As filed with the Securities and Exchange Commission on January 26, 2026.

Registration No. 333-292627

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

AMENDMENT NO. 1 TO FORM S-1 REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

Bob's Discount Furniture, Inc.

(Exact name of registrant as specified in its charter)

Delaware	5712	46-4501905
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

434 Tolland Turnpike
Manchester, CT 06042
(860) 474-1200
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

William G. Barton
Chief Executive Officer and President
Bob's Discount Furniture, Inc.
434 Tolland Turnpike
Manchester, CT 06042
(860) 474-1200
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Craig E. Marcus
Rachel D. Phillips
Ropes & Gray LLP
Prudential Tower
800 Boylston Street
Boston, Massachusetts 02199
(617) 951-7000

Marc D. Jaffe
Adam J. Gelardi
Latham & Watkins LLP
1271 Avenue of the Americas
New York, NY 10020
(212) 906-1200

Approximate date of commencement of proposed sale to public: As soon as practicable after this Registration Statement is declared effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Smaller reporting company	☐
Accelerated filer	☐	Emerging growth company	☐
Non-accelerated filer	☒		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

The information in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is declared effective. This preliminary prospectus is not an offer to sell these securities and we are not soliciting offers to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED JANUARY 26, 2026.

PRELIMINARY PROSPECTUS

19,450,000 shares

Bob's Discount Furniture, Inc.

Common Stock

This is the initial public offering of our common stock. We are offering 19,450,000 shares of our common stock. We currently expect the initial public offering price to be between $17.00 and $19.00 per share of common stock.

The selling stockholder identified in this prospectus has granted the underwriters an option to purchase up to 2,917,500 additional shares of our common stock within 30 days of the date of this prospectus. We will not receive any proceeds from the sale of shares of common stock being sold by the selling stockholder.

Investing in our common stock involves risk. See "Risk Factors" beginning on page 27 to read about factors that you should consider before deciding to invest in shares of our common stock.

Immediately after the completion of this offering, investment funds advised by Bain Capital and its affiliates ("Bain Capital") will beneficially own approximately 75% of our outstanding common stock (or approximately 73% of our outstanding common stock if the underwriters' option to purchase additional shares from the selling stockholder is exercised in full). As a result, we expect to be a "controlled company" within the meaning of the corporate governance standards of the New York Stock Exchange. See "*Management—Controlled Company*."

Prior to this offering, there has been no public market for shares of our common stock. We have applied to list our common stock on the New York Stock Exchange under the symbol "BOBS."

	Per share	Total
Initial public offering price	$	$
Underwriting discounts and commissions[1]	$	$
Proceeds to us before expenses	$	$

(1) We have agreed to reimburse the underwriters for certain expenses in connection with this offering. See "*Underwriting*" for additional information regarding underwriting compensation.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed on the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares of common stock to investors on or about , .

J.P. Morgan **Morgan Stanley**

RBC Capital Markets **UBS Investment Bank**

BofA Securities **Evercore ISI** **Goldman Sachs & Co. LLC**

Baird **KeyBanc Capital Markets** **Raymond James**

AmeriVet Securities **Loop Capital Markets** **R. Seelaus & Co., LLC** **Ramirez & Co., Inc.**

Prospectus dated ,


BOB'S
Discount Furniture®
Where America shops for furniture™


Our belief
We can help everyone turn the place they live into the home they love
By delivering value without compromise

While there are many ways to shop for furniture today, **there's still only one Bob's Way.**



Everyday low prices

Because people shouldn't have to wait for a sale to get the best price.



No pushy sales people

Because people should be as comfortable in our stores as they are at home.



A curated assortment

Because people shouldn't have to spend hours searching for that one perfect sofa.



Delivery in days

Because no one should have to wait to turn the place they live into the home they love.

Bob's Way has been our unwavering ethos for more than 30 years

From our humble beginnings in Newington CT in 1991



to 200+ stores across 26 states...
and growing!

Bob's Way comes to life in our assortment









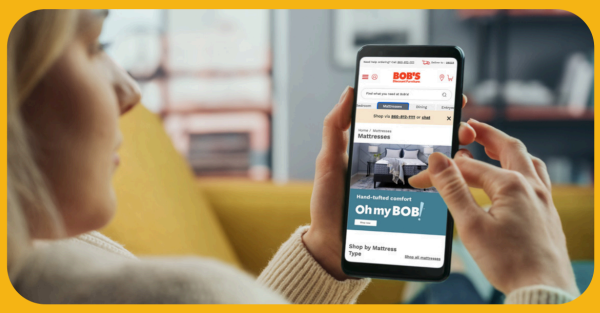




Bob's Way comes to life in our omni-channel experience













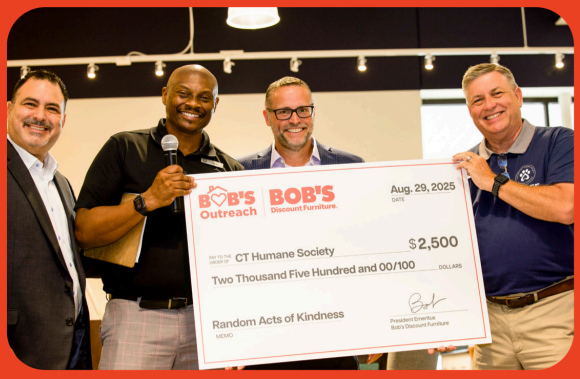
Bob's Way comes to life with our teams











Bob's by the numbers

200+ [1]
stores across 26 states
targeting 500+ stores by 2035

34+
years offering superior value and service without compromising on quality or style

12%
store CAGR
2006-2024

90% [1]
store experience customer satisfaction rating

$2bn+ [2]
net revenue

$119M [2]
net income

~60%
year 2 CoC returns

~10% [2] [3]
adjusted EBITDA margins

(1) As of September 28, 2025. (2) For the twelve month period ended September 28, 2025. (3) Adjusted EBITDA margin is a non-GAAP financial measure. See "Management's Discussion and Analysis of Financial Condition and Results of Operations--Key Performance Indicators and Non-GAAP Financial Measures" and "Management's Discussion and Analysis of Financial Condition and Results of Operations--Reconciliation of Non-GAAP Financial Measures." (4) Represents targeted year 2 cash-on-cash returns, defined as 4-wall EBITDA (excluding distribution center costs) divided by net cash investment plus pre-opening expense.

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We are responsible for the information contained in this prospectus and in any free writing prospectus we prepare or authorize. None of us, the selling stockholder or the underwriters have authorized anyone to provide you with different information, and neither we nor the underwriters take responsibility for any other information others may give you. None of us, the selling stockholder or the underwriters are making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained in this prospectus is accurate as of any date other than its date.

For investors outside of the United States, none of us, the selling stockholder or any of the underwriters have done anything that would permit this offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the United States. You are required to inform yourselves about, and to observe any restrictions relating to, this offering and the distribution of this prospectus outside of the United States.

About This Prospectus

You should rely only on the information included elsewhere in this prospectus and any free writing prospectus prepared by or on behalf of us that we have referred to you. Neither we nor the underwriters have authorized anyone to provide you with additional information or information different from that included elsewhere in this prospectus or in any free writing prospectus prepared by or on behalf of us that we have referred to you. If anyone provides you with additional, different or inconsistent information, you should not rely on it. Offers to sell, and solicitations of offers to buy, shares of our common stock are being made only in jurisdictions where offers and sales are permitted.

No action is being taken in any jurisdiction outside the United States to permit a public offering of shares of our common stock or possession or distribution of this prospectus in that jurisdiction. Persons who come into possession of this prospectus in jurisdictions outside the United States are required to inform themselves about and to observe any restriction as to this offering and the distribution of this prospectus applicable to those jurisdictions.

Industry and Market Data

Unless otherwise indicated, information in this prospectus concerning economic conditions, our industry, our markets and our competitive position is based on a variety of sources, including information from third-party sources, including independent industry analysts, publications and other independent sources, such as Euromonitor International Limited ("Euromonitor"). Some data and other information contained in this prospectus are also based on our own estimates, research and surveys. This information involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such information. Data regarding the industries in which we compete and our market position and market share within these industries are inherently imprecise and are subject to significant business, economic and competitive uncertainties beyond our control, but we believe they generally indicate size, position and market share within this industry. While we believe the information presented in this prospectus is generally reliable, we have not independently verified any third-party information, and our research and estimates have not been verified by any independent source. These and other factors could cause our future performance to differ materially from our assumptions and estimates. As a result, you should be aware that market, ranking and other similar industry data included in this prospectus, and estimates and beliefs based on that data, may not be reliable. Neither we nor the underwriters can guarantee the accuracy or completeness of any such information contained in this prospectus. In addition, forecasts, assumptions, expectations, beliefs, estimates and projections involve risk and uncertainties and are subject to change based on various factors, including those described under "*Cautionary Note Regarding Forward-Looking Statements*" and "*Risk Factors*."

Trademarks and Service Marks

This prospectus includes our trademarks and service marks (collectively, "marks") such as Bob's Discount Furniture and the Bob's Discount Furniture logo, which are protected under applicable intellectual property laws and are our property or the property of our subsidiaries. This prospectus may also contain trademarks or service marks of other companies, which are the property of their respective owners. We do not intend our use or display of other companies' trademarks or service marks to imply a relationship with any other companies, or endorsement or sponsorship of us by any other companies or of any other companies by us. Solely for convenience, the trademarks and service marks referred to in this prospectus are listed without the ®, ℠ or ™ symbols, but such trademarks or service marks may be subject to registration or otherwise protected under applicable intellectual property laws. Any trademarks and service marks included herein are incorporated for illustrative or informational purposes only.

Key Performance Indicators and Non-GAAP Financial Measures

This prospectus contains a number of "non-GAAP financial measures" used by management including Adjusted Net Income and Adjusted EBITDA. These are financial measures that are not calculated or presented in accordance with generally accepted accounting principles in the United States ("GAAP"). For more information about how we use these non-GAAP financial measures in our business, the limitations of these measures, and a reconciliation of these measures to the most directly comparable GAAP measures, please see the sections titled "*Summary Historical Consolidated Financial Data,*" "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Indicators and Non-GAAP Financial Measures*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Reconciliation of Non-GAAP Financial Measures*."

We use these non-GAAP financial measures and key performance indicators ("KPIs") to supplement financial information presented in accordance with GAAP. We believe that excluding certain items from our GAAP results allows management to better understand our financial performance from period to period. Moreover, we believe these non-GAAP financial measures and KPIs provide our stakeholders with useful information to help them evaluate our operating results by facilitating an enhanced understanding of our operating performance and enabling them to make more meaningful period-to-period comparisons. Adjusted Net Income, Adjusted EBITDA, comparable sales growth, adjusted comparable sales growth, number of new stores and number of stores should not be considered as alternatives to net income or loss, income or loss from operations, or any other performance measure in accordance with GAAP, or as an alternative to cash provided by operating activities as a measure of our liquidity. There are limitations to the use of the non-GAAP financial measures and KPIs presented in this prospectus. For example, our non-GAAP financial measures may not be comparable to similarly titled measures of other companies, including companies in our industry. For a reconciliation of our non-GAAP financial measures to their most directly comparable GAAP financial measures and a description of our KPIs, see the section titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Indicators and Non-GAAP Financial Measures*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Reconciliation of Non-GAAP Financial Measures*."

Basis of Presentation

The Company reports on a 52- or 53-week fiscal year comprised of 13- or 14-week fourth quarters, with each fiscal year ending on the Sunday closest to December 31. The fiscal years ended December 29, 2024, December 31, 2023 and January 1, 2023, are 52-week fiscal years with 13-week fourth quarters. The Company's fiscal quarters follow a 13-week convention, with each quarter ending on a Sunday. The third quarters for 2025 and 2024 ended on September 28, 2025 and September 29, 2024, respectively.

References in this prospectus to "fiscal year 2025" refer to the fiscal year ended December 28, 2025, "fiscal year 2024" refer to the fiscal year ended December 29, 2024, "fiscal year 2023" refer to the fiscal year ended December 31, 2023 and "fiscal year 2022" refer to the fiscal year ended January 1, 2023.

Certain Definitions

Unless the context requires otherwise, references in this prospectus to:

- "AUVs" means average unit volumes, a measure of average sales per store, which is calculated by dividing the total sales across all stores by the total number of stores, and which includes stores opened for at least the last 12 months and excludes sales made through our outlets;
- the "Company," "Bob's," "Bob's Discount Furniture," "we," "us" and "our" refer to Bob's Discount Furniture, Inc. and its consolidated subsidiaries;
- "comparable sales growth" means our KPI that measures performance during the current reporting period against the performance of the comparable store sales and eCommerce sales in the corresponding period of the previous fiscal year. Comparable store sales consist of net revenues from our stores beginning on the first day of the 14th full fiscal month following the store's opening, which is when we believe comparability is achieved. eCommerce sales consist of net revenues from online purchases during the current reporting period;
- "number of new stores" means our KPI reflecting the number of stores opened during a particular reporting period;
- "number of stores" means our KPI that reflects the number of stores as of a particular date;
- "SKU" means stock keeping unit, a unique identifier for each distinct product offered for sale by the Company; and
- "YoY" or "year-over-year" means year-over-year change of the applicable metric as compared to the metric at the same time in the prior fiscal year.

Prospectus Summary

This summary highlights selected information contained elsewhere in this prospectus. Because it is only a summary, it does not contain all of the information that you should consider before investing in our common stock and it is qualified in its entirety by, and should be read in conjunction with, the more detailed information appearing elsewhere in this prospectus. You should read the entire prospectus carefully, especially "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our audited consolidated financial statements and the related notes, before deciding to buy shares of our common stock. Unless the context requires otherwise, references in this prospectus to the "Company," "Bob's," "Bob's Discount Furniture," "we," "us" and "our" refer to Bob's Discount Furniture, Inc. and its consolidated subsidiaries.

THE BOB'S WAY

"The Bob's Way" embodies our brand and culture. It's our unwavering commitment to honesty, integrity, transparency and fun in every aspect of our business – an ethos that has remained unchanged for more than 30 years and continues to be our North Star as we help our customers turn the places they live into the homes they love.

Our Ambition

To become America's leading omnichannel retailer of quality, stylish furniture at everyday low prices

Our Belief

We can help everyone turn the place they live into the home they love

Our Promise

We deliver value without compromise

Our Company

Bob's Discount Furniture is a rapidly growing, nationally proven omnichannel retailer of value home furnishings with 206 showrooms as of September 28, 2025 across 26 U.S. states. Since our founding in 1991, we have built our ethos as a trusted and reliable brand offering superior value and service, without compromising on quality or style. Our business model is anchored in delivering furniture at "Everyday Low Prices," which we estimate results in our prices being on average approximately 10% below our value-oriented furniture competitors' lowest promoted prices, which we estimate is equivalent to approximately 20-25% below their listed prices. At the heart of Bob's success is not just the value of our furniture, but the team members who bring our promise to life every day. From showroom to living room, it's our people who make Bob's feel like home.



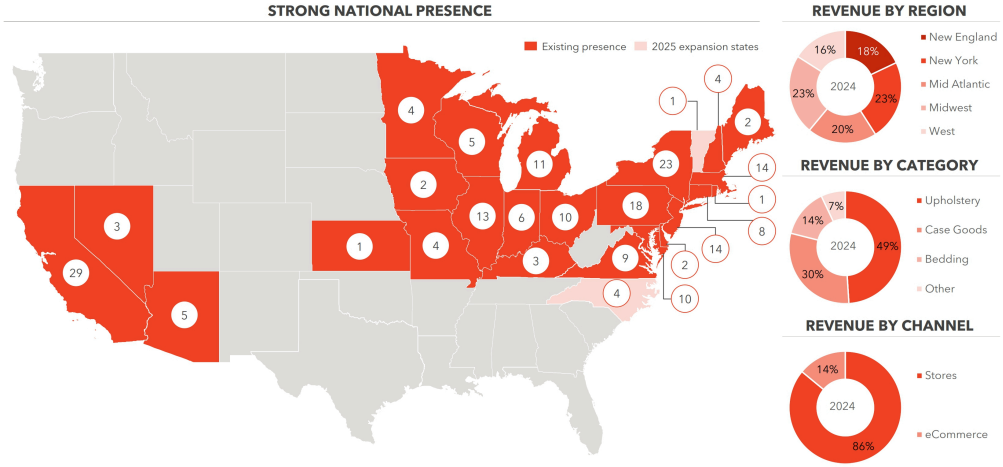
Our value proposition is made possible by our curated merchandising strategy, longstanding sourcing relationships and efficient supply chain. Our merchants target an assortment of products that is narrow and deep, which allows us to drive innovation and cost efficiency. Based on internal estimates, we believe our SKU counts are approximately one-third narrower than our value-oriented furniture competitors. Products are also tailored based on proven market trends and customer demand. Our "Good, Better, Best" assortment strategy ensures we offer customers value at every price point, driving an average order value of approximately $1,400 per transaction, excluding sales at our outlets. Our go-to-market strategy emphasizes a convenient and fun shopping experience,

integrated with our online platform and supported by our trained, tech-enabled guest experience specialists. We target our showrooms to average approximately 32,000 square feet and have generated consistently strong store-level financial returns across vintages, geographic regions and population densities.

Our efficient fulfillment process ensures most purchases have the ability to be delivered in as few as three days, rather than weeks, providing customers with a swift and reliable shopping journey. Speed and consistency of customer deliveries are enabled by our vertically integrated logistics network, anchored by five strategically located distribution centers and additional third-party regional depots. Disciplined inventory management ensures product availability matches customer demand and delivery preference, with approximately 86% of orders during the nine-month fiscal period ended September 28, 2025 in-stock and ready to be delivered in as few as three days from the time of purchase. Our expeditious delivery timeline and overall convenience are key elements of our value proposition and we believe greatly enhance our overall customer experience.

Over the past decade, we have made substantial investments in our omnichannel capabilities, enabling a seamless shopping experience across digital and physical platforms. Customers can shop online, in-store, over the phone and via our mobile app, with unified shopping cart functionality and consistent service quality. Approximately 73% of our in-store customers reported engaging with us across multiple channels in fiscal year 2025, reflecting the strength of our integrated platform. To deliver this seamless customer experience, we leverage a highly integrated operating system that draws on the same inventory, pricing and logistics network whether our customers buy in-store or online. We believe our momentum, combined with our scale, enjoyable showroom and omnichannel journey, favorably positions us to grow profitably and continue to increase market share.

We believe there remains significant opportunity to expand our store base in both existing markets and new geographies. Our growth strategy is fueled by significant and proven whitespace potential, a disciplined market entry playbook and attractive unit economics, with new stores historically generating rapid payback periods and 80+% cash-on-cash returns. Our growth is guided by a disciplined playbook that informs what markets to enter and how to enter them. We focus our expansion on areas with strong furniture demand, particularly where there are existing furniture stores, to optimize capture of qualified customers in the market. Our brand and business model has resonated across market sizes and with a diverse range of customers. As our brand awareness grows in new and existing markets, our demand increases, which in turn allows us to invest even more heavily in customer awareness and thus continually drive stronger store performance. With a proven name, a loyal customer base and a business model designed to generate high returns on capital, we believe that we are well-positioned to expand our store base to more than 500 stores in our existing format by 2035, as described in more detail below.



Map reflects data as of September 28, 2025; Revenue data for fiscal year 2024

Our belief that everyone deserves a home they love is reflected in how we operate daily and the appreciation we have for our people and communities. From our in-store guest experience specialists who create a no-pressure, no-gimmicks shopping experience, to our distribution and logistics teams who enable fast, reliable fulfillment, Bob's is built on the dedication of more than 5,800 team members nationwide, as of September 28, 2025. By investing in training, promoting collaboration and rewarding accountability, we foster a culture that creates long-term loyalty to Bob's, exemplified by an attractive average tenure of approximately seven years for our store managers. Our unique marketing, in-store experience and community engagement all focus on a friendly and relatable work environment that we believe makes working at Bob's less intimidating and more enjoyable.

Bob's has a foundational commitment to supporting our communities. Our complimentary in-store cafés are home to our "Café Collections for a Cause" initiative where Bob's will match every customer dollar donated to a featured charity, up to $75,000. In addition, as part of every new store opening, we donate to a local nonprofit organization and school during the store's ribbon cutting ceremony. Investing in our communities is deeply integrated into who we are.

Recent Financial Performance

Our strong financial performance reflects the strength of our brand strategy and is highlighted by having:

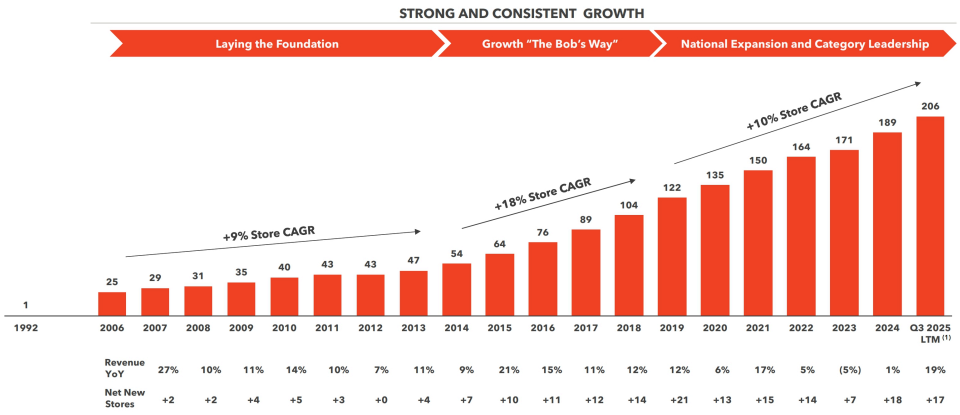
- Increased store base by 11.4% to 206 units as of September 28, 2025 from 185 units as of September 29, 2024
- Increased net revenue by 20.4% to $1,719 million in the nine months ended September 28, 2025 from $1,428 million in the nine months ended September 29, 2024
- Improved net income by 63.6% to $81 million in the nine months ended September 28, 2025 from $49 million in the nine months ended September 29, 2024
- Increased Adjusted EBITDA by 35.7% to $164 million in the nine months ended September 28, 2025 from $121 million in the nine months ended September 29, 2024
- Increased comparable sales growth to 10.5% (or adjusted comparable sales growth of 9.7%[1]) in the nine months ended September 28, 2025 from a decline of 7.6% (or a decline in adjusted comparable sales growth of 6.9%) in the nine months ended September 29, 2024

See "*Summary Consolidated Financial and Other Data,*" "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Indicators and Non-GAAP Financial Measures*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Reconciliation of Non-GAAP Financial Measures*" for additional information regarding our financial performance and non-GAAP financial measures, together with a reconciliation of non-GAAP financial measures to their most directly comparable GAAP measures.

Our focus on value positions us well within the expansive and fragmented $182 billion U.S. home furnishings industry (excluding barbecues) in 2024, as defined by Euromonitor, allowing us to capture significant share by appealing to customers seeking quality, style and affordability. Bob's has grown faster than the home furnishings industry (excluding barbecues) in each of the last 14 fiscal years, with the exception of fiscal year 2023, based on Euromonitor data. Since fiscal year 2010, Bob's has grown at a compound annual growth rate ("CAGR") of approximately 9%, which is over 680bps faster than the home furnishings industry (excluding barbecues), which grew at a CAGR of approximately 3% during the same period, based on Euromonitor data. This sustained outperformance underscores our ability to effectively navigate market and macroeconomic dynamics, capitalize on customer demand, and take share.

