Bank	The Travelers Indemnity Company	12/29/04	SB7819	$ 1,625,000	09/28/09
M&I Bank	Liberty Mutual Insurance Co.	12/29/04	SB7820	$ 250,000	12/30/08
M&I Bank	GB-ACT (GER) Limited Partnership	11/04/03	SB7017	$ 482,588	10/31/09

Schedule 4.1

List of Closing Documents

US $515,000,000

SECOND AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of November 10, 2008

among

ACTUANT CORPORATION
THE FOREIGN SUBSIDIARY BORROWERS PARTY THERETO
THE LENDERS FROM TIME TO TIME PARTY THERETO
and

JPMORGAN CHASE BANK, N.A.
as Agent

LIST OF CLOSING DOCUMENTS

ARTICLE XVIIILOAN DOCUMENTS

Second Amended and Restated Credit Agreement, dated as of November 10, 2008 (the "**Credit Agreement**"), by and among Actuant Corporation, a Wisconsin corporation (the "**Company**"), the Foreign Subsidiary Borrowers party thereto, the lenders from time to time party thereto (the "**Lenders**"), and JPMorgan Chase Bank, N.A., as administrative agent and contractual representative of the Lenders (the "**Agent**").[7]

EXHIBITS

Exhibit A	Opinion of Loan Parties' U.S. Counsel
Exhibit B	Compliance Certificate
Exhibit C	Assignment and Acceptance
Exhibit D	Loan/Credit Related Money Transfer Instruction
Exhibit E-1	Note for Revolving Loans (if requested)
Exhibit E-2	Note for Term Loans (if requested)
Exhibit F	Commitment and Acceptance
Exhibit G	Form of Assumption Letter
Exhibit H	Form of UK Tax Certificate

[7] Capitalized terms not otherwise defined herein are used as defined in the Credit Agreement.***All items listed in boldface italics are to be prepared or arranged for by the Company.***

SCHEDULES

Pricing Schedule	
Schedule 1.2	***Material Domestic Subsidiaries***
Schedule 1.3	***Material Foreign Subsidiaries***
Schedule 1.4	***Initial Pledgors***
Schedule 1(b)	Mandatory Cost
Schedule 2.19.13	***Existing Letters of Credit***
Schedule 4.1	List of Closing Documents
Schedule 5.7	***Litigation***
Schedule 5.8	***Subsidiaries***
Schedule 5.15	***Insurance***
Schedule 6.11	***Indebtedness***
Schedule 6.14	***Investments***
Schedule 6.15	***Liens***
Schedule 6.18	***Contingent Obligations***

18.1. Revolving Loan Notes, if requested, executed by the Company in favor of the Revolving Lenders in the aggregate principal amounts of such Revolving Lenders' Revolving Loan Commitments under the Credit Agreement.

18.2. Term Loan Notes, if requested, executed by the Company in favor of the Term Lenders in the aggregate principal amounts of such Term Lenders' Term Loan Commitments under the Credit Agreement.

18.3. Second Amended and Restated Subsidiary Guaranty, dated as of November 10, 2008, executed by each Domestic Subsidiary of the Company identified on Annex 1 hereto (the "**Guarantors**") in favor of the Agent, guaranteeing the payment of the Secured Obligations.

Second Amended and Restated Pledge Agreement, dated as of November 10, 2008, executed by the Pledgors identified on Annex 1 hereto in favor of the Agent, evidencing the Pledgors' pledge and grant of a security interest in 65% of the outstanding capital stock of the Foreign Subsidiaries identified on Annex 2 hereto, together with an executed Acknowledgment of each such Foreign Subsidiary and ***appropriate stock certificates and stock powers executed in blank***

SCHEDULES

Schedule I	Pledged Subsidiaries
Schedule II	Types of Entity, Jurisdiction of Organization, Chief Executive Office Location

EXHIBITS

Exhibit A	Form of Pledge Supplement
Exhibit B	Form of Pledge Amendment
Exhibit C	Form of Stock Power
Exhibit D	Form of Control Acknowledgment

ARTICLE XIXUCC DOCUMENTS

19.1. UCC financing statements and amendments filed against each Pledgor, as debtor, and the Agent, as secured party, in the offices listed on Annex 3 hereto.

a. Post-filing UCC searches showing such financing statements and amendments to be of record.