[1] References in this prospectus to adjusted comparable sales growth refer to comparable sales growth as adjusted to eliminate the impact of a $10.2 million anomalous timing shift in comparable sales for the third quarter of fiscal year 2024 as a result of a system outage impacting the final two delivery days of the third quarter of fiscal year 2024. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations*" and "*Risk Factors—Risks Related to Data Privacy and Information Technology—We rely extensively on computer systems to process transactions, summarize results and manage our business. Disruptions in both our primary and back-up systems could adversely affect our business and operating results.*"

The home furnishings industry is sensitive to interest rates and housing activity. In 2020 and 2021, the COVID-19 pandemic served as a tailwind to the home furnishings industry, which drove a surge in demand as consumers adapted to a "stay-at-home" lifestyle. This resulted in market-wide pull forward, which led to a subsequent slowdown in the industry in the following years that was further exacerbated by increased interest rates and inflation. Bob's has emerged stronger following this cycle and continues to show resilience and outperformance compared to the home furnishings industry. For example, in fiscal year 2024 Bob's revenue growth surpassed the home furnishings industry (excluding barbecues) by over 700bps on a year-over-year basis, and we plan to continue to build on that momentum through fiscal year 2025. As interest rates and inflation normalize, housing turnover and new residential construction are expected to accelerate, creating a favorable demand backdrop. Bob's has proven its ability to outperform industry benchmarks even through recent headwinds, underscoring the durability of our model and positioning us to capture incremental upside as conditions improve.



(1) Q3 2025 LTM calculated for the 12-month period ended September 28, 2025

"OH MY BOB!" - KEY DRIVERS OF OUR SUSTAINED SUCCESS

We believe the following strengths differentiate us from our competitors:

A Proven, Scaled Brand Delivering Value Without Compromise

Bob's is rapidly becoming *Where America Shops for Furniture*™ by consistently delivering unparalleled customer experiences at every stage of the furniture purchasing journey. Customers know they can count on Bob's for quality, stylish furniture at everyday low prices. Consistently delivering on that promise has made Bob's a trusted name in homes across the country. Our store experience customer satisfaction rating is 90%+, based on our internal customer survey data, which reflects the loyalty we've built over nearly thirty-five years.

The Bob's brand comes to life in every part of our business. From breakthrough and memorable marketing campaigns like *Oh My Bob!*, *Dare to Compare* and an industry first reality series *Till Décor Do Us Part*, to the complimentary snacks in our in-store café, every aspect of the shopping experience is designed to be differentiated and customer-centric. We believe our fun and authentic brand image, compelling value and best-in-class, low-pressure service resonate with our customers and define Bob's as a unique and comfortable destination for furniture shopping.

Our dedicated team members deliver un-rivaled service “The Bob’s Way”. Our people-first approach builds customer trust and fuels our growth. Between our customer-centric service, tech-enabled omnichannel experience, and our trusted brand, we believe that we continue to resonate with customers on a national scale.

Highly Differentiated Merchandising, Sourcing and Logistics Infrastructure

Bob’s has established a sophisticated and highly differentiated product, pricing, sourcing and supply chain strategy that drives our go-to-market strategy.

Product

Our merchandising philosophy is to consistently deliver stylish, high-quality furniture at unbeatable value, with everyday low prices customers can trust. We have developed a curated product offering by gaining a deep understanding of customer needs and preferences which enables us to be a follower of new and emerging trends. Our streamlined assortment appeals to a broad range of customers by featuring timeless classics, innovative designs and tech-enabled alternatives that adapt to evolving customer tastes. Our product architecture of “Good, Better, Best” provides a clear framework for delivering maximum value to a diverse customer base. The “Good” value tier provides a reliable foundation of essential and durable products, while our “Better” tier introduces additional functional capabilities, upgraded materials and styles. Our “Best” product tier integrates premium materials, craftsmanship and quality with elevated designer inspired style. We have a focused merchandising strategy built around a narrow and deep SKU model that we estimate is approximately one-third narrower than our value-oriented furniture competitors. This model allows us to concentrate purchasing volume on high-velocity items, negotiate aggressive pricing and reduce our inventory risk.

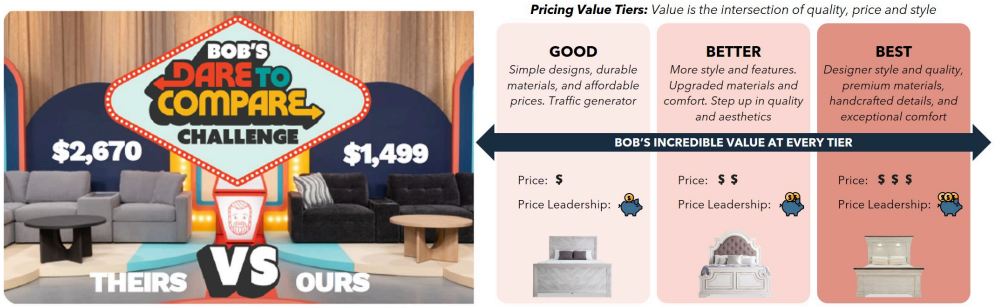


For illustrative purposes; prices and assortment are illustrative as of September 28, 2025

Pricing

Bob’s offers a differentiated customer proposition rooted in delivering value without compromise. Our sophisticated pricing strategies underpin our everyday low price model, enabling us to offer prices which we estimate are on average approximately 10% below our value-oriented furniture competitors’ lowest promoted prices, which we estimate is equivalent to approximately 20-25% below their listed prices. We do not rely on promotions or sales gimmicks. Instead, we offer transparency and trust – elements that resonate with today’s value-conscious consumer. As customers ascend our “Good, Better, Best” product architecture, we believe that our relative value increases, enhanced by everyday low price bundle and save offerings particularly in bedroom categories to increase

units per transaction. Incremental enhancements in quality, features, functionality and style are strategically priced to deliver superior customer value across the full spectrum of price points.



Sourcing

Our value leadership is driven by buying power, a streamlined assortment of products, and strategic vendor relationships extending in some cases nearly 15 years. Our everyday low price model ensures consistent, year-round order volume for suppliers, enabling them to maintain steady production and improve their efficiency. We believe that the combination of scale and consistency positions us as the first partner of choice for our suppliers. We leverage this advantage, along with long-standing strategic relationships, to drive cost optimization, innovation, and speed-to-market. Our flexible sourcing strategy enabled us to move all key production out of China by the end of fiscal year 2024, mitigating known tariff risk, while preserving the ability to pivot as circumstances evolve. Today, our primary sourcing markets are Vietnam and the United States, representing approximately 63% and 27% of our product cost volume, respectively as of October 24, 2025, with smaller sourcing markets in Thailand, Malaysia and Cambodia. This unique blend of scale, consistency, strategy, and relationship management allows us to remain nimble and responsive to changes in the macro landscape.

Supply Chain

We believe swift and reliable delivery service complements our customer shopping experience. We are not satisfied until every customer sees their furniture at home exactly as they experienced it in our showroom. Recognizing customer sensitivity to product availability, we target and have maintained an in-stock rate of approximately 86% during the nine-month fiscal period ended September 28, 2025, which allows guest experience specialists to offer prompt and reliable delivery in as few as three days. Our BOBtastic delivery options offer a range of services tailored to meet our customers' needs, from white glove delivery to quick pickup.

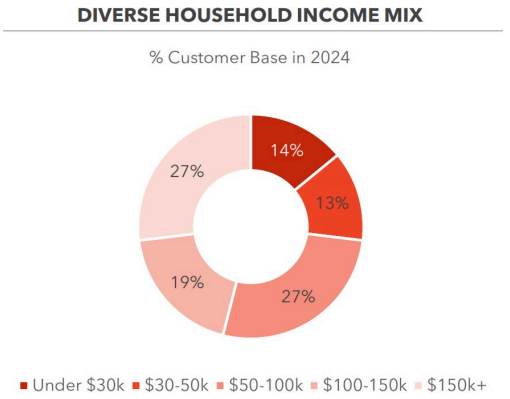
We manage the distribution and delivery of our products through our five distribution centers and 46 third-party delivery depots as of September 28, 2025, located strategically in markets throughout the United States. With more than half of our sales order volume serviced by more than one distribution center during the nine-month fiscal period ended September 28, 2025, we have the flexibility to adapt as demand shifts and protect service levels as we continue to scale. These systems allow our customers to have most products delivered to them in as few as three days, rather than weeks, as well as schedule delivery around their availability and preference; during fiscal year 2024, 55% of orders were delivered to customers in seven days or less and 76% of our orders were delivered in two weeks or less. Reflecting our focus on service, our Delivery Net Promoter Score (NPS)[2] has increased from 76 as of September 30, 2022 to 91 as of September 28, 2025, an improvement achieved while continuing to utilize third-party delivery partners. Our consistent store and delivery customer satisfaction ratings reflect the seamless customer experience from showroom to living room.

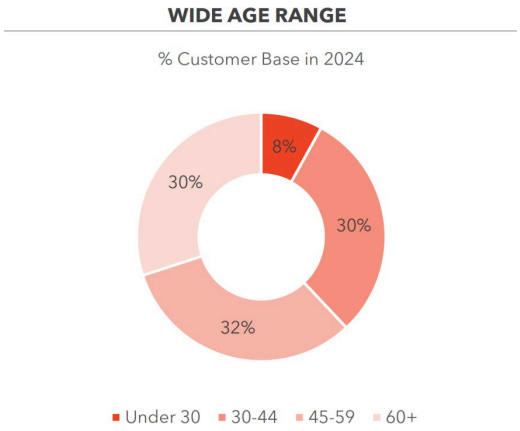
[2] NPS is a standardized measure of consumer satisfaction and loyalty that can range from a low of negative 100 to a high of positive 100 and is calculated by a survey of our customer base using a third-party platform.

Broad Customer Appeal

We have scaled successfully across markets around the country, including urban, suburban and secondary trade areas, and appeal to a diverse customer base. Our offerings cater to both budget-conscious families as well as higher-income households seeking furniture at a great value. This approach allows us to serve our customers across all purchasing occasions, including important life milestones.

In fiscal year 2024, approximately 46% of our customers had household incomes over $100,000 and approximately 27% earned above $150,000, and new customers earning over $150,000 increased almost 25% year-over-year as of September 28, 2025. Our appeal spans generations, with customers aged 30-44 representing approximately 30% of our total fiscal year 2024 customer base, 45-59 at approximately 32%, and 60+ at approximately 30%. Our active customer[3] base has grown to 2.9 million, as of December 28, 2025, underscoring the increasing resonance of our brand and depth of our customer relationships. This wide appeal reflects the strength of our value proposition and supports our geographic and digital expansion.





Omnichannel Platform Driving End-to-End Customer Engagement

At Bob's, we are committed to delivering a seamless shopping journey across all touchpoints (showrooms, phone, online, webchat), ensuring our customers can access our quality furniture wherever and however they prefer. Our strategy is built on a channel-neutral philosophy, operating as one highly integrated backend system across inventory management, pricing, fulfillment, merchandising and supply chain logistics. Our technology structure is similarly integrated across our platform enabling us to utilize advanced data analytics and technology to connect with customers across our various channels during the course of a highly considered purchase cycle. As a result of these investments, our digital ecosystem now includes over 10 million customer profiles and has attracted over 41 million website visitors as of December 28, 2025, further strengthening our ability to engage and understand our customers.

Differentiated In-Store Experience

We greet each of our guests with the phrase "Welcome to Bob's, would you like to look around?" We believe this is the beginning of a welcoming, hassle-free shopping experience with no gimmicks, reflecting our core promise of value without compromise. Our stores are designed to be engaging and helpful, with layouts that group comparable products and feature visual displays to enable discovery. Bob's low-pressure sales environment encourages customers to browse freely and comfortably, creating a relaxed and fulfilling shopping experience, particularly when compared to a more traditional furniture buying experience led by high-pressure sales associates.

[3] Active customers are customers who have made purchases from the Company within the prior two years.

We believe that our showrooms serve as a powerful catalyst for accelerating brand awareness and deepening customer engagement and loyalty.

Our guest experience specialists are knowledgeable, friendly and equipped with personal tablets, leading to efficient service and driving conversion. The tablets enable real-time product recommendations, stock visibility and allow our team members to offer a broad range of Bob's comprehensive selection, including various styles, colorways and add-ons. Every store includes a café with fun, complimentary amenities that enhance the retail adventure and reinforce our brand's approachable and customer-first ethos. While a majority of our customers reported engaging with us across multiple channels in fiscal year 2025, approximately 85% of our revenue was converted in-store, showcasing the effectiveness of our showroom strategy.

Online Platform

Our eCommerce channel represented approximately 14% of total net revenue in fiscal year 2024. Our website, mybobs.com, complements our stores by offering customers convenient access to our full product lineup and generates incremental traffic to our physical locations. Enhanced by AI-driven search tools, product recommendation algorithms, virtual visualization capabilities and an AI chatbot, our online presence allows customers to research, explore and purchase with confidence. Our OmniCart technology creates a seamless experience across channels, enabling customers to build and transfer shopping carts between online and in-store touchpoints. This system provides customers with flexibility to begin their journey digitally while transacting in person, or vice versa, designed to ensure a consistent, frictionless experience across platforms. Together, our store and eCommerce platforms form a cohesive, tech-enabled ecosystem.

Attractive Unit Economics with Proven Portability Across Markets

Our ability to successfully enter, and prosper in, a wide variety of markets is a testament to the strength of our business model and strategic execution. As of September 28, 2025, we operated 206 showrooms across 26 states, delivering strong unit economics in both legacy markets and the regions into which we have more recently expanded. Mature regions such as New England and New York, first established in 1992 and 1997, have demonstrated AUVs of approximately $14 million. Our top five New England and New York stores have generated AUVs of approximately $20 million and approximately $22 million, respectively, for the 12 months ended September 28, 2025. Our newer stores continue to show strong progress, with recent cohorts either already exceeding or near our current AUV target in less than two years.



LTM AUV calculated for the 12-month period ended September 28, 2025; Average age of stores calculated as of September 28, 2025; Excludes outlet sales, closed stores and stores opened after September 28, 2024

Our development strategy involves an ongoing assessment of whitespace growth potential and extensive analysis of factors such as real estate availability, competitive market dynamics, zone pricing and return on investment ("ROI") targets. Our robust, cross-functional development process ensures that each new market entry and store opening is thoughtfully planned and highly customized to best serve local customer needs. By maintaining a disciplined approach to expansion and leveraging our proven market entry strategies, we believe that we are well-positioned to continue our successful growth trajectory across new and existing markets. As we continue to expand, we remain committed to delivering the best-in-class experience that our customers have come to expect from Bob's.

Experienced and Dedicated Team Enabling The Bob's Way

The heart of our organization is our people, who form the foundation of our success. Our management team has cultivated a motivated, people-first culture of approximately 5,800 employees, as of September 28, 2025, committed to delivering outstanding customer experiences The Bob's Way. Our company culture is an integral part of our strategy, and we have had great success developing inspiring leaders, rewarding top performers and maintaining best-in-class employee satisfaction amongst our retail peers. Our commitment to our team is best exemplified by an attractive average tenure of approximately seven years for our store managers, with 81% of open store manager roles filled in fiscal year 2024 by internal promotions. Our focus on leadership development ensures opportunities for our next generation of managers as well as cohesion and continuity of Bob's values. This enduring loyalty has enabled us to build lasting relationships with customers and foster an environment that empowers team members to excel.

We believe that our company culture is a key competitive advantage and a strong contributor to our success, and we have prioritized maintaining our culture as we scale. Bob's measures employee engagement as a key driver of employee loyalty, belief in Bob's mission, and employee job satisfaction. Employee engagement has steadily increased since we first began measuring it in 2022.

Bob's is guided by a highly skilled and driven executive leadership team, whose acumen and industry knowledge have been essential in shaping our brand, advancing our company's progress, and ensuring our adaptability to market dynamics. Empowered by a legacy of collaborative innovation and relentless pursuit of excellence, our company's noteworthy achievements have garnered widespread recognition. Important accolades include:

- July 2025: Recognized on Newsweek List of America's Best Retailers 2025
- April 2025: Named one of America's Most Trustworthy Companies
- January 2025: Recognized by Forbes for Best Customer Service for 2nd consecutive year
- December 2023: Awarded Furniture Industry Leadership by Furniture Today

OUR GROWTH STRATEGIES

We believe we have a clear opportunity to drive sustainable growth and profitability by executing on the following strategies:

Grow Store Base Across New and Existing Markets

We believe that our compelling value proposition and the success of our stores across a broad range of geographic regions, population densities and demographic groups creates a significant opportunity to profitably increase our store base. Bob's unit expansion story is underpinned by a strategic, data-driven playbook. With a 12 to 18 month opening cycle, we have institutionalized a development process that balances speed with disciplined ROI evaluation and has powered our expansion across 26 states. Each store opening is supported by rigorous site selection, merchandising alignment and operational planning, creating a repeatable development process that has delivered consistent returns. We believe there is a clear and actionable path to more than 500 stores in our existing format nationwide by 2035, representing 2.5 times our current store base.

Our new store expansion model is guided by a disciplined opportunity assessment that prioritizes market-level profitability, supply-chain-enabled contiguous expansion, brand awareness, competitive positioning, pricing advantages and regional relationships. We target AUVs of approximately $9 million and cash-on-cash returns exceeding 80% within five years for our new store formats, with returns exceeding 60% by year two and a payback period of approximately two years. We leverage broad data analytics, on-the-ground insights and hindsight learnings from our nearly 35-year history to inform future strategic decisions and ensure success. We expect to balance expansion in new markets with high-density growth in existing markets, creating a durable and diversified path to increasing our national scale.

Grow Stores In Existing Markets

Our long-standing legacy markets in the Northeast, including New York, demonstrate the strength of our brand and the benefits of scale. In our existing markets, Bob's growing store density has continued to unlock meaningful cost and operational advantages driven by efficiencies in marketing and brand recognition and streamlined supply chains. Our in-fill strategy is highly contiguous, densifying existing and adjacent markets to enhance existing store-level economics and provide a runway for sustainable growth.

As an example of our growth in existing markets, we have grown Philadelphia from four units in fiscal year 2014 to 14 units as of September 28, 2025. Over the same period, we have expanded our aided brand awareness in the Philadelphia market significantly to upwards of 78% and our profitability metrics have more than doubled.

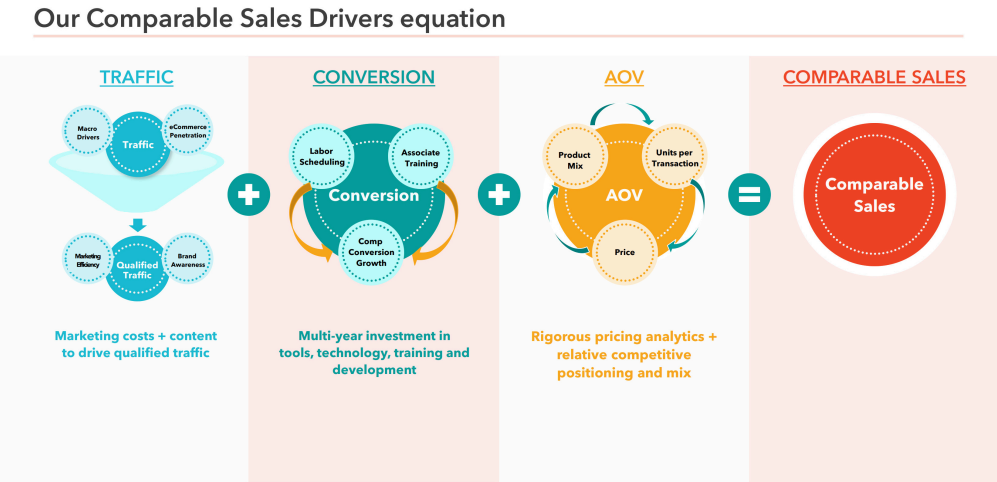
Grow Stores In New Markets

We have achieved success and demonstrated portability across geographic regions. Our momentum gives us confidence that we can continue expanding beyond newly opened and existing markets. For example, we successfully expanded into the Midwest region in fiscal year 2016 and the West Coast in fiscal year 2018, and more recently the Southeast region through our North Carolina openings in fiscal year 2025. We believe that our regional expansion demonstrates the broad resonance of our model and value proposition. In each new market, brand awareness has scaled quickly, reinforcing our confidence in our ability to replicate our success and drive efficiencies in advertising, supply chain and fixed costs. Each new store opening is followed by extensive testing and hindsight analysis, allowing us to refine our expansion and marketing playbooks and learn from every experience.

As an example of our new market expansion success, we entered Los Angeles in fiscal year 2018 with six units and an aided brand awareness of 24%, based on a third-party data collection provider. We currently have 17 units in Los Angeles and have more than doubled our aided brand awareness and revenue. Our profitability metrics in Los Angeles have expanded to our mature store average. As we continue to infill stores in Los Angeles, we expect to continue to gain market share and drive further cost efficiencies.

Drive Comparable Sales

We have a broad array of foundational and newly created initiatives that we believe will continue to increase our comparable sales by strengthening brand awareness, increasing conversion, optimizing our regionalized product assortment, and further deepening our relationship with our customers by leveraging technology.



Strengthen Brand Awareness

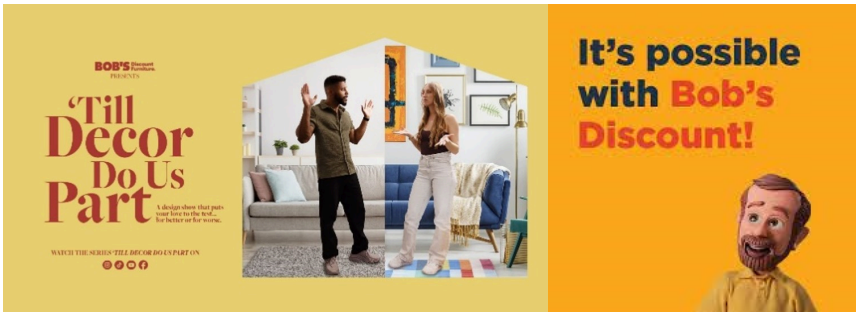
Our aided brand awareness in our top 10 designated market areas averaged approximately 71% in fiscal year 2024 whereas our national aided brand awareness was approximately 45%. We believe this speaks to the large opportunity in continuing to reach customers with our unique value proposition. Bob's aided brand awareness has more than doubled since fiscal year 2018, supported by enhanced marketing capabilities and a differentiated value proposition that resonates with a diverse customer base. According to our internal metrics, our brand scores have improved materially across key metrics since fiscal year 2018: +112% in consideration, +178% in reputation, and +77% in brand buzz.

We use a variety of marketing channels and tactics to reach our customers. Bob's is well-known for our fun, whimsical advertising that features "Little Bob", intended to create a memorable and lighthearted presence, moving away from the serious, high-end image of traditional furniture stores. Our "out-of-the-box" approach to unique campaigns infuses a playful element of surprise and humor, helping us to more authentically connect with our target audience. Our distinctive brand personality comes alive through high-impact television and digital campaigns, such as:

- Viral social media and advertising initiatives that generated 2.9 billion impressions in the second quarter of fiscal year 2025
- Our classic Oh My Bob! campaign in fiscal year 2024 highlighting the value appeal of our products in the memorable and fun Bob's tone generated over 70 million views during the Spring 2025 campaign
- Our industry-first social reality series in fiscal year 2025, Till Décor Do Us Part, resulting in highly positive sentiment that generated 79 million views, 132 million impressions and 15% higher click through rate since launch in July 2025 to September 5, 2025
- Strategic collaborations with local influencers and brands, including a Bob's branded NASCAR vehicle as we entered North Carolina, which significantly enhanced market aided brand awareness by 64% since the beginning of fiscal year 2024 to July 1, 2025 and garnered 250 million media impressions during the period beginning May 12, 2025 to August 31, 2025



Little Bob is the brand's fun-loving and memorable "spokes-puppet." He appears in much of our advertising to elevate attribution and recall. Originally conceived as founder Bob Kaufman's avatar, Little Bob has evolved over the years to embody many of the fun and wholesome attributes of the brand.



Our marketing initiatives help boost brand awareness and drive customer traffic to our showrooms and website, which we believe in turn serves as a powerful catalyst for deepening customer engagement and loyalty.

Increase Conversion

We are constantly refining and optimizing our operations to increase conversion. We leverage real-time data and past learnings to turn tactics into a cohesive, consistent and sustainable plan across our national retail experience, talent management, and technical capabilities. We track a number of operational KPIs that highly correlate with revenue growth, including close rate by associate, OmniCart attachment rate, schedule effectiveness

and training milestones. Our in-store technology platform, which was rolled out in 2024, enables retail leadership teams and store-level managers to track our operational KPIs through real-time dashboards, which enable nimble reallocation of resources and assessment of under and overperformance.

We empower regional leaders and invest in guest experience specialists. We have a robust talent pipeline that is further enhanced by continuous employee learning and development programs, fair compensation and incentives, and great store management teams. Our store associate training leverages conversion KPIs and individual performance rankings to enhance insights, coach more effectively and elevate overall team performance. Guest experience specialists offer personalized clienteling, so that each customer feels valued and understood. Our hiring and training excellence has assisted us in consistently increasing store conversion year after year.

Our showrooms are designed to deepen customer engagement through easy-to-navigate store layouts, seasonal floor resets, and café amenities, making furniture shopping enjoyable and hassle-free, which we believe in turn increases conversion. Our in-store technology enables guest experience specialists to leverage real-time stock, delivery and financing information, supported by digital shopping carts that flow seamlessly from the showroom to online, and vice versa. As we build out our technological capabilities further, we expect to generate greater process efficiencies and increase sales conversion.

Optimize Regional Assortment

Bob's value proposition and product architecture allows us to provide a product for the vast majority of customers. We believe that our product architecture is a unique competitive advantage and we have an opportunity to further expand that strength through sophisticated clustered assortment capabilities.

Our approach to product assortment utilizes data-driven insights from real-time sales to help us better manage inventory. Our assortment "newness" is a key growth lever. By integrating new products, representing approximately 15% to 30% of our showroom product offering each year, we seek to continue to drive repeat purchase demand and brand relevance. While a majority of our products are consistent across all stores, in the first quarter of fiscal year 2024, we began to test targeted and limited localized product assortments tailored to the specific preferences and tastes of certain markets. We are pleased with initial customer responses, which builds our confidence in a broader identification and rollout of clustered opportunities. For example, we cater to our Manhattan customers by focusing on small space living furniture and exclude large sectional pieces that are not ideal for city apartments. Aligning closely with local customer preferences allows us to increase AOV and more efficiently leverage supply chain efficiencies, driving margin accretion.

Deepen Customer Relationships Through Technology

Bob's is designed to meet customers wherever they choose to engage. Our upgraded website, refreshed in 2023, enables fast and easy shopping with intuitive post-order self-service. Digital investments have enabled real-time cart continuity (OmniCart), AI-driven search, and virtual product visualization. Our BobSquad virtual sales team and BobBot post-order chatbot support high engagement and seamless handoff across eCommerce channels.

Bob's leverages customer data in a variety of ways to ensure strategic, cross-functional decisions and to drive interest, conversion, and loyalty. Through our enriched customer database, we conduct in-depth analyses on our customer composition and behavior to draw valuable insights. These insights support decisions and assist in project prioritization, such as identifying marketing opportunities, capitalizing on merchandising trends and informing real estate analysis and planning. In addition, we leverage our customer data as part of our audience strategy and customer relationship management functions. For example, we develop lookalike modeling for paid media targeting and leverage our existing customer base to drive retention through email, SMS and direct mail marketing which we believe drives meaningful traffic and conversion.

Leverage Scale to Expand Margins and Drive Efficiency

We are making focused investments to efficiently drive top-line growth and margin expansion. As we continue to scale we realize benefits from increasing brand awareness and unit density in both existing and new geographies.

Our margin expansion opportunities include expanding product cost margins, increasing marketing efficiencies, achieving supply chain optimization and leveraging fixed costs.

Optimize Zone Pricing

Our everyday low price promise is supported by a sophisticated pricing strategy. Our zone pricing capabilities, which began in the fourth quarter of fiscal year 2023, are designed to help us align with local demand and purchasing power, while also enabling us to consistently offer products priced below our competitors. We track national, regional and local competitors on pricing across product categories to maintain our leading value proposition. By further strategically adjusting price points based on regional economic conditions and customer behavior, we seek to optimize our profitability while maintaining our commitment to delivering value without compromise.

Strategic Sourcing

We continue to deliver strong and expanding product cost margins, underpinned by our operational discipline and deep vendor relationships. As we continue to scale and expand our sourcing relationships with vendors, we anticipate balancing reinvestment with merchandise margin improvements, reflective of better terms, volume-based efficiencies, and increased vendor demand for our business. As of September 28, 2025, we have pivoted our supply chain completely out of China to avoid prior tariff impacts on our margins. We remain nimble and plan to proactively address incremental tariff impacts to further support continued margin expansion.

Marketing Efficiencies

Our rising retail density across existing and new markets is amplifying our brand visibility. As we pivot more towards national advertising, we continue to unlock meaningful leverage from our marketing budget. Additionally, our AI-powered targeting has enabled more precise audience engagement and has driven an approximately 50%+ improvement in return on advertising spend since fiscal year 2019. Bob's has proven that we take meaningful market share when we enter a new market given our unique value proposition which resonates with customers. As our overall brand awareness continues to scale, we believe we will continue to drive increased marketing efficiencies and lower our overall customer acquisition costs.

Supply Chain

As we continue to scale, we expect to be able to drive efficiencies across every aspect of our supply chain, including ensuring container availability, increased purchasing power with our freight vendors to reduce ocean shipping costs, reducing trucking and depots costs per order and in order to make furniture delivery to our customers more efficient. We plan to continue diversifying our supply chain network as we expand, allowing for improved utilization of our existing distribution centers and reducing overall costs.

Fixed Costs

Our existing infrastructure across field management and corporate overhead supports growth without linear cost escalation. Our corporate staff is structured to maintain effective oversight at its current level, and we believe that our model has the capacity to support future growth while simultaneously leveraging benefits from expanding scale. We anticipate gaining additional operational benefits as we continue to densify and grow our overall national penetration.

These elements provide a foundation for continued success and ongoing operating efficiencies as we scale. We will continue to make strategic investments in our infrastructure to improve operational efficiency and prepare for the next stage of our growth.

Recent Developments

Preliminary Estimated Financial Results for the Three-Month Fiscal Period and Fiscal Year Ended December 28, 2025

Set forth below are preliminary estimates of certain of our unaudited consolidated financial data and other data for the three-month fiscal period and fiscal year ended December 28, 2025, and actual unaudited consolidated financial data and other data for the three-month fiscal period and fiscal year ended December 29, 2024. Our consolidated financial statements as of and for the three-month fiscal period and fiscal year ended December 28, 2025 are not yet available and are subject to completion of our financial closing procedures. The following information reflects our preliminary estimates based on currently available information as of the date of this prospectus and is subject to change. We have provided ranges, rather than specific amounts, for the preliminary estimated financial results described below primarily because we are still in the process of finalizing our financial results as of and for the three-month fiscal period and fiscal year ended December 28, 2025 and, as a result, our final reported results may vary from the preliminary estimates presented below. Our actual results as of and for the three-month fiscal period and fiscal year ended December 28, 2025 remain subject to the completion of our financial closing process. See "*Cautionary Note Regarding Forward-Looking Statements*," "*Risk Factors*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" for additional information regarding factors that could result in differences between these preliminary estimate ranges of certain of our financial and other data that are presented below and the actual financial and other data we will report for the three-month fiscal period and fiscal year ended December 28, 2025.

The preliminary estimates of financial and other data for the three-month fiscal period and fiscal year ended December 28, 2025 presented below have been prepared by, and are the responsibility of, our management. PricewaterhouseCoopers LLP, our independent registered public accounting firm, has not audited, reviewed, examined, compiled nor applied agreed-upon procedures with respect to such preliminary data for the three-month fiscal period and fiscal year ended December 28, 2025. Accordingly, PricewaterhouseCoopers LLP does not express an opinion or any other form of assurance with respect thereto.

The preliminary estimates provided below do not represent a comprehensive statement of our financial results and should not be viewed as a substitute for our consolidated financial statements prepared in accordance with GAAP. In addition, the preliminary estimate for the three-month fiscal period and fiscal year ended December 28, 2025 are not necessarily indicative of the results to be achieved in any future period. The unaudited actual results for the three-month fiscal period and fiscal year ended December 28, 2025 have been derived from our books and records.

We expect our financial closing procedures with respect to the three-month fiscal period and fiscal year ended December 28, 2025 to be completed in March 2026. Accordingly, our consolidated financial statements as of and for the three-month fiscal period and fiscal year ended December 28, 2025 will not be available until after this offering is completed. We undertake no obligation to update or supplement the information provided below until we publicly release our consolidated financial statements as of and for the three-month fiscal period and fiscal year ended December 28, 2025.

Additionally, the estimates and actual results reported below include certain financial measures that are not required by, or presented in accordance with, GAAP. We use these non-GAAP financial measures and KPIs to supplement financial information presented in accordance with GAAP. We believe that excluding certain items from our GAAP results allows management to better understand our financial performance from period to period. Moreover, we believe these non-GAAP financial measures and KPIs provide our stakeholders with useful information to help them evaluate our operating results by facilitating an enhanced understanding of our operating performance and enabling them to make more meaningful period-to-period comparisons. Adjusted net income and Adjusted EBITDA should not be considered as alternatives to net income or loss, income or loss from operations, or any other performance measure in accordance with GAAP, or as an alternative to cash provided by operating activities as a measure of our liquidity. There are limitations to the use of these non-GAAP financial measures and KPIs. For example, our non-GAAP financial measures may not be comparable to similarly titled measures of other companies, including companies in our industry. For more information about how we use these non-GAAP financial

measures in our business and the limitations of these measures, please see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Indicators and Non-GAAP Financial Measures*".

The following are our preliminary estimated financial results for the three-month fiscal period and fiscal year ended December 28, 2025:

	Three-Month Fiscal Period Ended			Fiscal Year Ended		
(in thousands)	**December 28, 2025 (Estimated Low)**	**December 28, 2025 (Estimated High)**	**December 29, 2024 (Actual)**	**December 28, 2025 (Estimated Low)**	**December 28, 2025 (Estimated High)**	**December 29, 2024 (Actual)**
Net revenues	$ 646,000	$ 648,000	$ 599,761	$ 2,365,212	$ 2,367,212	$ 2,028,143
Comparable sales growth	1.0%		8.7 %	7.7%		(3.4)%
Adjusted comparable sales growth[(1)]	2.8%		6.8 %	7.7%		(3.4)%
Gross profit	$ 294,000	$ 296,000	$ 273,039	$ 1,078,811	$ 1,080,811	$ 948,440
Net income	38,000	41,000	38,621	118,697	121,697	87,933
Adjusted net income	38,141	41,141	40,830	117,155	120,155	90,754
Adjusted EBITDA	73,453	76,453	72,931	237,750	240,750	193,994

(1) Adjusted comparable sales growth for the three-month fiscal periods ended December 28, 2025 and ended December 29, 2024 are presented on an adjusted basis to eliminate the impact of a $10.2 million anomalous timing shift in comparable sales for the third quarter of fiscal year 2024 as a result of a system outage impacting the final two delivery days of the third quarter of fiscal year 2024. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Unaudited Quarterly Results of Operations Data*" and "*Risk Factors—Risks Related to Data Privacy and Information Technology—We rely extensively on computer systems to process transactions, summarize results and manage our business. Disruptions in both our primary and back-up systems could adversely affect our business and operating results.*"

- Our store count at December 28, 2025 was 209 compared to 189 at December 29, 2024. In the three-month fiscal period and fiscal year ended December 28, 2025, we opened 3 and 20 showrooms, respectively.
- Net revenues are expected to be between $646 million and $648 million for the three-month fiscal period ended December 28, 2025 and approximately $2.4 billion for fiscal year 2025, increases from the corresponding prior year periods of 7.9% and 16.7%, respectively, at the midpoint of the range. The estimated increases in net revenues compared to the corresponding prior year periods are primarily due to comparable sales growth discussed below and revenue from new stores.
- Comparable sales growth is expected to be 1.0% for the three-month fiscal period ended December 28, 2025 compared to 8.7% in the corresponding prior year period and 7.7% for fiscal year 2025 compared to (3.4)% in fiscal year 2024. The estimated increase in comparable sales growth for the three-month fiscal period compared to the corresponding prior year period is primarily due to growth in customer conversion and higher average order values, due to pricing increases, in our retail channel. Comparable sales growth was also driven by increased eCommerce traffic. Comparable sales are partially offset by an estimated $10.2 million anomalous timing shift of deliveries between the third and fourth quarters of fiscal year 2024 related to an information technology system outage impacting the final two delivery days of the third quarter of fiscal year 2024. The estimated increase in comparable sales for fiscal year 2025 compared to the corresponding prior year period is due to strong conversion, predominately in our retail channel, and increased eCommerce traffic.
- Adjusted comparable sales growth is expected to be 2.8% for the three-month fiscal period ended December 28, 2025 compared to 6.8% in the corresponding prior year period and 7.7% for fiscal year 2025 compared to (3.4)% in fiscal year 2024. The estimated increases in adjusted comparable sales growth compared to the corresponding prior year periods are due to the drivers discussed above excluding the $10.2 million adjustment related to the information technology system outage.

- Gross profit is expected to be between $294 million and $296 million for the three-month fiscal period ended December 28, 2025 and approximately $1.1 billion for fiscal year 2025, which represents an 8.0% and 13.9% increase from the corresponding periods, respectively, at the midpoint of the range. The estimated increases in gross profit compared to the corresponding prior year periods are primarily due to the impact of higher net revenues. Gross profit as a percentage of net revenues is expected between 45.5% and 45.7% for the three-month fiscal period ended December 28, 2025 and between 45.6% and 45.7% for fiscal year 2025 compared to 45.5% and 46.8% in the prior year three-month and fiscal year periods, respectively. The change in gross profit as a percentage of revenue for the three-month fiscal period compared to the corresponding prior year period is due to lower freight costs, which, at the midpoint of the range, were partially offset by product mix shift. Our results in the three-month fiscal period ended December 29, 2024 were impacted by unusually high short-term freight rates. We believe that the contracted rates we have been paying in fiscal year 2025 are more indicative of a normalized freight environment. The decrease in gross profit as a percentage of revenue for fiscal year 2025 compared to the corresponding prior year period is due to product mix shift.
- Net income is expected to be between $38 million and $41 million for the three-month fiscal period ended December 28, 2025 and between $118.7 million and $121.7 million for fiscal year 2025, increases from the corresponding prior year periods of 2.3% and 36.7%, respectively, at the midpoint of the range. The estimated increases in net income compared to the corresponding prior year periods are primarily due to the impacts of higher net revenues and gross profit discussed above, partially offset by higher selling, general and administrative ("SG&A") expenses resulting from new store growth and higher commissions on net revenue growth. Additionally offsetting the increases are higher interest expense on the $350.0 million term loan facility entered into in October 2025 described below for the three-month fiscal period and higher income taxes resulting from higher pre-tax income for the fiscal year period.
- Adjusted net income is expected to be between $38.1 million and $41.1 million for the three-month fiscal period ended December 28, 2025 and between $117.2 million and $120.2 million for fiscal year 2025, a decrease of 2.9% and increase of 30.7%, respectively, from the corresponding prior year periods at the midpoint of the range.
- Adjusted EBITDA is expected to be between $73.5 million and $76.5 million for the three-month fiscal period ended December 28, 2025 and between $237.8 million and $240.8 million for fiscal year 2025, increases from the corresponding prior year periods of 2.8% and 23.3%, respectively, at the midpoint of the range.

The following tables show reconciliations of Adjusted net income and Adjusted EBITDA used in this filing to the most directly comparable GAAP financial measure.

	Three-Month Fiscal Period Ended			Fiscal Year Ended		
(in thousands except percentages)	December 28, 2025 (Estimated Low)	December 28, 2025 (Estimated High)	December 29, 2024 (Actual)	December 28, 2025 (Estimated Low)	December 28, 2025 (Estimated High)	December 29, 2024 (Actual)
Non-GAAP Reconciliations						
Net revenues	$ 646,000	$ 648,000	$ 599,761	$ 2,365,212	$ 2,367,212	$ 2,028,143
Adjusted net income						
Net income	$ 38,000	$ 41,000	$ 38,621	118,697	121,697	$ 87,933
Restructuring charges	—	—	—	292	292	—
Insurance recoveries	(617)	(617)	—	(5,114)	(5,114)	—
Gain on hedge accounting de-designation of interest rate cap	—	—	—	—	—	(3,067)
(Gain) loss on disposal of fixed assets	(21)	(21)	7	(155)	(155)	17
Impairment of long-lived assets	—	—	2,061	—	—	2,061
Management fee[(1)]	515	515	507	2,046	2,046	2,013

Other expenses[2]	335	335	274	889	889	2,616
Tax effect of adjustments	(71)	(71)	(640)	500	500	(819)
Adjusted net income	$ 38,141	$ 41,141	$ 40,830	$ 117,155	$ 120,155	$ 90,754
Adjusted net income as % of net revenues	5.9 %	6.3 %	6.8 %	5.0 %	5.1 %	4.5 %
Adjusted EBITDA						
Net income	$ 38,000	$ 41,000	$ 38,621	118,697	121,697	$ 87,933
Interest expense	5,890	5,890	894	9,091	9,091	10,538
Interest income	(548)	(548)	(411)	(2,050)	(2,050)	(2,450)
Income tax expense	10,160	10,160	13,612	39,442	39,442	25,491
Depreciation and amortization	19,021	19,021	16,512	71,105	71,105	65,194
Stock-based compensation expense	718	718	854	3,507	3,507	3,648
Restructuring charges	—	—	—	292	292	—
Insurance recoveries	(617)	(617)	—	(5,114)	(5,114)	—
Gain on hedge accounting de-designation of interest rate cap	—	—	—	—	—	(3,067)
(Gain) loss on disposal of fixed assets	(21)	(21)	7	(155)	(155)	17
Impairment of long-lived assets	—	—	2,061	—	—	2,061
Management fee[1]	515	515	507	2,046	2,046	2,013
Other expenses[2]	335	335	274	889	889	2,616
Adjusted EBITDA	$ 73,453	$ 76,453	$ 72,931	$ 237,750	$ 240,750	$ 193,994
Adjusted EBITDA as % of net revenues	11.4 %	11.8 %	12.2 %	10.1 %	10.2 %	9.6 %

(1) Represents management fees paid in accordance with our Advisory Agreement with our controlling stockholder, which will terminate in connection with the consummation of this offering. See "*Certain Relationships and Related Party Transactions—Advisory Agreement*."

(2) Other expenses represents costs that are not indicative of ongoing business operations and performance, including, but not limited to, third-party professional fees related to IPO readiness, litigation matters outside the ordinary course of business and senior executive termination benefits.

We include Adjusted net income and Adjusted EBITDA in this prospectus for the reasons described in the section titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations—How We Assess the Performance of Our Business*." Adjusted net income and Adjusted EBITDA have certain limitations in that they do not reflect all expense items that affect our results. These and other limitations are described in "*Management's Discussion and Analysis of Financial Condition and Results of Operations—How We Assess the Performance of Our Business*." We encourage you to review our financial information in its entirety and not rely on a single financial measure.

Recapitalization

On October 31, 2025, we entered into a term loan credit agreement (the "Term Loan Credit Agreement") with JPMorgan Chase Bank, N.A., as administrative agent and collateral agent, and the other agents, arrangers and lenders party thereto, providing for a $350.0 million first-lien secured term loan facility (the "Term Loan Facility"). We used the net proceeds from the Term Loan Facility, together with cash on hand, to pay an aggregate cash dividend of approximately $423.3 million to holders of our common stock as of October 31, 2025, together with a compensatory make-whole payment in an aggregate amount of $2.6 million to the holders of certain of our outstanding options. In connection with the dividend payment, the Board of Directors adjusted the exercise price of vested and unvested options outstanding under the Company's 2014 Stock Option Plan (the "2014 Plan") and approved a compensatory make-whole payment in an aggregate amount of $2.6 million to the holders of certain such options. We refer to these transactions collectively as the "Recapitalization." We are required under the terms of the Term Loan Credit Agreement to prepay the Term Loan Facility with net proceeds from an initial public offering of the Company's common stock.

See "*Description of Certain Indebtedness—Term Loan Facility*" for more information regarding the Term Loan Facility.

Summary of Risks Related to Our Business

An investment in our common stock involves a high degree of risk. Among these important risks are the following:

- We are subject to risks associated with our reliance on foreign manufacturing, suppliers and imports for our products.
- We face significant competition from national, regional and local retailers of home furnishings.
- If we fail to successfully anticipate or respond to changes in consumer preferences in a timely manner, our sales may decline.
- Our business, results of operations and financial condition may be adversely affected by global economic conditions and the effect of economic pressures, including inflation, and other business factors on discretionary consumer spending and consumer preferences.
- If we fail to successfully manage the challenges that our planned new store growth poses or encounter unexpected difficulties or higher costs during our expansion, our operating results and future growth opportunities could be adversely affected.
- Our business requires that we lease substantial amounts of space and there can be no assurance that we will be able to continue to lease space on terms as favorable as the leases negotiated in the past.
- We are dependent upon the ability of our third-party suppliers to meet our requirements; any failures by these producers, or the unavailability of suitable suppliers at reasonable prices or limitations on our ability to source from third-party vendors may negatively impact our ability to deliver quality products to our customers on a timely basis or result in higher costs or reduced net revenues.
- Any disruption in our distribution capabilities, supply chain or our related planning and control processes may adversely affect our business, financial condition and operating results.
- Failure to comply with data privacy and security laws and regulations could adversely affect our operating results and business.
- If our efforts to protect the privacy and security of information related to our customers, us, our employees, our associates, our suppliers and other third parties are not successful, we could become subject to litigation, investigations, liability and negative publicity that could significantly harm our reputation and relationships with our customers and adversely affect our business, financial condition, and operating results.
- Our intellectual property rights are valuable, and any failure to protect them could reduce the value of our products and brand and harm our business.
- Federal, state or local laws and regulations, or our failure to comply with such laws and regulations, could increase our expenses, restrict our ability to conduct our business and expose us to legal risks.
- Because Bain Capital owns a significant percentage of our common stock, it may control all major corporate decisions and its interests may conflict with your interests as an owner of our common stock and our interests.
- The other factors set forth under "*Risk Factors*."

Before you invest in our common stock, you should carefully consider all the information in this prospectus, including matters set forth in the section titled "*Risk Factors*."

Corporate Information and Structure

The Company, which is the issuer of the common stock offered by this prospectus, was formed as a Delaware corporation on December 20, 2013 under the name BDF Holding Corp., and effective October 13, 2025, changed its name to Bob's Discount Furniture, Inc. The Company does not conduct any operations other than with respect to its direct and indirect ownership of its subsidiaries, and the business operations of Bob's are conducted primarily out of its indirect operating subsidiaries.

Our principal executive offices are located at 434 Tolland Turnpike, Manchester, CT 06042, and our telephone number at that location is (860) 474-1200. Our website address is www.mybobs.com. Our website and the information contained on our website do not constitute a part of this prospectus.

Our Principal Stockholder

Upon the closing of this offering, BCPE BDF Investor, LP, an investment fund advised by Bain Capital, will beneficially own approximately 75% of our common stock (or 73% if the underwriters exercise in full their over-allotment option). As a result, we will be a "controlled company" within the meaning of the applicable listing rules of the New York Stock Exchange. See "*Risk Factors—Risks Related to Ownership of our Common Stock and this Offering—Following the consummation of this offering, we will be a "controlled company" within the meaning of the rules of the New York Stock Exchange and, as a result, will qualify for, and may rely on, exemptions from certain corporate governance requirements; you will not have the same protections afforded to stockholders of companies that are subject to all such requirements*."

Bain Capital

Founded in 1984, Bain Capital, L.P. is one of the world's leading private investment firms, with approximately $185 billion in assets under management. Bain Capital, L.P. is committed to creating lasting impact for its investors, management teams, businesses, and the communities in which it operates. As a private partnership, Bain Capital, L.P. leads with conviction and a culture of collaboration—advantages that enable it to innovate investment approaches, unlock opportunities, and create exceptional outcomes. The firm's global platform invests across five focus areas: Private Equity, Growth & Venture, Capital Solutions, Credit & Capital Markets, and Real Assets. In these focus areas, Bain Capital, L.P. brings deep sector expertise and wide-ranging capabilities to each of these areas, supported by more than 1,850 employees across 25 offices on four continents.