ARTICLE XXCORPORATE DOCUMENTS

20.1. ***Certificate of the Secretary of the Company certifying (i) resolutions of the Board of Directors of the Company authorizing the execution, delivery and performance of each Loan Document to which it is a party, (ii) that there have been no changes in the Certificate of Incorporation of the Company, as attached thereto and as certified as of a recent date by the Secretary of State of Wisconsin, since the date of the certification thereof by the Secretary of State of Wisconsin, (iii) the names and true signatures of the incumbent officers of the Company authorized to sign the Loan Documents to which it is a party and authorized to request Credit Extensions under the Credit Agreement and (iv) the By-Laws, as attached thereto, of the Company as in effect on the date of such certification.***

20.2. ***Certificate of Good Standing for the Company from the office of the Secretary of State of Wisconsin.***

20.3. ***Certificate of the Secretary of each Guarantor and Pledgor, certifying (i) resolutions of the Board of Directors or equivalent governing body of such Guarantor or Pledgor, as applicable, approving and authorizing the execution, delivery and performance of each Loan Document to which it is a party, (ii) that there have been no changes in the Articles or Certificate of Incorporation, Certificate of Formation or other charter document of such Guarantor or Pledgor, as applicable, as attached thereto and as certified as of a recent date by the secretary of state (or the equivalent thereof) of its jurisdiction of organization, if applicable, since the date of the certification thereof by such secretary of state (or equivalent thereof), (iii) the names and true signatures of the incumbent officers of such Guarantor or Pledgor, as applicable, authorized to sign the Loan Documents to which it is a party and (iv) the By-Laws, Operating Agreement, or other applicable organizational document, as attached thereto, of such Guarantor or Pledgor, as applicable, as in effect on the date of such certification.***

20.4. ***Good Standing Certificates (or the equivalents thereof) for each Guarantor and Pledgor from the offices of the Secretaries of State (or the equivalents thereof) in the respective jurisdictions set forth on Annex 1 hereto.***

ARTICLE XXILEGAL OPINIONS

21.1. ***Opinion of McDermott, Will & Emery LLP, counsel to the Company, with respect to issues of Illinois, New York and Delaware law.***

21.2. ***Opinion of Quarles & Brady LLP, counsel to the Company, with respect to issues of Wisconsin law.***

21.3. ***Opinion of Williams & Associates Law Firm, PC, counsel to the Company, with respect to issues of Indiana law.***

ARTICLE XXIICLOSING CERTIFICATE AND MISCELLANEOUS

22.1. A certificate, signed by a Financial Officer of the Company, stating that on the initial Credit Extension Date (a) the representations and warranties contained in Article V of the Credit Agreement are true and correct and (b) no Default or Unmatured Default has occurred and is continuing.

22.2. ***Opening Pro Forma Compliance Certificate, signed by a Financial Officer of the Company, showing the calculations necessary to determine compliance with Sections 6.19 and 6.21 of the Credit Agreement, which calculations shall be prepared in a manner acceptable to the Agent and the Lenders.***

22.3. Written money transfer instructions, addressed to the Agent and signed by a Financial Officer of the Company, together with other related money transfer authorizations as the Agent may have requested.

22.4. ***Funding Indemnity Letter.***

ANNEX 1

GUARANTORS

Guarantor	Jurisdiction of Organization
Actuant International Holdings, Inc.	Delaware
Engineered Solutions L.P.	Indiana
Key Components, Inc.	New York
Acme Electric Corporation	New York
Applied Power Investments II, Inc.	Nevada
Atlantic Guest, Inc.	Delaware
B.W. Elliott Manufacturing Co., LLC	New York
Cortland Cable Company, Inc.	New York
G.B. Tools and Supplies, Inc.	Wisconsin
Hydratight Operations, Inc	Delaware
Maxima Holding Company, Inc.	Delaware
Maxima Holdings – Europe, Inc.	Delaware
Maxima Technologies & Systems, LLC	Delaware
Precision Sure-Lock, Inc.	Delaware
Sanlo, Inc.	Delaware
Superior Plant Services, LLC	Texas
Templeton, Kenly & Co., Inc.	Illinois
Versa Technologies, Inc.	Delaware

PLEDGORS

Pledgor	Jurisdiction of Organization
Actuant Corporation	Wisconsin
Engineered Solutions L.P.	Indiana
Actuant International Holdings, Inc.	Delaware
G.B. Tools and Supplies, Inc.	Wisconsin