Since its founding, Bain Capital Private Equity has made over 400 investments in companies in a variety of industries around the world. The firm has a long and successful history of investing in consumer products, restaurants and retail businesses and has partnered with management teams to complete numerous initial public offerings in these sectors, including Virgin Australia, Canada Goose, Michaels, Burlington Holdings, Bright Horizons, BRP, Bloomin' Brands, Dunkin' Brands, and Dollarama.

Implications of being a Controlled Company

Immediately after the completion of this offering, investment funds advised by Bain Capital will own approximately 75% of our outstanding common stock (or approximately 73% of our outstanding common stock if the underwriters' option to purchase additional shares from the selling stockholder is exercised in full). As a result, we expect to be a "controlled company" within the meaning of the corporate governance standards of the New York Stock Exchange. Under the New York Stock Exchange corporate governance standards, a company of which more than 50% of the voting power is held by an individual, group or another company is a "controlled company" and may elect not to comply with certain corporate governance standards, including (i) the requirement that a majority of the board of directors consist of independent directors, (ii) the requirement that we have a compensation committee that is composed entirely of independent directors and (iii) the requirement that our director nominations be made, or recommended to our full board of directors, by our independent directors or by a nominations committee that consists entirely of independent directors. We may take advantage of certain of these exemptions, and, as a result, you may not have the same protections afforded to stockholders of companies that are subject to all of the New York Stock Exchange corporate governance requirements. In the event that we cease to be a "controlled company," we

will be required to comply with these provisions within the transition periods specified in the New York Stock Exchange corporate governance rules. See "*Management—Controlled Company*."

The Offering

Common stock offered by us	19,450,000 shares.
Option to purchase additional shares	The selling stockholder has granted the underwriters an option to purchase up to 2,917,500 additional shares of our common stock within 30 days of the date of this prospectus.
Common stock to be outstanding after this offering	130,367,060 shares.
Directed Share Program	At our request, the underwriters have reserved, at the initial offering price, up to 972,500 shares of common stock, or up to 5.0% of the shares of common stock offered by this prospectus for sale to certain of our directors, officers, employees and related persons through a directed share program. The number of shares of common stock available for sale to the general public will be reduced to the extent these individuals purchase such reserved shares. Any reserved shares that are not so purchased will be offered by the underwriters to the general public on the same basis as the other shares offered by this prospectus. The shares purchased pursuant to the directed share program will not be subject to lock-up agreements with the underwriters, except in the case of shares purchased by any of our directors or executive officers, which will be subject to a 180-day lock-up restriction. The directed share program will be administered by Morgan Stanley & Co. LLC. See "*Underwriting—Directed Share Program*."
Use of proceeds	We estimate that the net proceeds from the sale of shares of our common stock offered by us in this offering will be approximately $320.6 million, based on an assumed initial public offering price of $18.00 per share, the midpoint of the price range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. We will not receive any proceeds from the sale of shares of our common stock by the selling stockholder named in this prospectus. We intend to use the net proceeds from this offering (i) to prepay approximately $320.6 million of indebtedness under the Term Loan Facility (the net proceeds from which were used to fund a cash dividend to the holders of our common stock as of October 31, 2025) and (ii) for general corporate purposes. In the event that the net proceeds are less than the $350.0 million of indebtedness under the Term Loan Facility, we expect to use cash on hand and other available liquidity to prepay the remaining indebtedness. See "*Use of Proceeds*."
Dividend policy	We do not anticipate paying dividends on our common stock in the future. However, we expect to reevaluate our dividend policy on a regular basis following the offering and may, subject to compliance with the covenants contained in our credit facilities and other considerations, determine to pay dividends in the future. See "*Dividend Policy*."
Risk factors	Investing in our common stock involves a high degree of risk. You should read the "*Risk Factors*" section of this prospectus for a discussion of factors to consider carefully before deciding to invest in shares of our common stock.
Controlled Company	Immediately after the completion of this offering, investment funds advised by Bain Capital will own approximately 75% of our outstanding common stock (or approximately 73% of our outstanding common stock if the underwriters' option to purchase additional shares from the selling stockholder is exercised in full). As a result, we expect to be a "controlled company" within the meaning of the corporate governance standards of the New York Stock Exchange. See "*Management—Controlled Company*."

Conflicts of Interest	An affiliate of each of J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC, RBC Capital Markets, LLC and UBS Securities LLC is a lender under our Term Loan Facility. As described in "*Use of Proceeds*," net proceeds from this offering will be used to repay outstanding borrowings under our Term Loan Facility, and an affiliate of each of J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC, RBC Capital Markets, LLC and UBS Securities LLC will receive 5% or more of the net proceeds of this offering due to the repayment of borrowings under the Term Loan Facility. Therefore, each of J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC, RBC Capital Markets, LLC and UBS Securities LLC is deemed to have a "conflict of interest" under Rule 5121 ("Rule 5121") of the Financial Industry Regulatory Authority, Inc. ("FINRA"). Accordingly, this offering is being conducted in compliance with the requirements of Rule 5121, which requires, among other things, that a "qualified independent underwriter" participate in the preparation of, and exercise the usual standards of "due diligence" with respect to, the registration statement and this prospectus. Evercore Group L.L.C. has agreed to act as a qualified independent underwriter for this offering and to undertake the legal responsibilities and liabilities of an underwriter under the Securities Act, specifically including those inherent in Section 11 thereof. Evercore Group L.L.C. will not receive any additional fees for serving as a qualified independent underwriter in connection with this offering. We have agreed to indemnify Evercore Group L.L.C. against liabilities incurred in connection with acting as a qualified independent underwriter, including liabilities under the Securities Act. See "*Use of Proceeds*" and "*Underwriting (Conflicts of Interest)*" for additional information.
Proposed stock exchange symbol	"BOBS"

The number of shares of common stock to be outstanding after this offering is based on 110,917,060 shares of common stock outstanding immediately prior to this offering, and excludes 20,579,015 shares of common stock reserved for future issuance under our equity incentive plans.

Unless otherwise indicated, information presented in this prospectus gives effect to the following:

- an assumed initial public offering price of $18.00 per share, the midpoint of the price range set forth on the cover page of this prospectus;
- an approximately 1-for-1.56565 reverse split of our common stock effected on January 22, 2026;
- the effectiveness of our second restated certificate of incorporation and our second amended and restated bylaws, upon the closing of this offering; and
- no exercise by the underwriters of their option to purchase up to 2,917,500 additional shares of our common stock from the selling stockholder in this offering.

Summary Historical Consolidated Financial Data

We present below our summary consolidated statements of operations and of cash flow data for the fiscal years ended December 29, 2024, December 31, 2023 and January 1, 2023, and our consolidated balance sheet data as of December 29, 2024. We have derived this information from our audited consolidated financial statements included elsewhere in this prospectus. The summary consolidated statements of operations and of cash flow data for the nine-month periods ended September 28, 2025 and September 29, 2024 have been derived from our interim unaudited financial statements included elsewhere in this prospectus.

The historical results presented below are not necessarily indicative of the results to be expected for any future period. You should read the summary consolidated financial and operating data presented below in conjunction with "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and our audited consolidated financial statements and related notes included elsewhere in this prospectus.

	Nine-Month Fiscal Period Ended		Fiscal Year Ended		
(in thousands, except share and per share amounts)	**September 28, 2025**	**September 29, 2024**	**December 29, 2024**	**December 31, 2023**	**January 1, 2023**
Net revenues	$ 1,719,212	$ 1,428,382	$ 2,028,143	$ 2,008,082	$ 2,105,508
Cost of sales	934,401	752,981	1,079,703	1,073,355	1,252,072
Gross profit	784,811	675,401	948,440	934,727	853,436
Operating expenses (income)					
Selling, general, and administrative	662,968	596,365	813,302	806,938	793,887
Pre-opening expenses	15,157	13,562	15,326	4,662	9,565
(Gain) loss on disposal of fixed assets	(134)	10	17	2,226	28
Impairment of long-lived assets	—	—	2,061	1,322	—
Restructuring charges	292	—	—	1,760	—
Insurance recoveries	(4,497)	—	—	—	—
Total operating expenses	673,786	609,937	830,706	816,908	803,480
Operating income	111,025	65,464	117,734	117,819	49,956
Other (income) expense					
Interest expense	3,201	9,644	10,538	19,872	24,343
Interest income	(1,502)	(2,039)	(2,450)	(1,006)	(638)
Other income, net	(653)	(3,332)	(3,778)	(3,665)	(8,488)
Total other expense, net	1,046	4,273	4,310	15,201	15,217
Income before taxes	109,979	61,191	113,424	102,618	34,739
Income tax expense	29,282	11,879	25,491	24,519	7,091
Net income	$ 80,697	$ 49,312	$ 87,933	$ 78,099	$ 27,648
Basic net income per share	$ 0.73	$ 0.45	$ 0.80	$ 0.72	$ 0.26
Diluted net income per share	$ 0.72	$ 0.44	$ 0.78	$ 0.69	$ 0.25
Pro Forma net income per share data:					
Basic net income per share[(1)]	$ 0.62		$ 0.68		
Diluted net income per share[(1)]	$ 0.61		$ 0.67		
Pro Forma weighted average number of shares outstanding:					
Basic[(1)]	129,547,731		129,446,455		
Diluted[(1)]	132,203,472		132,174,071		

(1) Pro forma net income per share, basic, is computed by dividing pro forma net income of $80.7 million and $87.9 million by 129,547,731 and 129,446,455 pro forma weighted-average shares outstanding for the period ended September 28, 2025 and the year ended December 29, 2024, respectively. Pro forma net income per share, diluted, is computed by dividing pro forma net income of $80.7 million and $87.9 million by 132,203,472 and 132,174,071 pro forma weighted-average shares outstanding for the period ended September 28, 2025 and the year ended December 29, 2024, respectively. For the period ended September 28, 2025, pro forma net income gives effect to (i) the incremental interest expense of $21.4 million resulting from the additional $350.0 million borrowed under the Term Loan Facility, reduced by $21.4 million as a result of the application of $350.0 million of the net proceeds and use of cash on hand to prepay $350.0 million of the Term Loan Facility, (ii) the incremental amortization expense of $1.0 million resulting from the $11.0 million deferred debt issuance costs associated with the Term Loan Facility, reduced by $1.0 million as a result of the use of an aggregate $350.0 million of the net proceeds and cash on hand to prepay $350.0 million of the Term Loan Facility and (iii) the incremental tax benefit of $6.1 million resulting from the incremental interest expense and amortization expense associated with the Term Loan Facility, reduced by $6.1 million as a result of the use of an aggregate $350.0 million of the net proceeds and cash on hand to prepay $350.0 million of the Term Loan Facility, as if the offering had occurred on January 1, 2024, as set forth under "*Use of Proceeds*." For the year ended December 29, 2024, pro forma net income gives effect to (i) the incremental interest expense of $28.7 million resulting from the additional $350.0 million borrowed under the Term Loan Facility, reduced by $28.7 million as a result of the use of an aggregate $350.0 million of the net proceeds and cash on hand to prepay $350.0 million of the Term Loan Facility, (ii) the incremental amortization expense of $1.2 million resulting from the $11.0 million deferred debt issuance costs associated with the Term Loan Facility, reduced by $1.2 million as a result of the use of an aggregate $350.0 million of the net proceeds and cash on hand to prepay $350.0 million of the Term Loan Facility and (iii) the incremental tax benefit of $8.2 million resulting from the incremental interest expense and amortization expense associated with the Term Loan Facility, reduced by $8.2 million as a result of the use of an aggregate $350.0 million of the net proceeds and cash on hand to prepay $350.0 million of the Term Loan Facility, as if the offering had occurred on January 1, 2024, as set forth under "*Use of Proceeds*." For the period ended September 28, 2025 and the year ended December 29, 2024, pro forma weighted-average shares outstanding gives effect to the issuance of 19,450,000 shares of common stock, which is the number of shares that would be attributable to the proceeds used to prepay $320.6 million of the Term Loan Facility, as described in "*Use of Proceeds*" at an assumed initial public offering price of $18.00 per share (the midpoint of the price range set forth on the cover page of this prospectus). This pro forma per share information is presented for informational purposes only and does not purport to represent what our net income or net income per share actually would have been had the Recapitalization, the offering and use of proceeds and cash on hand to prepay $350.0 million of the Term Loan Facility, as described in "*Use of Proceeds,*" or to project our net income or net income per share for any future period. The pro forma per share information does not give effect to the new rate of interest that would be applicable to the extent the Term Loan Facility was in effect on January 1, 2024.

	Nine-Month Fiscal Period Ended		Fiscal Year Ended		
(in thousands)	September 28, 2025	September 29, 2024	December 29, 2024	December 31, 2023	January 1, 2023
Consolidated statement of cash flow data:					
Net cash provided by operating activities	$ 118,748	$ 92,025	$ 161,154	$ 197,172	$ 51,993
Net cash used in investing activities	(57,989)	(60,145)	(78,224)	(22,773)	(49,733)
Net cash used in financing activities	(8,570)	(102,161)	(105,469)	(94,527)	(89,749)
Net (decrease) increase in cash and cash equivalents	$ 52,189	$ (70,281)	$ (22,539)	$ 79,872	$ (87,489)

	September 28, 2025	
(in thousands)	Actual	As Further Adjusted[(1)(2)]
Consolidated balance sheet data		
Cash and cash equivalents	$ 123,379	$ 7,395
Total assets	1,850,640	1,733,118
Total operating and financing lease liabilities, including current portion	824,690	824,690
Total stockholders' equity	547,800	431,503

Key Performance Indicators and Non-GAAP Financial Measures[3][4]	**Nine-Month Fiscal Period Ended**		**Fiscal Year Ended**		
(in thousands, except percentages and number of stores)	**September 28, 2025**	**September 29, 2024**	**December 29, 2024**	**December 31, 2023**	**January 1, 2023**
Adjusted net income	$ 79,014	$ 49,924	$ 90,754	$ 83,239	$ 23,803
Adjusted EBITDA	164,297	121,063	193,994	195,037	117,752
Comparable sales growth	10.5 %	(7.6)%	(3.4)%	(7.4)%	0.4 %
Adjusted comparable sales growth[5]	9.7 %	(6.9)%	(3.4)%	(7.4)%	0.4 %
Number of new stores opened	17	15	19	7	14
Number of stores at period end	206	185	189	171	164

(1) Adjusted to give effect to (i) the Recapitalization, (ii) the retirement of all of our treasury shares as approved by the Board of Directors, (iii) the effectiveness of our second restated certificate of incorporation and our second amended and restated bylaws, upon the closing of this offering, (iv) the issuance of shares of common stock by us in this offering and the receipt of approximately $320.6 million in net proceeds to us from the sale of such shares, assuming an initial public offering price of $18.00 per share, the midpoint of the price range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us and (v) the application of the net proceeds from this offering and cash on hand as set forth under "*Use of Proceeds.*"

(2) Each $1.00 increase or decrease in the assumed initial public offering price of $18.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, each of our as further adjusted cash and cash equivalents, total assets and total stockholders' equity by approximately $18.2 million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each increase or decrease of 1.0 million in the number of shares offered by us would increase or decrease, as applicable, each of our as further adjusted cash and cash equivalents, total assets and total stockholders' equity by approximately $16.9 million, assuming that the assumed initial public offering price remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. The as further adjusted information discussed above is illustrative only and will adjust based on the actual initial public offering price and other terms of this offering.

(3) Adjusted net income and Adjusted EBITDA are non-GAAP financial measures. The reconciliations to the most comparable GAAP financial measures and a discussion of the rationale for the presentation of these items are provided in "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Indicators and Non-GAAP Financial Measures*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Reconciliation of Non-GAAP Financial Measures*."

(4) Our KPIs are discussed and defined in the section titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*."

(5) Adjusted comparable sales growth for the nine-month fiscal periods ended September 28, 2025 and September 29, 2024, are presented on an adjusted basis to eliminate the impact of a $10.2 million anomalous timing shift in comparable sales for the third quarter of fiscal year 2024 as a result of a system outage impacting the final two delivery days of the third quarter of fiscal year 2024. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations*" and "*Risk Factors—Risks Related to Data Privacy and Information Technology—We rely extensively on computer systems to process transactions, summarize results and manage our business. Disruptions in both our primary and back-up systems could adversely affect our business and operating results.*"

Risk Factors

Investing in our common stock involves a high degree of risk. You should carefully consider the risks described below, together with all of the other information included in this prospectus, including in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and in our audited consolidated financial statements and the related notes elsewhere in this prospectus, before making an investment decision. The risks and uncertainties set out below are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially and adversely affect our business, financial condition, results of operations, liquidity and stock price. If any of the following events occur, our business, financial condition, and operating results could be materially and adversely affected. In that case, the trading price of our common stock could decline, and you may lose all or part of your investment.

Risks Related to Our Business

We are subject to risks associated with our reliance on foreign manufacturing, suppliers and imports for our products.

We procure the majority of our products from suppliers located outside of the United States. As of October 24, 2025, our primary sourcing markets are Vietnam and the United States, representing approximately 63% and 27% of our product cost volume, respectively, with smaller sourcing markets in Thailand, Malaysia and Cambodia. As a result, our business depends on global trade, as well as trade and other factors that impact the specific countries where our suppliers' production facilities are located. Our future success will depend in large part upon our ability to maintain our existing foreign supplier relationships and to develop new ones based on the requirements of our business and any changes in trade dynamics that might dictate changes in the locations for sourcing of products. While we rely on long-term relationships with many of our suppliers, we have no long-term contracts with them and generally transact business with them on an order-by-order basis.

While we have in recent years pursued a geographic diversification of our sourcing and suppliers, including the steady reduction of sourcing from China and increased sourcing from emerging markets such as Malaysia and Thailand, our continued reliance on international suppliers increases our risk that we will not have adequate and timely supplies of various products. Events that have in the past and could in the future cause disruptions to our supply chain include but are not limited to, the imposition of additional trade laws or regulations; public health crises; political instability, international conflicts, acts of terrorism or natural disasters; the imposition of additional duties, tariffs and other charges on imports and exports; foreign currency fluctuations; theft; and restrictions on the transfer of funds. The occurrence of any of the foregoing could materially increase the cost and reduce or delay the supply of our products, which could materially and adversely affect our business, financial condition, results of operations, liquidity and stock price.

All of our products imported into the United States are subject to import taxes or costs, including new or increased tariffs, or similar duties, some of which could be applied retroactively, and modification to or withdrawal from free trade agreements or trade relationships, could increase the cost of the products that we distribute. For example, since the beginning of 2025, the United States government has announced several different measures regarding tariffs, including the imposition of new tariffs on products imported into the United States from a number of countries, including Vietnam, Thailand, Malaysia, Mexico, Canada and could propose additional tariffs or increases to those already in place. For example, after announcing proposed blanket tariff rates of 46% on imports from Vietnam in April 2025, the United States and Vietnam governments announced a trade deal between the countries that imposes 20% tariffs on all products imported to the United States from Vietnam. In addition, in October 2025, the United States government imposed a 25% tariff on imports of certain upholstered wooden furniture imports, which is set to rise to 30% on January 1, 2027. While these tariff obligations on imports of certain upholstered wood furniture are currently replacing the country-specific tariff obligations described above, there is no assurance that tariffs that may be imposed in the future will replace, rather than stack on top of, existing tariff obligations. These tariffs, as well as the government's adoption of "buy national" and similar policies or retaliation by another government against such tariffs or policies could introduce significant uncertainty into the market and may affect the prices of and supply of the products available to us. Tariffs also can impact our suppliers' ability to source raw materials and other inputs efficiently or create other supply chain disruptions. We may not be able to

fully or substantially mitigate the impact of these or future tariffs, pass price increases on to our customers or secure adequate alternative sources of products, which would have a material adverse effect on our business, operating results and financial performance.

We also face uncertainty in the interpretation of new tariffs and their applicability, including with respect to customs valuation, product classification and country-of-origin determinations. Although we and our suppliers seek to comply with applicable customs laws and regulations, the application of rules regarding new tariffs can be subject to varying interpretations or future re-interpretations. It is possible that U.S. Customs and Border Protection or other relevant authorities could, upon review or audit, disagree with the valuation, rules of origin or classification methods applied to certain merchandise. Any such disagreement could result in the retroactive assessment of additional duties with interest, the imposition of penalties, or other enforcement actions without the ability to mitigate such penalties, thereby adversely affecting our operations or financial results.

We face significant competition from national, regional and local retailers of home furnishings.

The retail market for home furnishings is highly fragmented and intensely competitive. We currently compete against a diverse group of retailers, including internet-only retailers, regional or independent specialty stores, dedicated franchises of furniture manufacturers and national department stores. In addition, there are few barriers to entry into our current and contemplated markets, and new competitors may enter our current or future markets at any time. Our existing competitors or new entrants into our industry may use a number of different strategies to compete against us, including aggressive advertising, pricing and marketing, social media campaigns and extension of credit to customers on terms more favorable than we offer. Furthermore, some of our competitors have greater financial resources, greater national brand recognition or larger customer bases than we have, and as a result may have a more advanced omnichannel platform, be able to adapt quicker to changes in consumer behavior, have attractive customer loyalty programs, and maintain higher profitability in an aggressive low-pricing environment. There can be no assurance that such competitors will not be more successful than us or that we will be able to continue to maintain or enhance our competitive position in the market in the future.

If we fail to successfully anticipate or respond to changes in consumer preferences in a timely manner, our sales may decline.

Sales of our products are dependent upon consumer demand for our product designs, styles, quality and price. Accordingly, our products must appeal to our target customers whose needs, preferences, tastes and trends cannot be predicted with certainty and are subject to change. We continuously monitor changes in home design trends and consumer preferences through attendance at international industry events, internal marketing research, and regular communication with our retailers and design professionals who provide valuable input on consumer tendencies. However, as with all retailers, our business is susceptible to changes in consumer tastes and trends. Our success depends upon our ability to anticipate and respond in a timely manner to fashion trends and consumer behaviors and preferences relating to home furnishings. Such tastes and trends can change rapidly and any delay or failure to anticipate or respond to changing consumer tastes and trends in a timely manner could result in a decline in sales and could have a material adverse effect on our business, financial condition, results of operations, liquidity and stock price.

Our business, results of operations and financial condition may be adversely affected by global economic conditions and the effect of economic pressures, including inflation, and other business factors on discretionary consumer spending and consumer preferences.

We face numerous business risks relating to macroeconomic factors. Uncertainties in global economic conditions that are beyond our control have in the past impacted discretionary consumer spending and our business and may in the future materially adversely affect our business, financial condition, results of operations, liquidity and stock price. Consumer purchases of discretionary items, including our products, generally decline during recessionary periods and other times when disposable income is lower. Factors impacting discretionary consumer spending include general economic conditions, inflation, reduction in wages and discretionary income, levels of unemployment, consumer debt, reductions in net worth based on severe market declines, residential real estate and mortgage markets, taxation, regulations and new or increased tariffs, including retaliatory tariffs, export controls,

volatility of fuel and energy prices, fluctuations in interest rates or currency exchange rates, consumer confidence, closure or restricted operating conditions for businesses, political and economic uncertainty, inclement weather, natural disasters, health epidemics or pandemics and other macroeconomic factors, including geopolitical conditions and regional conflicts. Deterioration in economic conditions, increasing inflation or increasing unemployment levels may reduce the level of discretionary consumer spending and inhibit consumers' use of credit, which may adversely affect our sales. In recessionary periods and other periods where disposable income is adversely affected, we may have to increase the number of promotional sales or otherwise dispose of inventory for which we have previously paid to manufacture, which could further adversely affect our financial performance. A downturn in the economic environment can also lead to financial instability, increased credit and collectability risk on our receivables, the failure of important partners, including suppliers, manufacturers, logistics providers, and other financial institutions. It is difficult to predict when or for how long any of these conditions could affect our business and a prolonged economic downturn could have a material adverse effect on our business, financial condition, results of operations, liquidity and stock price.

For example, the housing market has and may continue to be impacted by a number of macroeconomic factors, including high interest rates and higher home prices putting pressure on housing affordability and resulting in a decline in existing home sales, inflation, and a shift in consumer spending toward services. Such factors have in the past, and may in the future, contribute to slowdowns in demand for furniture. Our strategies to navigate the impacts of such challenging markets may not be successful and the potential significance and duration of these macroeconomic difficulties is uncertain and further pressures on the housing market could have an adverse impact on our business, financial condition, operating results and prospects.

In addition to its impacts on discretionary consumer spending and use of credit, inflation has affected us, and may in the future further affect us, by increasing our cost of labor, material, transportation, and our general costs. Periods of high or rising inflation have in the past and could in the future adversely affect our operating results. For example, in fiscal year 2022 and fiscal year 2024 and again in the nine-month fiscal period ended September 28, 2025, we experienced increases in ocean freight rates that impacted our profitability. Our efforts to mitigate such impacts of inflation through price increases and the negotiation of vendor arrangements with more favorable pricing and other terms may not prove effective and may themselves have an adverse impact on our business, financial condition, operating results and prospects by, for example, limiting our ability to strategically adjust price points or by adversely impacting our reputation or results of operations.

If we fail to successfully manage the challenges that our planned new store growth poses or encounter unexpected difficulties or higher costs during our expansion, our operating results and future growth opportunities could be adversely affected.

As of September 28, 2025, we operated 206 stores in 26 states across the United States. Opening new stores is a critical component of our growth strategy and we expect new store growth to be a key driver of our net revenue growth over the long-term. New stores require an initial capital investment from us for store build-outs, fixtures and equipment and other pre-opening expenses. Accordingly, this growth strategy and the investment associated with the development of each new store may cause our operating results to fluctuate and be unpredictable or decrease our profits. We cannot ensure that store locations or leases will be available to us, or that they will be available on terms acceptable to us. If additional retail store locations are unavailable on acceptable terms, we may not be able to carry out a significant part of our growth strategy, or our new stores' profitability may be lower. Our future operating results and ability to grow will depend on various other factors, including our ability to successfully select new markets and store locations; attract, train and retain highly qualified managers and staff, including guest experience specialists; maintain our reputation of providing quality, safe and compliant products; manage store pre-opening and opening costs, including rising construction costs and costs due to delays in obtaining necessary permits and completing construction; renew existing store leases on terms acceptable to us; and capture anticipated efficiencies in marketing, brand recognition and streamlined supply chains.

In addition, laws or regulations in new markets may make opening new stores more difficult or cause unexpected delays. As we continue to open new stores, the ultimate cost of future store openings and remodeling of existing stores could continue to rise significantly due to construction-related or other reasons, including construction and other delays and cost overruns, such as shortages of materials, shortages of skilled labor or work

stoppages, unforeseen construction, scheduling, engineering, environmental or geological problems, governmental or permitting delays, weather interference, fires or other casualty losses and unanticipated cost increases. We cannot guarantee that any project will be completed on time, and delays in store openings have had, and may in the future have, a negative impact on our business and operating results. In addition, consumers in new markets may be less familiar with our brand, and we may need to increase brand awareness in such markets through additional investments in advertising or high-cost locations with more prominent visibility.

Our business requires that we lease substantial amounts of space, and there can be no assurance that we will be able to continue to lease space on terms as favorable as the leases negotiated in the past.

We lease all of our retail stores, distribution centers, corporate headquarters and certain equipment under operating and finance leases. Our retail stores are generally leased from third parties, with typical initial lease terms of approximately 10 to 15 years with options to renew for three successive five-year periods. Historically, we have been able to negotiate favorable rental rates and terms due in large part to the general state of the economy, the availability of vacant retail sites, strong and longstanding landlord relationships, our careful identification of favorable lease opportunities and, in the case of our corporate headquarters, certain incentives and subsidies offered by local and state governments. While we continually seek to identify the most advantageous lease opportunities, there is no guarantee that we will continue to be able to find low-cost sites or obtain favorable lease terms.

Our current lease obligations are substantial and, as we grow the number of our retail stores, our lease expenses will increase and significant capital expenditures will be required. Many of our lease agreements have defined escalating rent provisions over the initial term and any extensions. Our substantial lease obligations, including increases in our occupancy costs and difficulty in identifying economically suitable new store locations could have significant negative consequences to our business, including without limitation:

- increasing our vulnerability to general adverse economic and industry conditions;
- requiring that a greater portion of our available cash be applied to pay our rental obligations, thus reducing cash available for other purposes and reducing profitability;
- limiting our ability to obtain financing;
- limiting our flexibility in planning for, or reacting to changes in, our business, or in the industry in which we compete; and
- placing us at a disadvantage with respect to some of our competitors who sell their products exclusively online.

We are dependent upon the ability of our third-party suppliers to meet our requirements; any failures by these producers, or the unavailability of suitable suppliers at reasonable prices or limitations on our ability to source from third-party vendors, may negatively impact our ability to deliver quality products to our customers on a timely basis or result in higher costs or reduced net revenues.

We source substantially all of our products from non-exclusive, third-party suppliers, many of which are located in foreign countries. Although we have long-term relationships with many of our suppliers, we must compete with other companies for the production capacity of these independent manufacturers. We regularly depend upon the ability of third-party suppliers to secure a sufficient supply of raw materials, develop a skilled workforce, adequately finance the production of goods ordered and maintain sufficient manufacturing and shipping capacity. Although we monitor production and quality in third-party manufacturing locations, we cannot be certain that we will not experience operational difficulties with our manufacturers, such as the reduction of availability of production capacity, errors in complying with product specifications, insufficient quality control, failures to meet production deadlines or increases in manufacturing costs. Such difficulties may negatively impact our ability to deliver quality products to our customers on a timely basis, which may, in turn, have a negative impact on our customer relationships and result in lower net revenues.

We also require third-party suppliers to meet certain standards in terms of working conditions, environmental protection and other matters before placing business with them. As a result of costs relating to compliance with these standards, we may pay higher prices than some of our competitors for products. In addition, failure by our independent manufacturers to adhere to ethical labor or other laws or business practices, and the potential litigation, negative publicity and political pressure relating to any of these events, could disrupt our operations or harm our reputation.

If we or our suppliers fail to adhere to the quality standards that we set for our products, or the applicable legislative or regulatory frameworks regarding product safety, we could be subject to investigations, litigation, write-offs, recalls or boycotts of our products, which could damage our reputation and our brand, increase our costs, and otherwise adversely affect our business.

We do not control the operations of our suppliers. Although we conduct due diligence including third-party factory audits at the outset of and annually during our engagement of suppliers and require our suppliers to certify compliance with applicable laws and regulations, we cannot guarantee that our suppliers will comply with applicable laws and regulations or operate in a legal, ethical and responsible manner. Violation of applicable laws and regulations by our suppliers or their failure to operate in a legal, ethical or responsible manner, could expose us to legal risks, cause us to violate laws and regulations and reduce demand for our products if, as a result of such violation or failure, we attract negative publicity. In addition, the failure of our suppliers to adhere to the quality standards that we set for our products, or any actual, potential or perceived product safety concerns, could lead to government investigations, litigation, write-offs and recalls, which could damage our reputation and our brand, increase our costs, and otherwise adversely affect our business.

Despite our continual efforts to deliver our customers satisfying experiences in our stores, we may fail to maintain the necessary level of quality for some of our products in order to satisfy our customers. For example, we might not identify a quality deficiency before merchandise ships to our stores or customers. Our failure to supply high quality products, our announcement of product recalls, or any perception that we are not adequately maintaining our sourcing and quality control processes in order to anticipate product quality issues, could adversely impact our customers' perception of value or applicable government requirements could trigger high rates of customer complaints or returns, which could in turn damage our reputation and brand image, result in customer litigation (including class-action lawsuits), and harm our business. With the growth in importance and the impact of social media, the magnitude of such harm to our business, reputation and brand image may be significantly amplified.

Our failure to successfully anticipate merchandise returns might have a negative impact on our business.

We record a reserve for merchandise returns based on historical return trends together with current product sales performance in each reporting period. If actual returns are greater than those projected and reserved for by management, additional sales returns might be recorded in the future. In addition, to the extent that returned merchandise is damaged, we often do not receive full retail value from the resale or liquidation of the merchandise. Further, the introduction of new merchandise, changes in merchandise mix, changes in consumer confidence, or other competitive and general economic conditions may cause actual returns to differ from merchandise return reserves. Any significant increase in merchandise returns that exceeds our reserves could have a material adverse effect on our business, reputation and operating results.

Any disruption in our distribution capabilities, supply chain or our related planning and control processes may adversely affect our business, financial condition and operating results.

Our success is highly dependent on our planning and distribution infrastructure, which includes the ordering, transportation and distribution of products and the ability of suppliers to meet distribution requirements. If we are not able to manage our distribution centers successfully, our business, financial condition and operating results may be adversely impacted. As we add distribution centers, we may incur unexpected costs, and our ability to distribute our products may be adversely affected. Further, in addition to our distribution centers, our distribution infrastructure also includes 46 third-party delivery depots as of September 28, 2025. Accordingly, our ability to deliver inventory in a timely manner and meet customer demand is also dependent on our last mile delivery partners.

Non-performance by, or loss of, one or more third-party delivery depots could negatively impact our financial performance or financial condition. Any disruption in operations at our distribution centers or third-party delivery depots could have an adverse impact on our business, financial condition, results of operations, liquidity and stock price.

A disruption within our logistics or supply chain network could adversely affect our ability to deliver inventory in a timely manner, which could impair our ability to meet customer demand for products and result in lost sales, increased supply chain costs or damage to our reputation. In recent years, global ports, trade lanes and U.S. ports have been impacted by capacity constraints, port congestion and delays, periodic labor disputes, security issues, weather-related events and natural disasters. Disruptions to our supply chain due to any of the factors listed above could negatively impact our financial performance or financial condition.

We need to continue to identify and improve our processes and supply chain and ensure that our distribution infrastructure and supply chain can keep pace with our anticipated growth and increased number of stores. The cost of these enhanced processes could be significant and any failure to maintain, grow or improve them could have a material adverse effect on our business, financial condition, results of operations, liquidity and stock price. Due to continued growth, we continue to add additional, and expand existing, distribution centers as needed to support our operations. Increasing the size and number of our distribution centers may decrease the efficiency of our distribution operations and increase associated costs.

In addition, our success is also dependent on our ability to provide timely delivery to our customers. Our business could also be adversely affected if fuel prices increase or there are delays in product shipments due to freight difficulties, inclement weather, strikes by our associates or associates of third parties involved in our supply chain, or other difficulties. If we are unable to deliver products to our customers on a timely basis, they may decide to purchase products from our competitors instead of from us, which could have a material adverse effect on our business, financial condition, results of operations, liquidity and stock price.

Significant fluctuations in the price, availability and quality of raw materials and components, or other fluctuations in sourcing or distribution costs, could adversely affect our profits.

The primary materials our suppliers use to produce and manufacture our products include various woods and wood products, resin, steel, leather, various fabrics including cotton, and certain oil-based products. On a global and regional basis, the sources and prices of those materials and components are susceptible to significant price fluctuations due to supply and demand trends, transportation costs, government regulations and tariffs, changes in currency exchange rates, price controls, the economic and political climate, and other unforeseen circumstances. In addition, our sourcing costs may fluctuate due to labor conditions, transportation or freight costs, energy prices, currency fluctuations, tariffs and trade restrictions, public health crises, or other unpredictable factors. Any supply chain disruptions could materially adversely impact the ability of our suppliers to fulfil our orders in a timely manner, if at all, and could lead to increased prices, which we may not be able to pass through to our customers and may negatively impact our gross margins.

Imported finished goods represent approximately 76% of our consolidated net revenues for the nine months ended September 28, 2025. The prices paid for these imported products include inbound freight. Elevated ocean freight container rates may be impacted by container supply and elevated demand. To the extent that we experience incremental costs in any of these areas, we may increase our selling prices to offset the impact. However, increases in selling prices may not fully mitigate the impact of the cost increases which would adversely impact operating income. Furthermore, supply chain disruptions could materially adversely impact our vendors' manufacturing production and fulfillment of backlog.

Our success depends substantially upon the continued retention of our key personnel, including our executive officers.

We are currently managed by a group of experienced senior executives, including our President and Chief Executive Officer ("CEO"), Bill Barton, and other key team members with substantial knowledge and understanding of the industry sector in which we operate. We believe that our success has depended and continues to depend to a significant extent on the efforts and abilities of our key personnel, including our executive officers, and the loss of

the services of one or more of our executive officers could have a material adverse effect on us and would be potentially disruptive to our business until such time as a suitable replacement is hired. Any future changes to our key personnel, including our executive officers, or our failure to engage in effective succession planning may be disruptive to our business, including by distracting management from our core business and effective employee productivity. Further, we may have difficulty identifying, attracting and integrating new executives to replace any losses of our existing executive officers, all of which could have a material adverse effect on our business, financial condition, results of operations, liquidity and stock price.

Our success depends upon our ability to attract, hire, train, and retain highly qualified managers and staff.

Our success depends in part on our ability to attract, hire, train and retain qualified managers and staff, including our guest experience specialists. Purchasing furniture is an infrequent event for consumers, and the typical consumer in these groups has limited knowledge of the range, characteristics and suitability of the products available before starting the purchasing process. Therefore, consumers in the furniture business expect to have sales associates serving them who are knowledgeable about the entire assortment of products offered by the retailer and the process of choosing and delivering the furniture.

Each of our stores is managed by a store manager who uses his or her experience and knowledge of local market dynamics to adjust their store in a way that is most likely to increase net revenues and profitability. Our store managers are also expected to anticipate, gauge and quickly respond to changing consumer demands in these markets. Further, it generally takes a substantial amount of time for our store managers to develop the entrepreneurial skills that we expect them to have in order to make our stores successful.

Any failure by us to attract, hire, train, and retain highly qualified managers and staff could adversely affect our operating results and future growth opportunities, and any increased labor costs due to competition, increased minimum wage (including various federal, state, and local actions to increase minimum wages), associate benefit costs, unionization activity, or other factors would adversely impact our operating expenses.

Our business operations depend on good relations with our employees.

As of September 28, 2025, a total of 260 of our employees in 12 of our stores are represented by a union or subject to collective bargaining agreements. We believe that we have good relations with our employees and that these good relations contribute to the success of our operations. As we continue to grow and enter different regions, unions may attempt to organize all or part of our employee base at certain stores or distribution centers or within certain regions. Responding to such organizational activity may distract management and employees and may have a negative financial effect on our business, financial condition or results of operations.

The effects of weather conditions, natural disasters or other unexpected events, including public health crises, may disrupt our operations and have a negative impact on our business.

The effects of global climate change, such as extreme weather conditions and natural disasters occurring more frequently or with more intense effects, or the occurrence of unexpected events including wildfires, tornadoes, hurricanes, earthquakes, floods, tsunamis and other severe hazards could adversely affect our business, financial condition, results of operations and cash flows. Extreme weather, natural disasters, power outages or other unexpected events could disrupt our operations by causing physical damage and partial or complete closure of our retail stores, store support center or distribution centers, loss of human capital, temporary or long-term disruption in the supply of products and services and disruption in our ability to deliver products and services to customers. These events and disruptions could also adversely affect our customers' and suppliers' financial condition or ability to operate, resulting in reduced customer demand, delays in payments received or supply chain disruptions, including adverse effects on our ability to stock our stores and deliver products to our customers. Further, these events and disruptions could increase insurance and other operating costs, including impacting our decisions regarding construction of new facilities to select areas less prone to climate change risks and natural disasters, which could result in indirect financial risks passed through the supply chain or other price modifications to our products and services.

Public health crises in the United States or countries where we source or sell products could adversely affect our operations and financial performance. Further, any national, state or local government mandates or other orders taken to minimize the spread of a public health crisis could restrict our ability to conduct business as usual, as well as the business activities of our customers and key suppliers, including the potential for labor shortages. In particular, the ultimate extent of the impact of any epidemic, pandemic or other public health crisis on our business, financial condition and results of operations will depend on future developments which are highly uncertain and cannot be predicted, including new information that may emerge concerning the duration and severity of such public health crisis, actions taken to contain or prevent their further spread and the pace of global economic recovery following containment of the spread.

We will require significant capital to fund our expanding business and we may be unable to obtain needed capital or financing on satisfactory terms or at all, which could limit our ability to grow. If we are unable to maintain sufficient levels of cash flow or if we are unable to meet our debt service obligations under our revolving credit facility, we may not meet our growth expectations or we may require additional financing, which could adversely affect our financial health and impose covenants that limit our business activities.

We have historically financed capital expenditures primarily with funding from cash generated by operations, and borrowings under our $125.0 million asset based revolving credit facility (the "Revolving Credit Facility"). We plan to continue investing for growth, including opening new stores, remodeling existing stores, adding staff, adding distribution center capacity, upgrading our information technology systems and other infrastructure, and strategic acquisitions. These investments will require significant capital, which we plan on funding with cash flow from operations and borrowings under our Revolving Credit Facility, pursuant to which we had $124.4 million of available borrowing capacity as of September 28, 2025.

If our business does not generate sufficient cash flow from operations to fund these activities or if these investments do not yield cash flows in line with past performance or our expectations, we may need additional equity or debt financing. If such financing is not available to us, or is not available on satisfactory terms, our ability to operate and expand our business or respond to competitive pressures would be curtailed, and we may need to delay, limit or eliminate planned store openings or operations or other elements of our growth strategy. If we raise additional capital by issuing equity securities or securities convertible into equity securities, our stockholders' ownership would be diluted.

Further, our ability to pay interest on and principal of our debt obligations under our Revolving Credit Facility will primarily depend upon our future operating performance. As a result, prevailing economic conditions and financial, business and other factors, many of which are beyond our control, will affect our ability to make these payments. If we do not generate sufficient cash flow from operations to satisfy such debt service obligations, we may have to undertake alternative financing plans, such as refinancing or restructuring our indebtedness, selling our assets, reducing or delaying capital investments, or seeking to raise additional capital. Our ability to restructure or refinance our debt will depend on the condition of the capital markets and our financial condition at such time. From time to time, capital markets may experience periods of disruption and instability. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources*" for more information.

Inability to maintain and enhance our brand may materially adversely impact our business.

Maintaining and enhancing our brand is critical to our ability to expand our base of customers and may require us to make substantial investments. Our advertising campaigns utilize digital marketing, direct mailing, television and on-air radio, and other media to maintain and enhance our existing brand equity. We cannot provide assurance that our advertising and other efforts to promote and maintain awareness of our brand will not require us to incur substantial costs or will be successful (regardless of the costs we incur). If these efforts are unsuccessful or we incur substantial costs in connection with these efforts, our business, operating results and financial condition could be materially adversely affected.

Furthermore, our brand may be damaged by a variety of incidents, such as actions taken (or not taken) by us with respect to social, environmental, and community outreach initiatives, customer service, health, safety, welfare,

social justice, political activism, environmental and climate change issues, or otherwise; litigation and legal claims; growth or rebranding strategies; development efforts in domestic and foreign markets; and the ordinary course operation of our businesses. Other incidents that could be damaging to our brand may arise from events that are beyond our ability to control, such as actions taken (or not taken) by one or more current or former officers, employees or subcontractors or other individuals associated or perceived to be associated with us; security breaches or other fraudulent activities associated with us or our systems; third-party misappropriation, dilution, infringement or other violation of our intellectual property; or illegal activity. Any of these incidents may damage our brand even if unjustified or untruthful or out of our control, and the damage caused may not be able to be mitigated regardless of whether or how we respond. Customer demand for our products could diminish significantly if any such incidents or other matters erode customer confidence in us or our products and cause our business, operating results and financial condition to be materially adversely affected.

We rely on third parties, such as search engines and social media platforms and related service providers, to drive traffic to our website, and these third parties may change their algorithms, pricing or policies in ways that could, or the actions of these third parties or our use of them could otherwise, negatively impact our business, results of operations, financial condition and prospects.

We rely in part on digital advertising, including search engine marketing and social media advertising, to promote awareness of our brand, grow our business, attract new customers and retain existing customers. In particular, we rely on search engines, such as Google, and social media platforms such as Instagram, Facebook, TikTok and Pinterest as important marketing channels. If search engines or social media platforms change their algorithms, terms of service, display or the featuring of search results, determine we are out of compliance with their terms of service or if competition increases for advertisements, we may be unable to cost-effectively market through these channels. Further, changes to third-party policies that limit our ability to deliver, target or measure the effectiveness of advertising, including changes by mobile operating system and browser providers such as Apple and Google, could reduce the effectiveness of our marketing. We also cannot accurately predict if the followers of our social media influencer partners will be interested in buying our products. Our relationships with our marketing vendors are not long-term in nature and do not require any specific performance commitments. In addition, many of our online advertising vendors provide advertising services to other companies, including companies with whom we may compete. As competition for online advertising has increased, the cost for some of these services has also increased. Our marketing initiatives may become increasingly expensive and generating a return on those initiatives may be difficult. Even if we successfully increase revenue as a result of our paid marketing efforts, such increase may not offset the additional marketing expenses we incur.

Our efforts to use digital advertising may not be successful, and pose a variety of other risks, including the improper disclosure of proprietary information, the posting of negative comments about our brand, the exposure of personally identifiable information, fraud, use of out-of-date information or failure to comply with regulations regarding such practices. Furthermore, laws and regulations, including Federal Trade Commission enforcement, rapidly evolve to govern digital advertising, including the use of social media and influencers. The failure by us or our personnel, influencers or other representatives to abide by applicable laws and regulations when engaging in digital advertising, including using social media, could adversely impact our reputation, marketing collaborators, financial condition and results of our operations or subject us to fines or other penalties. Negative or false commentary about us may be posted on social media platforms and may harm our reputation or business. Customers value readily available information and often act on such information without affording any opportunity for redress or correction. The inappropriate use of social media vehicles by us, customers, employees or others could increase our costs, lead to litigation or result in negative publicity that could damage our reputation. The occurrence of any such developments could have a material adverse effect on our business.

If we are unable to effectively manage our eCommerce platform and digital marketing efforts, our reputation and operating results may be harmed.

Our eCommerce sales channel represented approximately 14% of total net revenue in fiscal year 2024. We believe eCommerce offers a significant growth opportunity and our strategy includes investment in and expansion of our digital platform and eCommerce sales channel. The success of our eCommerce sales channel depends, in part, on third parties and factors over which we have limited control. We must continuously respond to changing

consumer preferences and buying trends relating to eCommerce usage, including an emphasis on mobile eCommerce. Our success in eCommerce has been strengthened in part by our ability to leverage the information we have on our customers to infer customer interests and affinities such that we can personalize the experience they have with us. We also utilize digital advertising to target internet and mobile users whose behavior indicates they might be interested in our products. Current or future legislation may reduce or restrict our ability to use these techniques, which could reduce the effectiveness of our marketing efforts. For more information, see "*Risks Related to Data Privacy and Information Technology*."

We are also vulnerable to certain additional risks and uncertainties associated with our eCommerce and mobile websites and digital marketing efforts, including: changes in required technology interfaces; website downtime and other technical failures; internet connectivity issues; costs and technical issues as we upgrade our website software; changes in online tracking technologies; computer viruses; supplier reliability; changes in applicable privacy laws and regulations; compliance costs related to maintaining a reasonable privacy and data security program that addresses constantly evolving legal requirements; security breaches; and customer privacy concerns. We must keep up to date with competitive technology trends and opportunities that are emerging throughout the retail environment, including the use of new or improved technology, evolving creative user interfaces, and other eCommerce marketing trends such as paid search, re-targeting, and the proliferation of mobile usage, among others.

We expect to continue to invest capital and other resources in our eCommerce sales channel, but there can be no assurance that our initiatives will be successful or otherwise succeed in driving sales or attracting customers. Our failure to successfully respond to these risks and uncertainties might adversely affect the sales or margin in our eCommerce sales channel, require us to impair certain assets, and damage our reputation and brands.

Our business exposes us to personal injury, product liability and warranty claims and related governmental investigations, which could result in negative publicity, harm our brand and adversely affect our business, financial condition, and operating results.