ANNEX 2

PLEDGED FOREIGN SUBSIDIARIES

Foreign Subsidiary	Jurisdiction of Organization
Actuant Europe Holdings SAS	France
Enerpac GmbH	Germany
Actuant Canada Corporation	Canada
Applied Power International S.A.	Switzerland
Applied Power Europa BV	Netherlands
AIC Hong Kong Ltd.	Hong Kong

ANNEX 3

UCC FINANCING STATEMENTS

Previously Filed UCC-1 Financing Statements and related UCC-3 Amendments

Debtor	Jurisdiction	Filing Number	Filing Date	Amendment Filing	Amendment Date
Actuant Corporation	Wisconsin	040003045618	2/23/2004	04001978130	12/21/04
Actuant International Holdings, Inc.	Delaware	20081367687	4/18/2008	N/A	N/A
Engineered Solutions L.P.	Indiana	200400001680122	2/24/2004	200400011822505	12/22/04
Engineered Solutions, L.P.[8]	Indiana	200400001680344	2/24/2004	200400011822494	12/22/04

Additional UCC-1 Financing Statements or UCC-3
Amendments Reflecting Additional Pledged Foreign Subsidiaries

Debtor	Jurisdiction
G.B. Tools and Supplies, Inc.	Wisconsin

[8] This filing is exactly the same as the preceding filing other than adding a comma in the name of the debtor.

Schedule 5.7

Litigation

None.

Schedule 5.8

Subsidiaries

See Attached Organizational Chart for Actuant Corporation and its Subsidiaries.

Schedule 5.15

Insurance

See Attached Certificates of Insurance.

Schedule 6.11

Indebtedness

None.

Schedule 6.14

Investments

See Schedule 5.8.

Schedule 6.15

Liens

None.

Schedule 6.18

Contingent Obligations

In connection with the Company's Spin-off of its electronics business ("APW") in fiscal 2000, the Company remained contingently liable for certain lease obligations of APW. If APW were unable to fulfill its obligations under the leases, the Company could be liable for such leases. The discounted present value of future minimum lease payments for such leases totals, assuming no offset for sub-leasing, approximately $5.2 million at August 31, 2008. The future undiscounted minimum lease payments for these leases are as follows: $0.4 million in the balance of calendar 2008; $1.1 million in calendar 2009; $1.1 million in calendar 2010; $1.2 million in calendar 2011; $1.2 million in calendar 2012 and $3.7 million thereafter.

Exhibit 31.1

CERTIFICATION

I, Robert C. Arzbaecher, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Actuant Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting

Date: April 8, 2010

/s/ Robert C. Arzbaecher
Robert C. Arzbaecher
Chairman, Chief Executive Officer and President

Exhibit 31.2

CERTIFICATION

I, Andrew G. Lampereur, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Actuant Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting

Date: April 8, 2010

/s/ Andrew G. Lampereur
Andrew G. Lampereur
Executive Vice President and Chief Financial Officer

Exhibit 32.1

WRITTEN STATEMENT OF THE CHIEF EXECUTIVE OFFICER

Pursuant to 18 U.S.C. ss.1350, I, the undersigned Chairman, Chief Executive Officer and President of Actuant Corporation (the "Company"), hereby certify, based on my knowledge, that the Quarterly Report on Form 10-Q of the Company for the quarterly period ended February 28, 2010 (the "Report") fully complies with the requirements of Sections 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of and for the periods covered in the Report.

Date: April 8, 2010

/s/ Robert C. Arzbaecher

Robert C. Arzbaecher

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Actuant Corporation and will be retained by Actuant Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished to the Securities and Exchange Commission as an exhibit to the Form 10-Q and shall not be considered filed as part of the Form 10-Q.

Exhibit 32.2

WRITTEN STATEMENT OF THE CHIEF FINANCIAL OFFICER

Pursuant to 18 U.S.C. ss.1350, I, the undersigned Executive Vice President and Chief Financial Officer of Actuant Corporation (the "Company"), hereby certify, based on my knowledge, that the Quarterly Report on Form 10-Q of the Company for the quarterly period ended February 28, 2010 (the "Report") fully complies with the requirements of Sections 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of and for the periods covered in the Report.

Date: April 8, 2010

/s/ Andrew G. Lampereur

Andrew G. Lampereur

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Actuant Corporation and will be retained by Actuant Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished to the Securities and Exchange Commission as an exhibit to the Form 10-Q and shall not be considered filed as part of the Form 10-Q.