Our stores and distribution centers are warehouse environments that involve the operation of forklifts and other machinery and the storage and movement of heavy products, all of which are activities that have the inherent danger of injury or death to associates or customers despite safety precautions, training and compliance with federal, state and local health and safety regulations. While we have insurance coverage in place in addition to policies and procedures designed to minimize these risks, we may nonetheless be unable to avoid material liabilities for an injury or death arising out of these activities.

In addition, we face an inherent risk of exposure to product liability or warranty claims or governmental investigations in the event that the use of our products is alleged to have resulted in economic loss, personal injury or property damage or violated environmental or other laws. If any of our products prove to be defective or otherwise in violation of applicable law, we may be required to recall such products and be subject to legal action. Further, our suppliers or international manufacturers may not have sufficient resources or insurance to satisfy their indemnity and defense obligations. Although we maintain liability insurance, we cannot be certain that our coverage will be adequate for liabilities actually incurred or that insurance will continue to be available to us on economically reasonable terms, or at all. Any product liability claims asserted against us could, among other things, harm our reputation, damage our brand, cause us to incur significant costs, and have a material adverse effect on our business, financial condition, results of operations, liquidity and stock price.

We maintain a reserve for warranty claims. However, there can be no assurance that our reserve for warranty claims will be adequate or that additional warranty reserves will not be required. Material warranty claims could, among other things, harm our reputation and damage our brand, cause us to incur significant repair and/or replacement costs, and have a material adverse effect on our business, financial condition, results of operations, liquidity and stock price.

Our products are delivered to customer homes by our third-party delivery partners. While we believe we have appropriate indemnification and risk management practices in place, such activities involve liability and reputational risk, which could adversely affect us.

Unfavorable allegations, government investigations and legal actions surrounding our products and us could harm our reputation, impair our ability to grow or sustain our business, and adversely affect our business, financial condition, and operating results.

We rely on our reputation for offering great value, superior service and a broad assortment of high-quality, safe products. If we become subject to unfavorable allegations, government investigations or legal actions involving our products or us, such circumstances could harm our reputation and our brand and adversely affect our business, financial condition, results of operations, liquidity and stock price. If this negative impact is significant, our ability to grow or sustain our business could be jeopardized.

Negative publicity surrounding product matters, including publicity about other retailers, may harm our reputation and affect the demand for our products. In addition, if more stringent laws or regulations are adopted in the future, we may have difficulty complying with the new requirements imposed by such laws and regulations, and in turn, our business, financial condition, and operating results could be adversely affected. Moreover, regardless of whether any such changes are adopted, we may become subject to claims or governmental investigations alleging violations of applicable laws and regulations. Any such matter may subject us to fines, penalties, injunctions, litigation and/or potential criminal violations. Any one of these results could negatively affect our business, financial condition, and operating results and impair our ability to grow or sustain our business.

If we are unable to manage our inventory levels and products, including with respect to our omnichannel operations, there could be a material adverse effect on our business, financial condition, operating results and prospects.

Inventory levels in excess of customer demand may result in lower than planned financial performance. We may be required to mark down certain products to sell any excess inventory or to sell such inventory through liquidation channels at prices that are significantly lower than our retail prices, any of which would negatively impact our business and operating results. Alternatively, if we underestimate demand for our products, we may experience inventory shortages resulting in delays in fulfilling customer demands and replenishing to appropriate inventory levels, missed sales and lost revenues. We may not always be able to respond quickly and effectively to changes in consumer taste and demand due to the amount of time and financial resources that may be required to bring new products to market or to constraints in our supply chain if our suppliers do not have the capacity to handle elevated levels of demand for part or all of our orders or could experience delays in production for our products. Many of our products require that we provide suppliers with significant ordering lead times, and we may not be able to source sufficient inventory if demand for a product is greater than anticipated. Continued or lengthy delays in fulfilling customer demand could cause our customers to shop with our competitors instead of us, which could harm our business. Either of these events could significantly affect our operating results and brand image and loyalty.

As a result of becoming a public company, we will be obligated to develop and maintain proper and effective disclosure controls and procedures and internal control over financial reporting. Our controls and procedures may not be effective, which may adversely affect investor confidence in us and, as a result, the value of our common stock.

Upon the completion of this offering, we will become subject to the periodic reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). We must design our disclosure controls and procedures to reasonably assure that information we must disclose in reports we file or submit under the Exchange Act is accumulated and communicated to management, and recorded, processed, summarized and reported within the time periods specified in the rules and forms of the U.S. Securities and Exchange Commission (the "SEC"). Any disclosure controls and procedures, no matter how well-conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with GAAP. We are in the early stages of the costly and intensive process of compiling the system and processing documentation necessary to perform the evaluation needed to comply with Section 404 of the Sarbanes-Oxley Act. We may not be able to

complete our evaluation, testing and any required remediation in the time required. If we are unable to assert that our internal control over financial reporting is effective, we could lose investor confidence in the accuracy and completeness of our financial reports, which would cause the value of our common stock to decline, and we may be subject to investigation or sanctions by the SEC.

We will be required, pursuant to Section 404 of the Sarbanes-Oxley Act, to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting as of the end of the fiscal year that coincides with the filing of our second annual report on Form 10-K. This assessment will need to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting. We will also be required to disclose changes made in our internal control and procedures on a quarterly basis. However, our independent registered public accounting firm will not be required to report on the effectiveness of our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act until the end of the fiscal year that the Company qualifies as either an accelerated or large accelerated filer. At such time, our independent registered public accounting firm may issue a report that is adverse in the event it is not satisfied with the level at which our controls are documented, designed or operating.

Additionally, the existence of any material weakness or significant deficiency would require management to devote significant time and incur significant expense to remediate any such material weaknesses or significant deficiencies and management may not be able to remediate any such material weaknesses or significant deficiencies in a timely manner. The existence of any material weakness in our internal control over financial reporting could also result in errors in our consolidated financial statements that could require us to restate our consolidated financial statements, cause us to fail to meet our reporting obligations and cause stockholders to lose confidence in our reported financial information, all of which could materially and adversely affect our business and share price.

The accuracy of our audited consolidated financial statements and related disclosures could be affected if the judgments, assumptions or estimates used in our critical accounting policies and estimates are inaccurate.

The preparation of audited consolidated financial statements and related disclosures in conformity with GAAP requires us to make judgments, assumptions and estimates that affect the amounts reported in our audited consolidated financial statements and accompanying notes. Our critical accounting policies and estimates, which are included in the section titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*," describe those significant accounting policies and methods used in the preparation of our audited consolidated financial statements that we consider "critical" because they require judgments, assumptions and estimates that materially affect our audited consolidated financial statements and related disclosures. As a result, if future events differ significantly from the judgments, assumptions and estimates in our critical accounting policies, those events or assumptions could have a material impact on our audited consolidated financial statements and related disclosures.

Fluctuations in foreign currency could have an adverse impact on our business.

We procure a significant portion of our products from foreign suppliers who source their raw materials in currencies other than the U.S. dollar. Accordingly, changes in the value of foreign currencies relative to the U.S. dollar can affect our operating results reflected in our U.S. dollar-denominated financial statements. From time to time, we may engage in currency hedging activities to limit the risk of foreign currency exchange rate fluctuations. To the extent we use hedging instruments to hedge exposure to fluctuations in foreign currency exchange rates, the use of such hedging instruments may not offset any or more than a portion of the adverse financial effects of unfavorable movements in foreign exchange rates over the limited time the hedges are in place, and may introduce additional risks if we are unable to structure effective hedges with such instruments.

Changes in tax laws, trade policies and regulations or in our operations and newly enacted laws or regulations may impact our effective tax rate or may adversely affect our business, financial condition, and operating results.

Changes in tax laws in any of the multiple jurisdictions in which we operate, or adverse outcomes from tax audits that we may be subject to in any of the jurisdictions in which we operate, could result in an unfavorable change in our effective tax rate, which could have a material adverse effect on our business, financial condition, results of operations, liquidity and stock price. For example, on July 4, 2025, the "One Big Beautiful Bill Act" (the

"OBBBA") was signed into law, which includes significant changes to federal tax law and other regulatory provisions that may impact the Company. The Company is currently evaluating the provisions of the new law and the potential effects on its financial position, results of operations and cash flows. Regulatory guidance under the OBBBA, and potentially additional tax-related legislation, is forthcoming, and any such guidance or legislation could ultimately increase or lessen the impact of these laws on our business and financial condition. In the ordinary course of business, we are subject to tax examinations by various governmental tax authorities. Developments in tax policy or trade relations could also have a material adverse effect on our business, results of operations and liquidity. We may not be able to fully or substantially mitigate the impact of tariffs, pass price increases on to our customers, or secure adequate alternative sources of products or materials. The tariffs, along with any additional tariffs or retaliatory trade restrictions implemented by other countries, could negatively impact customer sales, including potential delays in product received from our suppliers, our cost of goods sold and results of operations.

Our estimated addressable market is subject to inherent challenges and uncertainties. If we have overestimated the size of our addressable market, our future growth opportunities may be limited.

We have determined our total addressable market based on, among other things, our analysis of the historical market size of the United States home furnishings industry, our observation and analysis of recent trends, customer behaviors and customer satisfaction, our estimates and expectations concerning future growth of the U.S. home furnishings industry as well as other information derived from third-party research. As a result, our estimated total addressable market is subject to significant uncertainty and is based on assumptions that may not prove to be accurate. Our estimates are based, in part, on third-party reports and are subject to significant assumptions and estimates. These estimates, as well as the estimates and forecasts in this prospectus relating to the size and expected growth of the markets in which we operate, and our penetration of those markets, may change or prove to be inaccurate. While we believe the information on which we base our total addressable market is generally reliable, such information is inherently imprecise. In addition, our expectations, assumptions and estimates of future opportunities are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described herein. If third-party or internally generated data prove to be inaccurate or we make errors in our assumptions based on that data, our future growth opportunities may be affected. If our addressable market proves to be inaccurate, our future growth opportunities may be limited and there could be a material adverse effect on our prospects, business, financial condition, and results of operations.

Our current retail markets and other markets that we may enter in the future may not achieve the growth and profitability we anticipate.

We may remodel and relocate existing stores and experiment with new store formats and may from time to time close underperforming stores. Profitability of new, remodeled, relocated and new format stores will depend on lease rates and retail sales and profitability justifying the costs of acquisition, remodeling, and relocation. Such remodeling or relocation of existing stores may result in increased volatility in certain of our financial and operating metrics. If we do not meet our sales or earnings expectations for these stores or businesses, we have in the past incurred and may in the future incur charges for the impairment of long-lived assets, the impairment of right-of-use ("ROU") lease assets, the impairment of goodwill, or the impairment of other intangible assets.

Our ability to attract customers to our stores depends on successfully locating our stores in suitable locations. Any impairment of a store location, including any decrease in customer traffic, could cause our sales to be lower than expected.

We believe that our stores and customers' store experience are key for generating and increasing revenue. We plan to grow our store base across both new and existing markets by opening new stores in areas with existing home furnishings demand. Each new store site selection is based on an opportunity assessment that considers, among other things, real estate availability, brand awareness, competitive positioning and customer segmentation. Revenues at these stores are derived, in part, from the volume of foot traffic in these locations. Store locations may become unsuitable due to, and our revenue volume and customer traffic generally may be harmed by, among other things:

- economic downturns in a particular area;
- competition from nearby retailers selling similar products;

- changing customer demographics in a particular market;
- changing preferences of customers in a particular market;
- the closing or decline in popularity of other businesses located near our stores;
- reduced customer foot traffic outside a store location; and
- store impairments due to natural disasters, pandemic, terrorism, protest or periods or civil unrest.

Even if a store location becomes unsuitable, we will generally be unable to cancel the long-term lease associated with such store, which could negatively impact our financial results.

Disruption in the financial markets could have a material adverse effect on customer demand and our ability to refund customer deposits.

We collect deposits from our customers at the time of purchase and in advance of delivering merchandise to the customer. As of September 28, 2025 we had approximately $79.1 million in customer deposits. If there were disruptions in the financial markets or economy that led to significant customer order cancellations, there can be no assurance that we will have the cash or cash equivalents to refund all customer deposits for canceled orders. If we are unable to refund customer deposits or use our customer deposits as a source of funding for our operating activities, our reputation and brand may be damaged and our funding costs may increase, which could have a material adverse effect on our business, financial condition, results of operations, liquidity and stock price.

Risks Related to Data Privacy and Information Technology

Failure to comply with data privacy and security laws and regulations could adversely affect our operating results and business.

We collect, use, transfer or otherwise process proprietary, confidential and sensitive information, including personal information from our customers, employees, contractors, vendors and other third parties, which subjects us to evolving and complex data privacy and security obligations, including various laws, regulations, guidance, industry standards, external and internal privacy policies, contracts and other obligations that govern the processing of such information in connection with our business.

In the United States, numerous federal and state laws and regulations apply to our processing of personal information, including state data breach notification laws, employee privacy law and federal and state consumer protection laws and regulations (e.g., Section 5 of the Federal Trade Commission Act of 1914, as amended). At the state level, the privacy and data protection landscape is changing rapidly, and many states have enacted comprehensive privacy laws. For example, California has adopted the California Consumer Privacy Act of 2018, as amended by the California Privacy Rights Act of 2020 (together, the "CCPA"), which gives California residents certain privacy rights in the collection and use of their personal information and requires businesses to make certain disclosures, limit their use of personal information, and take certain other acts in furtherance of those rights. The CCPA provides for civil penalties for violations, as well as a private right of action in connection with certain data breaches, and establishes a regulatory agency authorized to implement and enforce the CCPA. In addition, almost 20 other states have adopted similar comprehensive privacy laws, which may require companies to change their practices for collecting and handling personal information, including allowing consumers to request that we delete certain personal information and enable consumers to opt out of certain uses of their personal information, including targeted advertising.

Moreover, we are subject to certain U.S. state laws regarding the processing of biometric identifiers, including the Illinois Biometric Information Privacy Act ("BIPA"), which applies to the collection and use of "biometric identifiers" and "biometric information" which include fingerprints. A business required to comply with BIPA is not permitted to sell, lease, trade or otherwise profit from biometric identifiers or biometric information it collects, and is also under obligations to have a publicly available, written policy with respect to the retention and destruction of all biometric identifiers and biometric information, and must ensure that it informs the subject of the collection and the purpose of the collection and obtains consent for such collection. Individuals are afforded a private right of

action under BIPA and may recover statutory damages and reasonable attorneys' fees and costs. Several class action lawsuits have been brought under BIPA, including against our business, as the statute is broad and still being interpreted by the courts.

All of these evolving compliance and operational requirements impose significant costs that are likely to increase over time, may require us to modify our data processing practices and policies, and divert resources from other initiatives and projects, all of which may adversely affect our results of operations. Complying with these laws and regulations may be more costly or take longer than we anticipate, and any failure to comply with any of these laws and regulations could result in enforcement actions against us, including fines, claims for damages by affected individuals, damage to our reputation and loss of goodwill, any of which could have a material adverse effect on our business, financial condition, results of operations or prospects.

There are many other federal and state-based data privacy and security laws and regulations that may impact our business, including laws, regulations and standards covering marketing, advertising and other activities conducted by telephone, email, mobile devices and the Internet, such as the Federal Communications Act, the Electronic Communications Privacy Act, the Telephone Consumer Protection Act (the "TCPA"), the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 (the "CAN-SPAM Act"), and similar state consumer protection and communication privacy laws, such as California's Invasion of Privacy Act ("CIPA"). For example, the CAN-SPAM Act and the TCPA impose specific requirements on communications with consumers. The TCPA and analogous state laws impose various consumer consent requirements and other requirements on certain communications with consumers by phone or text message. TCPA violations can result in significant financial penalties, including penalties or criminal fines imposed by the Federal Communications Commission (FCC) or statutory damages of up to $1,500 per violation imposed through private litigation or by state authorities. The TCPA provides for substantial penalties and statutory damages and has generated significant class action activity. The costs of litigating and/or settling a TCPA or similar legal claim could be significant. There has also been a noticeable uptick in class action litigation wherein plaintiffs have utilized a variety of laws, including state wiretapping laws such as CIPA, in relation to companies' use of tracking technologies, such as cookies and pixels. Actual or perceived failure to comply with requirements relating to marketing, advertising, electronic communications and the Internet, could subject us to legal proceedings, which could result in adverse publicity, substantial monetary damages and legal defense costs, injunctive relief and fines or penalties.

If our efforts to protect the privacy and security of information related to our customers, us, our employees, our associates, our suppliers and other third parties are not successful, we could become subject to litigation, investigations, liability and negative publicity that could significantly harm our reputation and relationships with our customers and adversely affect our business, financial condition, and operating results.

Our business, like that of most retailers, involves the receipt, storage and transmission of customers' personal information, customer preferences and payment card data, as well as other confidential information related to us, our associates, our suppliers and other third parties, some of which is entrusted to third-party service providers and vendors that provide us with technology, systems and services that we use in connection with the receipt, storage and transmission of such information. Techniques used for cyber-attacks designed to gain unauthorized access to these types of sensitive information by breaching or sabotaging critical systems of organizations, including those that use artificial intelligence, are constantly evolving and generally are difficult to recognize and react to effectively. We may be unable to anticipate these techniques or to implement adequate preventive or reactive security measures. High profile security breaches leading to unauthorized release of sensitive information have occurred in recent years with increasing frequency and sophistication at a number of major U.S. companies, including several large retailers, as well as our business.

Despite our security measures and those of third parties with whom we do business, our respective systems and facilities and those of our third-party vendors have been and may in the future be vulnerable to security incidents, disruptions, cyberattacks, ransomware, data breaches, viruses, phishing attacks and other forms of social engineering, denial-of-service attacks, third-party or employee theft or misuse and other negligent actions. Unauthorized parties or rogue insiders may also attempt to gain access to our systems or facilities through fraud, trickery or other forms of deception targeted at our customers, associates, suppliers and service providers. Any such,

incidents could compromise our networks and the information stored there could be accessed, misused, publicly disclosed, lost, stolen or rendered, permanently or temporarily, inaccessible.

An actual or anticipated attack or security incident may cause us to incur additional costs, including costs related to diverting or deploying personnel, implementing preventative measures, training associates and engaging third-party experts and consultants. In addition, as the regulatory environment relating to retailers and other companies' obligation to protect sensitive data becomes increasingly rigorous, with new and constantly changing requirements applicable to our business, compliance with those requirements could result in additional costs, and a material failure on our part to comply could subject us to fines, other regulatory sanctions and lawsuits. Further, any security breach incident could expose us to risks of data loss, regulatory and law enforcement investigations, enforcement actions, litigation (including class claims) and liability and could seriously disrupt our operations and result in negative publicity, any of which could significantly harm our reputation and relationships with our customers and adversely affect our business, financial condition, results of operations, liquidity and stock price. Insurance policies that may provide coverage with regard to such incidents may not cover any or all of the resulting financial losses.

A material disruption in our information systems, including our website, could adversely affect our business or operating results and lead to reduced net revenues and reputational damage.

We rely on our information systems to process transactions, summarize our results of operations and manage our business. In particular, our website is an important part of our integrated connected customer strategy and customers use these systems as information sources on the range of products available to them and as a way to order our products. In addition, we rely on our enterprise resource planning, telecommunications, inventory tracking, billing and other information systems to track transactions, billing, payments, inventory and a variety of day-to-day business decisions. Therefore, the reliability and capacity of our information systems is critical to our operations and the implementation of our growth initiatives. However, our information systems are subject to damage or interruption from planned upgrades in technology interfaces, power outages, computer and telecommunications failures, computer viruses, cyber-attacks or other security breaches and catastrophic events such as fires, floods, earthquakes, tornadoes, hurricanes, acts of war or terrorism and usage errors by our associates. If our information systems are damaged or cease to function properly, we may have to make a significant investment to fix or replace them, and we may suffer losses of critical data and/or interruptions or delays in our operations.

In addition, to keep pace with changing technology, we must continuously implement new information technology systems as well as enhance our existing systems. Moreover, the successful execution of some of our growth strategies, in particular the expansion of our connected customer and online capabilities, is dependent on the design and implementation of new systems and technologies and/or the enhancement of existing systems. If we encounter implementation or usage problems with these new systems or other related systems and infrastructure, or if the systems do not operate as intended, do not give rise to anticipated benefits, or fail to integrate properly with our other systems or software platforms, then the costs of such new information technology systems may be more than we anticipate. Any disruption in our information systems, or delays or difficulties in implementing or integrating new systems or enhancing or expanding current systems, could have a material adverse effect on our business and our operating results and could lead to reduced net revenues and reputational damage.

We rely on a variety of information technologies to operate our business, and our inability to successfully adopt new or improved technologies in a timely fashion may weaken our ability to effectively compete or otherwise adversely affect our business, financial condition, and operating results.

We are not able to forecast the utility or impact of new or improved technologies in our business, including changes in consumer or employee behavior facilitated by these technologies. In light of the increased public interest and technological advancements in artificial intelligence and other similar technologies, our failure to efficiently incorporate such technologies into our business at the same pace as our competitors may result in our competitors obtaining significant competitive advantages over us and result in deterioration of our financial performance. We may pursue certain of those technologies and consumer offerings if we believe they offer a sustainable customer proposition and can be successfully integrated into our business model. However, we cannot predict consumer acceptance of these technologies or their impact on our business. We may incorporate traditional or generative

artificial intelligence solutions into our business, and these solutions may become important in our operations over time. Our incorporation of such technologies into our business may require substantial resources to be expended and divert the attention of our management and may also prove to be unsuccessful or even harmful to our business, including by producing inaccurate data or results. The use of these artificial intelligence solutions may expose us to additional risks and expenses, including if we were to incorporate artificial intelligence technologies that we become dependent on or fail to adopt artificial intelligence in a timely or effective manner, and may also increase the risk that we become subject to claims that we violate third-party intellectual property, publicity or data rights, or consumer class actions and other consumer claims. There has also been increased scrutiny from regulators and other bodies regarding the use of data in connection with artificial intelligence and similar technologies and around use of personal data in a manner that may involve identifying, tracking or marketing to individuals. The legal regimes and enforcement actions associated with artificial intelligence continue to change rapidly and may not be predictable. If we adopt such technologies, public perception that using artificial intelligence is unethical, insecure, biased or otherwise inappropriate—whether justified or not—could harm our reputation, increase scrutiny from or actions by regulators, consumer groups or other third parties, increase the scope of regulation or government restrictions affecting us, involve us in litigation or otherwise have a material adverse impact on our businesses or financial position.

We are subject to payments-related risks that could increase our operating costs, expose us to fraud, subject us to potential liability and potentially disrupt our business.

We accept payments using a variety of methods, including credit cards, cash, private label credit, debit cards, gift cards, Affirm, Klarna and physical bank checks. These payment options subject us to many compliance requirements, including, but not limited to, compliance with the Payment Card Industry Data Security Standard, which represents a common set of industry tools and measurements to help ensure the safe handling of sensitive payment information, and compliance with contracts with our third-party processors. For certain payment methods, including credit and debit cards, we pay interchange and other fees, which may increase over time and increase our operating costs and we may be unable to pass through these costs to customers. These payment options also subject us to potential fraud by criminal elements seeking to discover and take advantage of security vulnerabilities that may exist in some of these payment systems. We rely on third parties to provide payment processing services, including the processing of credit cards, debit cards and gift cards, and it could disrupt or harm our business if these companies become unwilling or unable to provide these services to us, experience a data security incident or fail to comply with applicable rules and industry standards. We are also subject to payment card association operating rules, including data security rules, certification requirements, and rules governing electronic funds transfers, which could change or be reinterpreted to make it difficult or impossible for us to comply. If we fail to comply with these rules or requirements, or if our data security systems (or those of our third-party processors) or payment card information of our customers are breached or compromised, we may face civil liability, we may be liable for card issuing banks' costs, subject to fines and higher transaction fees, lose our ability to accept credit cards and debit card payments from our customers, process electronic funds transfers, or facilitate other types of online payments, and we could lose the confidence of customers and our business, each of which could adversely affect our financial condition, and operating results.

We rely extensively on computer systems to process transactions, summarize results and manage our business. Disruptions in both our primary and back-up systems could adversely affect our business and operating results.

Our primary and back-up computer systems are subject to damage or interruption from power outages, computer and telecommunications failures, computer viruses, security breaches, natural disasters and errors by employees. Though losses arising from some of these issues would be covered by insurance, interruptions of our critical business computer systems or failure of our back-up systems could reduce our sales or result in longer production times. If our critical business computer systems or back-up systems are damaged or cease to function properly, we may have to make a significant investment to repair or replace them.

Despite our security measures and those of third parties with whom we do business, our information technology systems and facilities have in the past, and may in the future, become subject to security incidents or attacks and related system and operational disruptions. An actual or anticipated attack or security incident, as well as the responses we take to mitigate the risks and consequences therefrom, may result in disruptions to our operations and

cause us to incur additional costs, including costs related to diverting or deploying personnel and engaging third-party experts and consultants. We may not be able to recover from our insurance all of the potential financial losses from such incidents, if we are able to recover such losses at all. For example, in September 2024, we experienced a cybersecurity incident in response to which the Company acted promptly to disconnect certain of the Company's information technology systems to stop further unauthorized access. As a result of this information technology system outage, the Company's operations were interrupted and our operating results, particularly comparable sales, for the third quarter of fiscal year 2024 were adversely impacted. The timing and amount of any additional insurance recoveries with respect to this event beyond our receipt in May 2025 of $4.5 million in insurance recoveries for lost profits is uncertain.

Unauthorized disclosure of sensitive or confidential information, whether through a breach of our computer systems or otherwise, could severely hurt our business.

Certain aspects of our business involve the receipt, storage and transmission of customers' personal information and customer preferences, as well as confidential information about our associates, our suppliers and our Company, some of which is entrusted to third-party service providers and vendors. Despite the security measures we have in place, our facilities and systems, and those of third parties with which we do business, have been subject to and may in the future be vulnerable to security breaches, acts of vandalism and theft, computer viruses, misplaced or lost data, programming and/or human errors, or other similar events. In addition, the rapid evolution and increased adoption of artificial intelligence technologies may intensify these cybersecurity risks.

An electronic security breach in our systems (or in the systems of third parties with which we do business) that results in the unauthorized release of individually identifiable information about customers or other sensitive data could occur and have a material adverse effect on our reputation, lead to substantial financial losses from remedial actions, and lead to a substantial loss of business and other liabilities, including possible punitive damages. In addition, as the regulatory environment relating to retailers and other companies' obligation to protect such sensitive data becomes increasingly rigorous, with new and constantly changing requirements applicable to our business, compliance with those requirements could result in additional costs, and a material failure on our part to comply could subject us to fines, other regulatory sanctions and lawsuits.

Risks Related to Our Intellectual Property

Our intellectual property rights are valuable, and any failure to protect them could reduce the value of our products and brand and harm our business.

We regard our intellectual property as having significant value, and our brand is an important factor in the marketing of our products. We rely on trademark, trade secret and other intellectual property protections, agreements and other methods with our employees and others to protect our proprietary rights. For a variety of reasons, we might not be able to obtain protection in the United States or internationally for all of our intellectual property. We cannot assure you that the steps we take to protect our trademarks or other intellectual property will be adequate to prevent others from copying or using our trademarks or other intellectual property without authorization, which could harm the value of our brand, our competitive advantages or our business.

We might be required to spend significant resources to monitor and protect our intellectual property rights. We may not be able to discover or determine the extent of any infringement, misappropriation or other violation of our intellectual property rights, confidential information or other proprietary rights. We have in the past initiated, and may in the future initiate, claims or litigation against others for infringement, misappropriation or violation of our intellectual property rights, confidential information or proprietary rights or to establish the validity of such rights. We have from time to time encountered other retailers selling products substantially similar to our products or misrepresenting that the products such retailers were selling were our products. We cannot assure you that the steps taken by us to protect our intellectual property rights will be adequate to prevent some infringement of our rights by others (especially with respect to infringement by non-United States entities with no physical United States presence and in countries outside of the United States that do not have laws to protect against "squatting," or in "first-to-file" nations where trademark rights can be obtained despite a third party's prior use), including imitation of our products and misappropriation of our images and brand. Despite our efforts, we also may be unable to prevent former

employees, consultants or independent contractors from infringing upon, misappropriating, disclosing or otherwise violating our intellectual property rights, confidential information and other proprietary rights.

If we are unable to protect and maintain our intellectual property rights, the value of our brand could be diminished, and our competitive position could suffer. The costs of defending and enforcing our intellectual property assets may incur significant time, legal expense and other resources, including the attention of our management. While we take steps to protect and enforce our intellectual property rights, because of factors beyond our control, we may not be entirely successful in protecting our intellectual property, enforcing our rights or collecting on judgments.

If we are unable to protect, acquire, use or maintain our marks and domain names for our sites, our business and operating results could be harmed.

We are the owner of various trademarks for our brands and hold trademark registrations in the United States and Canada, but we have not sought registrations for our trademarks in all major jurisdictions worldwide. We also own the Internet domain name registrations for the Bob's Discount Furniture websites such as mybobs.com. Rights in trademarks are generally national in character, and are obtained on a country-by-country basis by the first person to obtain protection through registration (or in some jurisdictions such as the United States, use) in that country in connection with specified products and services. Some countries' laws do not protect unregistered trademarks at all, or make them more difficult to enforce, and third parties may have filed for "Bob's Discount Furniture" or similar marks in countries where we have not yet obtained applicable trademark registrations. There is also a risk that our growth could be limited or unavailable due to preexisting third-party intellectual property rights, whether registered or unregistered.

Third parties may use trademarks and brand names similar to our trademarks and brand names, and any potential confusion as to the source of goods or services could have an adverse effect on our business and may inhibit our ability to build name recognition in our markets of interest. Third parties may also oppose our trademark applications or otherwise challenge our use of the trademarks. If our trademarks are successfully challenged, we could be forced to rebrand our products which could result in the loss of brand recognition and could require additional resources devoted to advertising and marketing new brands.

We may not be able to claim or assert trademark or unfair competition claims against third parties for any number of reasons, and our trademarks may be found invalid or unenforceable. A judge, jury or other adjudicative body may find that the conduct of competitors does not infringe or violate our trademark rights. Third parties may claim that the use of our trademarks and branding infringe, dilute or otherwise violate the common law or registered marks of that party, or that our sales and marketing efforts constitute unfair competition. Such claims could result in injunctive relief prohibiting the use of our marks, branding and marketing activities, and significant damages, treble damages and attorneys' fees and costs could be awarded as a result of such claims. Moreover, United States or foreign trademark offices may refuse to grant existing and future trademark applications and may cancel or partially cancel trademark registrations.

We may be involved in disputes from time to time relating to our intellectual property and the intellectual property of third parties.

We are and may continue to become parties to disputes from time-to-time over rights and obligations concerning intellectual property, and we may not prevail in these disputes. Third parties have and may raise future claims against us alleging infringement or violation of the intellectual property of such third party, including assertions that our products or marketing activities infringe or violate such third party's intellectual property rights. The asserted claims and/or litigation could include claims against us or our suppliers alleging infringement of intellectual property rights with respect to our marketing materials, products or components of such products. Regardless of the merit of the claims, if our marketing materials or products are alleged to infringe or violate the intellectual property rights of other parties, we could incur substantial costs and we may have to, among other things: (a) obtain licenses to use such intellectual property rights, which may not be available on commercially reasonable terms, or at all; (b) redesign our products or change our marketing activities to avoid infringement or other violations of the intellectual property rights of others; (c) stop using the subject matter protected by the

intellectual property held by others; or (d) pay significant compensatory and/or enhanced damages, attorneys' fees and costs.

Even if we prevail in such disputes, the costs we incur in defending such dispute may be material and costly. Some third-party intellectual property rights may be extremely broad, and it may not be possible for us to conduct our operations in such a way as to avoid violating any such intellectual property rights. Any such intellectual property claim could subject us to costly litigation and impose a significant strain on our financial resources and management personnel regardless of whether such claim has merit.

Risks Related to Our Indebtedness

The ABL Credit Agreement and Term Loan Credit Agreement each contain covenants, which may restrict our current and future operations and could adversely affect our ability to execute our business needs.

The (i) Revolving Credit Agreement, dated as of February 12, 2014, as amended, among BDF Acquisition Corp., as borrower, Royal Bank of Canada, as administrative agent and collateral agent, the lenders from time to time party thereto, and the other parties thereto (the "ABL Credit Agreement") and (ii) Credit Agreement, dated as of October 31, 2025, among BDF Acquisition Corp, as borrower, BDF Intermediate, LLC, as holdings, JPMorgan Chase Bank, N.A., as administrative agent and collateral agent, the lenders from time to time party thereto and the other parties thereto (the "Term Loan Credit Agreement") each contain restrictive covenants that limit our ability to, among other things, incur certain additional indebtedness, make certain investments, merge, dissolve, liquidate or consolidate all or substantially all of our assets, make certain dispositions or restricted payments, enter into certain transactions with affiliates, pay dividends and distributions on capital stock or make certain amendments to our organizational documents. We are also required under the terms of the Term Loan Credit Agreement to prepay the Term Loan with net proceeds from an initial public offering of the Company's common stock. The terms of the ABL Credit Agreement and the Term Loan Credit Agreement may restrict our current and future operations and could adversely affect our ability to finance our future operations or capital needs or to execute business strategies in the means or manner desired. Further, complying with these covenants could make it more difficult for us to successfully execute our business strategy, invest in our growth strategy and compete against our competitors who may not be subject to such restrictions. In addition, we may not be able to generate sufficient cash flow to meet the financial covenants or pay the principal or interest thereunder.

If we are unable to comply with our payment requirements, our lender may accelerate our obligations under the ABL Credit Agreement and the Term Loan Credit Agreement and foreclose upon the collateral, or we may be forced to sell assets, restructure our indebtedness or seek additional equity capital, which would dilute our stockholders' interests. If we fail to comply with our covenants under the ABL Credit Agreement and the Term Loan Credit Agreement, it could result in an event of default thereunder and our lenders could accelerate the entire indebtedness, which could cause us to be unable to repay our debt or borrow sufficient funds to refinance it. Even if new financing is available, it may be on terms that are unfavorable to us.

The amount of borrowings permitted under the Revolving Credit Facility may fluctuate significantly, which may adversely affect our business, results of operations and financial condition.

The amount of borrowings permitted at any one time under the Revolving Credit Facility is subject to certain borrowing base valuations of the collateral thereunder, net of certain reserves. As a result, our access to credit under the Revolving Credit Facility is potentially subject to significant fluctuations depending on the value of the borrowing base of eligible assets as of any measurement date, as well as certain discretionary rights of the agents in respect of the calculation of such borrowing base values. The inability to borrow under the Revolving Credit Facility could have a material adverse effect on our business, financial condition, results of operations, liquidity and stock price.

General Risks

Federal, state or local laws and regulations, or our failure to comply with such laws and regulations, could increase our expenses, restrict our ability to conduct our business and expose us to legal risks.

We are subject to a wide range of general and industry-specific laws and regulations imposed by federal, state and local authorities in the countries in which we operate, including those related to customs, foreign operations (such as the Foreign Corrupt Practices Act), truth-in-advertising, consumer protection and privacy (such as the CCPA and TCPA), product safety (such as the Formaldehyde Standards in Composite Wood Products Act), the environment (such as the Lacey Act), import and export controls (such as the Uyghur Forced Labor Prevention Act), intellectual property infringement, zoning and occupancy matters, as well as the operation of retail stores and distribution facilities. In addition, various federal and state laws govern our relationship with, and other matters pertaining to, our associates, including wage and hour laws, laws governing independent contractor classifications, requirements to provide meal and rest periods or other benefits, family leave mandates, requirements regarding working conditions and accommodations to certain associates, citizenship or work authorization and related requirements, insurance and workers' compensation rules and anti-discrimination laws. In recent years, we and other parties in the furniture industry have been or currently are parties to litigation involving claims that allege violations of these laws, including claims related to product safety and patent claims. In addition, there has been an increase in the number of wage and hour class action claims that allege misclassification of overtime eligible workers and/or failure to pay overtime-eligible workers for all hours worked, particularly in the retail industry, and we may be involved in such claims in the future. Although we believe that we have complied with these laws and regulations, there is nevertheless a risk that we will become subject to additional claims that allege we have failed to do so. Any claim that alleges a failure by us to comply with any of these laws and regulations may subject us to fines, penalties, injunctions, litigation and/or potential criminal violations, which could have a material adverse effect on our business, financial condition, results of operations, liquidity and stock price.

Certain of our products may require us to spend significant time and resources in order to comply with applicable advertising, labeling, importation, exportation, environmental, health and safety laws and regulations because if we violate these laws or regulations, we could experience delays in shipments of our goods, be subject to fines or penalties, be liable for costs and damages or suffer reputational harm, any of which could reduce demand for our products and adversely affect our business, financial condition, and operating results. Any changes to these laws or regulations or any new laws or regulations that are passed or go into effect may make it more difficult for us to operate our business and in turn adversely affect our operating results.

We are engaged in various legal actions, claims and proceedings arising in the ordinary course of business and, while we cannot predict the outcomes of such proceedings and other contingencies with certainty, this litigation and any potential future litigation could have an adverse impact on us.

We are engaged in various legal actions, claims and proceedings arising in the ordinary course of business, including claims related to breach of contract, product liabilities, intellectual property matters and employment-related matters resulting from our business activities. As with most actions such as these, an estimate of any possible and/or ultimate liability cannot always be determined. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources, and other factors. Additionally, we cannot guarantee that we will not become engaged in additional legal actions, claims, proceedings or governmental investigations in the future. Any such action could result in negative publicity, harm to our reputation and adversely affect our business, financial condition, results of operations, liquidity and stock price.

Moreover, our operations are characterized by a high volume of customer traffic and by transactions involving a wide array of product selections. These operations carry a higher exposure to customer litigation risk when compared to the operations of companies operating in many other industries. Consequently, we have been, and may in the future be from time to time, involved in lawsuits seeking cash settlements for alleged personal injuries, property damage and other business-related matters, as well as product liability and other legal actions in the ordinary course of our business. While these actions are generally routine in nature and incidental to the operation of our business, if our assessment of any action or actions should prove inaccurate and/or if we are unsuccessful in our defense in these litigation matters, or any other legal proceeding, we may be forced to pay damages or fines, enter

into consent decrees or change our business practices, any of which could adversely affect our business, financial condition, results of operations, liquidity and stock price. Further, adverse publicity about customer or other litigation may negatively affect us, regardless of whether the allegations are true, by discouraging customers from purchasing our products.

We are subject to risks related to corporate social responsibility.

Our business could face public scrutiny related to environmental, social and governance ("ESG") activities. We risk damage to our brand and reputation if we fail to act responsibly in a number of areas, environmental stewardship, corporate governance and transparency. We will incur additional expenses as we continue to execute our ESG framework in the coming years, such as coordinating audits of social compliance at our overseas suppliers. Adverse incidents could impact the value of our brand, the cost of our operations and relationships with investors, all of which could adversely affect our business, financial condition, results of operations, liquidity and stock price.

Our insurance coverage may be inadequate to cover all the liabilities we may incur.

We carry comprehensive insurance against the hazards and risks underlying our operations. We believe our insurance policies are customary in the industry; however, some losses and liabilities associated with our operations may not be covered by our insurance policies. In addition, there can be no assurance that we will be able to obtain similar insurance coverage on favorable terms, or at all, in the future. Significant uninsured losses and liabilities could have a material adverse effect on our business, financial condition, results of operations, liquidity and stock price. In addition, our insurance is subject to deductibles. As a result, certain large claims, even if covered by insurance, may require a substantial cash outlay by us, which could have a material adverse effect on our business, financial condition, results of operations, liquidity and stock price.

Risks Related to Ownership of our Common Stock and this Offering.

There is no existing market for our common stock, and we do not know if one will develop to provide you with adequate liquidity. If our stock price fluctuates after this offering, you could lose a significant part of your investment.

Prior to this offering, there has not been a public market for our common stock. We cannot predict the extent to which investor interest in us will lead to the development of a trading market on the New York Stock Exchange, or otherwise or how active and liquid that market may come to be. If an active trading market does not develop, you may have difficulty selling any of the common stock that you buy.

Negotiations between us and the underwriters have determined the initial public offering price for our common stock, which may not be indicative of prices that will prevail in the open market following this offering. Consequently, you may not be able to sell our common stock at prices equal to or greater than the price you paid in this offering. The market price of our common stock may be influenced by many factors including:

- variations in our operating results compared to market expectations or any guidance given by us, or changes in our guidance or guidance practices;
- changes in the preferences of our customers;
- low total comparable sales growth and gross margins compared to market expectations;
- the failure of securities analysts to cover us after this offering or changes in financial estimates by the analysts who cover us, our competitors or our industry;
- economic, legal and regulatory factors unrelated to our performance;
- changes in consumer spending or the economy, including periods of high inflation;
- increased competition or stock price performance of our competitors;

- strategic decisions by us or our competitors, such as acquisitions, divestitures, spin-offs, joint ventures, strategic investments or changes in business strategy;
- actual or anticipated variations in our or our competitors' operating results, and our competitors' growth rates;
- future sales of our common stock or the perception that such sales may occur;
- changes in senior management or key personnel;
- changes in laws or regulations, or new interpretations or applications of laws and regulations that are applicable to our business; lawsuits, enforcement actions and other claims by third parties or governmental authorities;
- action by institutional stockholders or other large stockholders;
- events beyond our control, such as war, terrorist attacks, natural disasters, severe weather and widespread illness, public health emergencies or pandemics; and
- the other factors listed in this "*Risk Factors*" section.

As a result of these factors, investors in our common stock may not be able to resell their shares at or above the initial offering price. In addition, our stock price may be volatile. The stock market in general has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of companies like us. Accordingly, these broad market fluctuations, as well as general economic, political and market conditions, such as recessions or interest rate changes, may significantly reduce the market price of the common stock, regardless of our operating performance. In the past, following periods of market volatility, stockholders have instituted securities class action litigation. If we were to become involved in securities litigation, it could result in substantial costs and divert resources and our management's attention from other business concerns, regardless of the outcome of such litigation.

We will incur increased costs as a result of operating as a public company, and our management will be required to devote substantial time to compliance with our public company responsibilities and corporate governance practices.

As a public company, we will incur significant legal, accounting, and other expenses that we did not incur as a private company. The Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the listing requirements of the New York Stock Exchange, and other applicable securities rules and regulations impose various requirements on public companies, including establishment and maintenance of effective disclosure and financial controls and corporate governance practices. We expect that we will need to hire additional accounting, finance, and other personnel in connection with our becoming, and our efforts to comply with the requirements of being a public company, and our management and other personnel will need to devote a substantial amount of time to maintaining compliance with these requirements. Our management and other personnel will also need to devote a substantial amount of time to compliance with the additional reporting requirements of the Exchange Act. These requirements will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. For example, we expect that the rules and regulations applicable to us as a public company may make it more difficult and more expensive for us to obtain director and officer liability insurance. We are currently evaluating these rules and regulations and cannot predict or estimate the amount of additional costs we may incur or the timing of such costs. These rules and regulations are often subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices.

If securities or industry analysts do not publish research or reports about our business, or if they change their recommendations regarding our common stock adversely, our stock price and trading volume could decline.

The trading market for our common stock is and will be influenced by the research and reports that industry or securities analysts publish about us or our business. We do not have any control over these analysts. If one or more of the analysts who cover us downgrade our common stock or describe us or our business in a negative manner, the price of our common stock would likely decline. If one or more of these analysts cease coverage of our Company or fails to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause the price or trading volume of our common stock to decline. In addition, if we fail to meet the expectations and forecasts for our business provided by securities analysts, the price of our common stock could decline.

Because Bain Capital owns a significant percentage of our common stock, it may control all major corporate decisions and its interests may conflict with your interests as an owner of our common stock and our interests.

We are controlled by Bain Capital, which owns 89% of our common stock and will own approximately 75% after the consummation of this offering (or approximately 73% of our outstanding common stock if the underwriters' option to purchase additional shares from the selling stockholder is exercised in full). Accordingly, Bain Capital currently controls the election of our directors and could exercise a controlling interest over our business, affairs and policies, including the appointment of our management and the entering into of business combinations or dispositions and other corporate transactions. The directors Bain Capital nominates have had, and will continue to have, the authority to incur additional debt, issue or repurchase stock, declare dividends and make other decisions that could be detrimental to stockholders. For example, our Board of Directors (the "Board of Directors") approved the entry into the Term Loan Credit Agreement on October 31, 2025, providing for a $350.0 million Term Loan Facility, the net proceeds of which, together with cash on hand, were used to pay an aggregate cash dividend of approximately $423.3 million to holders of our common stock as of October 31, 2025, including Bain Capital, together with a compensatory make-whole payment in an aggregate amount of $2.6 million to the holders of certain of our outstanding options. We intend to use net proceeds from this offering, together with cash on hand and other available liquidity, to prepay the indebtedness under the Term Loan Facility.

Pursuant to our second restated certificate of incorporation, following this offering, Bain Capital will have specified board representation rights, governance rights and other rights, including Bain Capital having the right to nominate designees to the Board of Directors on a sliding scale based on Bain Capital's ownership of our common stock. See "*Management—Board Composition and Director Independence*." In addition, in connection with this offering, we will enter into the Amended and Restated Stockholders Agreement (as defined below) with Bain Capital and certain of our other existing stockholders, pursuant to which Bain Capital will have certain registration rights and other rights. Even if Bain Capital were to own or control less than a majority of our total outstanding shares of common stock, it will be able to influence the outcome of corporate actions so long as it owns a significant portion of our total outstanding shares of common stock. See "*Certain Relationships and Related Party Transactions—Amended and Restated Stockholders Agreement*."

Bain Capital may have interests that are different from yours and may vote in a way with which you disagree and that may be adverse to your interests. In addition, Bain Capital's concentration of ownership could have the effect of delaying or preventing a change in control or otherwise discouraging a potential acquirer from attempting to obtain control of us, which could cause the market price of our common stock to decline or prevent our stockholders from realizing a premium over the market price for their common stock.

Additionally, Bain Capital is in the business of making investments in companies and may from time to time acquire and hold interests in businesses that compete directly or indirectly with us or supply us with goods and services. Bain Capital may also pursue acquisition opportunities that may be complementary to our business and, as a result, those acquisition opportunities may not be available to us. Stockholders should consider that the interests of Bain Capital may differ from their interests in material respects.

Following the consummation of this offering, we will be a "controlled company" within the meaning of the rules of the New York Stock Exchange and, as a result, will qualify for, and may rely on, exemptions from certain corporate governance requirements; you will not have the same protections afforded to stockholders of companies that are subject to all such requirements.

Following the consummation of this offering, Bain Capital will continue to control a majority of our outstanding common stock. As a result, we expect to be a "controlled company" within the meaning of the New York Stock Exchange corporate governance standards. A company of which more than 50% of the voting power is held by an individual, a group or another company is a "controlled company" within the meaning of the New York Stock Exchange rules and may elect not to comply with certain corporate governance requirements of the New York Stock Exchange, including:

- the requirement that a majority of our Board of Directors consist of independent directors;
- the requirement that we have a nominating/corporate governance committee that is comprised entirely of independent directors with a written charter addressing the committee's purpose and responsibilities; and
- the requirement that we have a compensation committee that is comprised entirely of independent directors with a written charter addressing the committee's purpose and responsibilities.

For at least a period of time following this offering, we intend to utilize certain of these exemptions. As a result, our nominating and corporate governance committee and compensation committee will not consist entirely of independent directors. Accordingly, you will not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the New York Stock Exchange. Our status as a "controlled company" could make our common stock less attractive to some investors or otherwise harm the trading price of our common stock.

Further, pursuant to the Amended and Restated Stockholders Agreement that will become effective in connection with the completion of this offering, Bain Capital will have the right to nominate to our Board of Directors: (i) the majority of directors, for so long as Bain Capital beneficially owns more than 50% of the shares held by it as of the effective time of this offering, (ii) 40% of directors, for so long as Bain Capital beneficially owns at least 30%, but less than 50% of the shares held by it as of the effective time of this offering, (iii) 25% of directors, for so long as Bain Capital beneficially owns at least 20%, but less than 30% of the shares held by it as of the effective time of this offering, (iv) 20% of directors, for so long as Bain Capital beneficially owns at least 10%, but less than 20% of the shares held by it as of the effective time of this offering and (v) one director, for so long as Bain Capital beneficially owns at least 3%, but less than 10% of the shares held by it as of the effective time of this offering. In the event that any such nominee ceases to serve as a director for any reason (other than the failure of our stockholders to elect such individual as a director), Bain Capital will be entitled to appoint another nominee to fill the resulting vacancy. In addition, subject to applicable laws and stock exchange regulations, and subject to requisite independence requirements applicable to such committee, the Amended and Restated Stockholders Agreement will provide that, for so long as Bain Capital has the right to nominate at least one director to our Board of Directors, it will have the right to designate a director for appointment to certain committees of our Board of Directors. As a result, Bain Capital will continue to have significant influence over us even after it ceases to beneficially own a majority of our shares of common stock. See "*Certain Relationships and Related Party Transactions —Amended and Restated Stockholders Agreement*."

Certain of our directors may have conflicts of interest because of their ownership of equity interests of, and their employment with, Bain Capital and its affiliates.

Certain of our directors hold ownership interests in affiliates of Bain Capital or ownership in and employment positions with its affiliates. Such interests in affiliates of Bain Capital by our directors could create, or appear to create, potential conflicts of interest when our directors are faced with decisions that could have different implications for us and for Bain Capital or its affiliates. For example, the Board of Directors approved the entry into the Term Loan Credit Agreement on October 31, 2025, providing for a $350.0 million Term Loan Facility, the net proceeds of which, together with cash on hand, were used to pay an aggregate cash dividend of approximately $423.3 million to holders of our common stock as of October 31, 2025, including Bain Capital, together with a

compensatory make-whole payment in an aggregate amount of $2.6 million to the holders of certain of our outstanding options. We cannot assure you that any conflicts of interest will be resolved in our favor.

Our second restated certificate of incorporation after this offering will contain a provision renouncing our interest and expectancy in certain corporate opportunities, which could adversely impact our business.

Bain Capital and the members of our Board of Directors who are affiliated with them, by the terms of our second restated certificate of incorporation, will not be required to offer us any corporate opportunity of which they become aware and can take any such corporate opportunity for themselves or offer it to other companies in which they have an investment. We, by the terms of our second restated certificate of incorporation, will expressly renounce any interest or expectancy in any such corporate opportunity to the extent permitted under applicable law, even if the opportunity is one that we or our subsidiaries might reasonably have pursued or had the ability or desire to pursue if granted the opportunity to do so. Our certificate of incorporation will not be able to be amended to eliminate our renunciation of any such corporate opportunity arising prior to the date of any such amendment.

Bain Capital and certain of its affiliates are in the business of making investments in companies and may from time to time acquire and hold interests in businesses that compete directly or indirectly with us. These potential conflicts of interest could have a material adverse effect on our business, financial condition, results of operations, liquidity and stock price if Bain Capital and its affiliates allocate attractive corporate opportunities to themselves or their affiliates instead of to us.

Future sales, or the perception of future sales, of our common stock may depress the price of our common stock. In addition, a significant portion of our common stock is restricted from immediate resale but may be sold into the market in the near future. This could cause the market price of our common stock to drop significantly, even if our business is doing well.

If we sell, or any of our stockholders sells, a large number of shares of our common stock, or if we issue a large number of shares in connection with future acquisitions, financings, equity incentive plans or other circumstances, the market price of our common stock could decline significantly. Moreover, the perception in the public market that we or our stockholders might sell shares of our common stock could depress the market price of those shares.

We cannot predict the size of future issuances of our common stock or the effect, if any, that future issuances or sales of our shares will have on the market price of such shares. Possible sales also may make it more difficult for us to sell equity or equity-related securities in the future at a time and price we deem necessary or appropriate.

Our directors and executive officers, and holders of substantially all of our common stock, including the selling stockholder, are subject to lock-up agreements with the underwriters of this offering that restrict the stockholders' ability to transfer shares of our common stock for 180 days from the date of this prospectus, subject to certain exceptions. In addition, our stockholders agreement, which will be amended and restated in connection with this offering, contains additional transfer restrictions on certain existing holders of our common stock for a period of at least 270 days from the date of this prospectus, subject to certain exceptions. The lock-up agreements and the transfer restrictions contained in our Amended and Restated Stockholders agreement limit the number of shares of common stock that may be sold immediately following the public offering. After this offering, we expect to have 130,367,060 shares of common stock outstanding. Subject to limitations, all of the 98,288,251 shares of common stock beneficially owned by Bain Capital will become eligible for sale upon expiration of the lock-up period and 12,628,809 shares of our outstanding common stock will continue to remain subject to the transfer restrictions under our Amended and Restated Stockholders Agreement, as calculated and described in more detail in the section entitled "*Shares Eligible for Future Sale*." In addition, none of the shares issued or issuable upon exercise of options vested as of the expiration of the lock-up period will be eligible for sale at that time. Further, any two of the four representatives of the underwriters may, in their discretion, release all or some portion of the shares subject to the lock-up agreements at any time and for any reason. See "*Shares Eligible for Future Sale*" for more information. Sales of a substantial number of such shares upon expiration of the lock-up agreements, the perception that such sales may occur, or early release of these agreements, could have a material and adverse effect on the trading price of our common stock.

As a result of the foregoing, substantially all of our outstanding shares of common stock and securities directly or indirectly convertible into or exchangeable or exercisable for our common stock are subject to a lock-up agreement or the transfer restrictions contained in our Amended and Restated Stockholders Agreement during the restricted period. Subject to certain exceptions, the transfer restrictions in the Amended and Restated Stockholders Agreement may not be waived during the 180 days from the date of this prospectus without the prior consent of any two of the four representatives of the underwriters.

Moreover, after this offering, holders of approximately 75% (or approximately 73% of our outstanding common stock if the underwriters' option to purchase additional shares from the selling stockholder is exercised in full) of our outstanding common stock will have rights pursuant to the Amended and Restated Stockholders Agreement, subject to certain conditions such as the 180-day lock-up arrangement described above, to require us to file registration statements for the public sale of their shares or to include their shares in registration statements that we may file for ourselves or other stockholders. Registration of these shares under the Securities Act of 1933, as amended (the "Securities Act"), would result in the shares becoming freely tradable without restriction under the Securities Act, except for shares held by our affiliates as defined in Rule 144 under the Securities Act. Any sales of securities by these stockholders could have a material and adverse effect on the trading price of our common stock.

Our second restated certificate of incorporation will contain exclusive forum provisions, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our second restated certificate of incorporation, which will become effective immediately prior to the consummation of this offering, provides that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, in the event that the Court of Chancery does not have jurisdiction, the federal district court for the District of Delaware or other state courts of the State of Delaware) is the exclusive forum for any derivative action or proceeding brought on our behalf, any action asserting a claim of breach of fiduciary duty, any action asserting a claim against us arising pursuant to the Delaware General Corporation Law ("DGCL"), our second restated certificate of incorporation or our second amended and restated bylaws, any action to interpret, apply or enforce or determine the validity of our second restated certificate of incorporation or second amended and restated bylaws, any action as to which the DGCL confers jurisdiction to the Court of Chancery of the State of Delaware, or any action asserting a claim against us that is governed by the internal affairs doctrine; provided that, the exclusive forum provision will not apply to suits brought to enforce any liability or duty created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction; and provided further that, if and only if the Court of Chancery of the State of Delaware dismisses any such action for lack of subject matter jurisdiction, such action may be brought in another state or federal court sitting in the State of Delaware. Our second restated certificate of incorporation also provides that the federal district courts of the United States of America will be the exclusive forum for the resolution of any complaint asserting a cause or causes of action against any defendant arising under the Securities Act, subject to and contingent upon a final adjudication in the State of Delaware of the enforceability of such exclusive forum provision. Such provision is intended to benefit and may be enforced by us, our officers and directors, employees and agents, including underwriters and any other professional or entity who has prepared or certified any part of this prospectus. Nothing in our second restated certificate of incorporation precludes stockholders that assert claims under the Exchange Act from bringing such claims in state or federal court, subject to applicable law.

We believe these provisions may benefit us by providing increased consistency in the application of Delaware law and federal securities laws by chancellors and judges, as applicable, particularly experienced in resolving corporate disputes, efficient administration of cases on a more expedited schedule relative to other forums and protection against the burdens of multi-forum litigation. This choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or any of our directors, officers, other employees or stockholders, which may discourage lawsuits with respect to such claims or make such lawsuits more costly for stockholders, although our stockholders will not be deemed to have waived our compliance with federal securities laws and the rules and regulations thereunder. Furthermore, the enforceability of similar choice of forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that a court could find these types of provisions to be inapplicable or unenforceable. While the Delaware courts have determined that such choice of forum provisions are facially valid, a stockholder may nevertheless seek

to bring a claim in a venue other than those designated in the exclusive-forum provisions, and there can be no assurance that such provisions will be enforced by a court in those other jurisdictions. If a court were to find the choice of forum provision contained in our second restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could adversely affect our business, financial condition, results of operations, liquidity and stock price.

New investors in our common stock will incur immediate dilution as a result of this offering.

If you purchase common stock in this offering, you will pay more for your shares than the amounts paid by existing stockholders for their shares. As a result, you will incur immediate dilution of $17.46 per share, representing the difference between the assumed initial public offering price of $18.00 per share, the midpoint of the price range as set forth on the cover page of this prospectus, and our as further adjusted net tangible book value (deficit) per share after giving effect to this offering and the application of the net proceeds from this offering. Additionally, pursuant to our second amended and restated bylaws, our Board of Directors will have the authority, without action or vote of our stockholders, to issue all or any part of our authorized but unissued shares of common stock, including shares issuable upon the exercise of options, or shares of our authorized but unissued preferred stock. Issuances of common stock or voting preferred stock would reduce your influence over matters on which our stockholders vote and, in the case of issuances of preferred stock, would likely result in your interest in us being subject to the prior rights of holders of that preferred stock. See "*Dilution*" for more information.

We may allocate the net proceeds from this offering in ways that you and other stockholders may not approve.

We currently intend to use the net proceeds from this offering to prepay certain indebtedness and for general corporate purposes. See the section titled "*Use of Proceeds*" for more information.

To the extent the net proceeds from this offering are used for general corporate purposes, our management will have broad discretion in the application of the net proceeds from this offering. Because of the number and variability of factors that will determine our use of the net proceeds from this offering, their ultimate use may vary substantially from their currently intended use. Our management might not apply our net proceeds in ways that ultimately increase the value of your investment, and the failure by our management to apply these funds effectively could harm our business. Pending their use, we may invest the net proceeds from this offering in short- and intermediate-term, interest-bearing obligations, investment-grade instruments, certificates of deposit or direct or guaranteed obligations of the U.S. government. These investments may not yield a favorable return to our stockholders. If we do not invest or apply the net proceeds from this offering in ways that enhance stockholder value, we may fail to achieve expected results, which could cause our stock price to decline.

Delaware law and provisions in our second restated certificate of incorporation and second amended and restated bylaws could make a merger, tender offer or proxy contest more difficult, limit attempts by our stockholders to replace or remove our current management and depress the market price of our common stock.

In addition to Bain Capital's beneficial ownership of a substantial percentage of our common stock, provisions in our second restated certificate of incorporation and second amended and restated bylaws, each of which will become effective immediately prior to the consummation of this offering, and Delaware law could make it harder for a third party to acquire us, even if doing so might be beneficial to our stockholders, and could also make it difficult for stockholders to elect directors that are not nominated by the current members of our Board of Directors or take other corporate actions, including effecting changes in our management. These provisions include a classified board of directors and the ability of our Board of Directors to issue preferred stock without stockholder approval that could be used to dilute a potential hostile acquiror. Our second restated certificate of incorporation will also impose some restrictions on mergers and other business combinations between us and any holder of 15% or more of our outstanding common stock other than Bain Capital. As a result, you may lose your ability to sell your stock for a price in excess of the prevailing market price due to these protective measures, and efforts by stockholders to change the direction or management of the company may be unsuccessful.

These anti-takeover defenses could discourage, delay or prevent a transaction involving a change in control. These provisions could also discourage proxy contests and make it more difficult for you and other stockholders to

elect directors of your choosing and cause us to take corporate actions other than those you desire. See "*Description of Capital Stock— Anti-Takeover Effects of Our Certificate of Incorporation and Our Bylaws and Certain Provisions of Delaware Law*."

Cautionary Note Regarding Forward-Looking Statements

This prospectus contains forward-looking statements. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies and other future conditions. Forward-looking statements can generally be identified by words such as "anticipate," "believe," "envision," "estimate," "expect," "intend," "may," "plan," "predict," "project," "target," "potential," "will," "would," "could," "should," "continue," "contemplate" and other similar expressions, although not all forward-looking statements contain these identifying words. Forward-looking statements include, but are not limited to, statements concerning: plans to open new stores, expand into new regions and increase market share; our ability to drive increased marketing efficiencies and lower customer acquisition costs as we grow; anticipated top-line growth and margin expansion; the capacity of our existing model to support future growth; our ability to manage supplier relationships; our digital expansion; and plans to increase brand awareness and increase comparable sales.

The preceding list is not intended to be an exhaustive list of all of our forward-looking statements. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements we make. We have based these forward-looking statements largely on our current expectations and projections about future events and trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. These forward-looking statements are subject to a number of risks, uncertainties, factors and assumptions described in "*Risk Factors*" and elsewhere in this prospectus, including those relating to, among other things:

- our reliance on foreign manufacturing, suppliers and imports for our products;
- the significant competition within our industry;
- our ability to successfully anticipate or respond to changes in consumer preferences;
- global economic conditions and the effect of economic pressures and other business factors on discretionary consumer spending;
- managing the challenges associated with our planned new store growth;
- failures by our third-party suppliers or the unavailability of suitable suppliers at reasonable prices;
- failures of our vendors to meet our quality standards or applicable regulatory frameworks;
- disruption in our distribution capabilities, supply chain;
- our ability to protect our intellectual property rights;
- compliance with applicable governmental regulations;
- our ability to protect the privacy and security of information related to our customers, us, our employees or others;
- disruption in our information systems; and
- our ability to effectively manage our eCommerce platform and digital marketing efforts.

The forward-looking statements in this prospectus represent our views as of the date of this prospectus. We undertake no obligation to publicly update any forward-looking statements whether as a result of new information, future developments or otherwise, except as required by law.

Use of Proceeds

We estimate that the net proceeds to us from our issuance and sale of 19,450,000 shares of common stock in this offering will be approximately $320.6 million, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. We will not receive any proceeds from the sale of shares of common stock by the selling stockholder named in this prospectus. The selling stockholder will receive approximately $49.2 million of net proceeds from this offering, after deducting estimated underwriting discounts and commissions, if the underwriters exercise their option to purchase additional shares in full. These estimates assume an initial public offering price of $18.00 per share, the midpoint of the price range as set forth on the cover page of this prospectus.

We intend to use the net proceeds from this offering, together with cash on hand and other available liquidity, to prepay all of the approximately $350.0 million of indebtedness under the Term Loan Facility. To the extent any proceeds from this offering remain after such prepayment, we intend to use such remaining proceeds for general corporate purposes.

As of October 31, 2025, we had $350.0 million of indebtedness outstanding under the Term Loan Facility. The Term Loan Facility matures on October 31, 2032 and, at October 31, 2025, bears an interest rate of 8.22%. See "*Description of Certain Indebtedness*." We used the net proceeds from the Term Loan Facility, together with cash on hand, to pay an aggregate cash dividend of approximately $423.3 million to holders of our common stock as of October 31, 2025, together with a compensatory make-whole payment in an aggregate amount of $2.6 million to the holders of certain of our outstanding options. We are required under the terms of the Term Loan Credit Agreement to prepay the Term Loan with net proceeds from an initial public offering of the Company's common stock.

Our expected use of net proceeds from this offering represents our current intentions based upon our present plans and business condition. As of the date of this prospectus, we cannot predict with complete certainty all of the particular uses for the net proceeds to be received upon the completion of this offering or the actual amounts that we will spend on the uses set forth above.

A $1.00 increase (decrease) in the assumed public offering price of $18.00 per share, the midpoint of the price range as set forth on the cover page of this prospectus, would increase (decrease) the net proceeds to us from this offering by approximately $18.2 million, assuming the number of shares we offer, as set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. An increase (decrease) in the number of shares offered by us by 1,000,000 shares would increase (decrease) the net proceeds to us from this offering by approximately $16.9 million, assuming the initial public offering price per share as set forth on the cover page of this prospectus remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

Dividend Policy

Following completion of the offering, our Board of Directors does not currently intend to pay dividends on our common stock. However, we expect to reevaluate our dividend policy on a regular basis following the offering and may, subject to compliance with the covenants contained in our credit facilities and other considerations, determine to pay dividends in the future. The declaration, amount and payment of any future dividends on shares of our common stock will be at the sole discretion of our Board of Directors, which may take into account general and economic conditions, our financial condition and results of operations, our available cash and current and anticipated cash needs, capital requirements, contractual, legal, tax and regulatory restrictions, the implications of the payment of dividends by us to our stockholders or by our subsidiaries to us, and any other factors that our Board of Directors may deem relevant. Further, as a holding company, our ability to pay dividends depends on our receipt of cash dividends from our operating subsidiaries. Our ability to pay dividends will therefore be restricted as a result of restrictions on their ability to pay dividends to us under the ABL Credit Agreement, the Term Loan Credit Agreement and under any other current and future indebtedness that we or they may incur. See "*Risk Factors—Risks Related to Ownership of our Common Stock and this Offering*" and "*Description of Certain Indebtedness*" included elsewhere in this prospectus for further detail on the restrictions on our ability to pay dividends.

On October 31, 2025, we declared a cash dividend of an aggregate amount of approximately $423.3 million on the outstanding shares of our common stock in connection with the Recapitalization.

Capitalization

The following table sets forth our cash and cash equivalents and our capitalization as of September 28, 2025:

- on an actual basis;
- on an as adjusted basis to give effect to (i) the Recapitalization, (ii) the retirement of all of our treasury shares as approved by the Board of Directors and (iii) the effectiveness of our second restated certificate of incorporation and our second amended and restated bylaws, upon the closing of this offering; and
- on an as further adjusted basis to give further effect to (1) the adjustments described above, (2) the issuance of 19,450,000 shares of common stock by us in this offering and the receipt of approximately $320.6 million in net proceeds to us from the sale of such shares, assuming an initial public offering price of $18.00 per share, the midpoint of the price range as set forth on the cover page of this prospectus and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us and (3) the application of the net proceeds from this offering and cash on hand and other available liquidity to repay the Term Loan Facility as set forth under "*Use of Proceeds*."

The as adjusted and as further adjusted information set forth in the table below is illustrative only and will change based on the actual initial public offering price and other terms of this offering determined at pricing. You should read this table in conjunction with the information contained in "*Use of Proceeds*," "*Summary Historical Consolidated Financial Data*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*," as well as our audited consolidated financial statements and the related notes included elsewhere in this prospectus.

	As of September 28, 2025		
(in thousands except share and per share data)	**Actual**	**As Adjusted**	**As Further Adjusted**
Cash and cash equivalents	$ 123,379	$ 36,463	$ 7,395
Long-term debt, including current portion:			
Revolving Credit Facility	—	—	—
Term Loan Facility, net of debt issuance costs	—	338,983	—
Total debt, net of debt issuance costs	—	338,983	—
Finance leases	57,218	57,218	57,218
Stockholders' Equity:			
Preferred stock, $0.01 par value; no shares authorized, issued or outstanding, actual; 5,000,000 shares authorized, no shares issued or outstanding, as adjusted and as further adjusted	—	—	—
Common stock, $0.0001 par value; 300,000,000 shares authorized, 119,521,674 shares issued and 110,308,690 outstanding, actual; 445,000,000 shares authorized, 119,521,674 shares issued and 110,308,690 outstanding, as adjusted; 445,000,000 shares authorized, 129,758,690 shares issued and outstanding, as further adjusted	11	10	12
Additional paid-in capital	232,419	188,901	509,518
Treasury shares, at cost, 9,212,984 shares, actual; no shares, as adjusted and as further adjusted	(67,011)	—	—
Retained earnings	382,381	(67,010)	(78,027)
Total stockholders' equity	547,800	121,901	431,503
Total capitalization	$ 605,018	$ 518,102	$ 488,721

The number of shares of common stock to be outstanding after this offering is based on 129,758,690 shares of common stock outstanding as of September 28, 2025, and excludes 20,579,015 shares of common stock reserved for future issuance under our equity incentive plans.

A $1.00 increase (decrease) in the assumed initial public offering price of $18.00 per share, the midpoint of the price range as set forth on the cover page of this prospectus, would increase (decrease) the as further adjusted amount of each of cash and cash equivalents, total stockholders' equity and total capitalization by approximately $18.2 million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. An increase (decrease) in the number of shares offered by us by 1,000,000 shares would increase (decrease) the as further adjusted amount of each of cash and cash equivalents and total stockholders' equity by approximately $16.9 million, assuming the initial public offering price per share as set forth on the cover page of this prospectus remains the same, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

Dilution

If you invest in our common stock in this offering, your interest will be diluted to the extent of the difference between the initial public offering price per share of our common stock in this offering and the as further adjusted net tangible book value (deficit) per share of our common stock after this offering. Dilution results from the fact that the initial public offering price per share of our common stock is expected to be substantially higher than the as further adjusted net tangible book value (deficit) per share of our common stock attributable to the existing stockholders for the shares of our common stock outstanding prior to this offering.

As of September 28, 2025, we had a net tangible book value (deficit) of $187.0 million, or $1.70 per share, based on 110,308,690 shares of common stock outstanding as of September 28, 2025. We calculate net tangible book value (deficit) per share by taking the amount of our total tangible assets (total assets less goodwill and intangible assets), reduced by the amount of our total liabilities, and then dividing that amount by the total number of shares of our common stock outstanding.

As of September 28, 2025, we had as adjusted net tangible book value (deficit) of $(238.9) million, or $(2.17) per share. As adjusted net tangible book value (deficit) is equal to the amount of our total tangible assets (total assets less goodwill and intangible assets), reduced by the amount of our total liabilities, after giving effect to the Recapitalization, assuming the Recapitalization had taken place on September 28, 2025. As adjusted net tangible book value (deficit) per share is determined by dividing our as adjusted net tangible book value (deficit) by the total number of shares of our common stock outstanding.

After giving further effect to (i) our issuance and sale of 19,450,000 shares of our common stock in this offering assuming an initial public offering price of $18.00 per share, the midpoint of the offering range as set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us and (ii) the application of the net proceeds from this offering as set forth under "*Use of Proceeds,*" and use of cash on hand and other available liquidity to repay the Term Loan Facility, our as further adjusted net tangible book value as of September 28, 2025 would have been approximately $70.7 million, or $0.54 per share of common stock. This amount represents an immediate increase in net tangible book value of $2.71 per share of our common stock to the existing stockholders and immediate dilution of $17.46 per share of our common stock to investors purchasing shares of our common stock in this offering. The following table illustrates this dilution on a per share basis:

Assumed initial public offering price per share		$ 18.00
Historical net tangible book value (deficit) per share as of September 28, 2025	$ 1.70	
Decrease per share attributable to the as adjusted adjustments described above	(3.87)	
As adjusted net tangible book value (deficit) per share as of September 28, 2025	(2.17)	
Increase in as adjusted net tangible book value (deficit) per share attributable to new investors purchasing common stock in this offering	2.71	
As further adjusted net tangible book value per share, after giving effect to this offering	0.54	
Dilution per share to new investors purchasing common stock in this offering		$ 17.46

Each $1.00 increase (decrease) in the assumed initial public offering price of $18.00 per share would increase (decrease) the as further adjusted net tangible book value per share of our common stock after giving effect to this offering by approximately $18.2 million, or by $0.14 per share of our common stock, assuming no change to the number of shares of our common stock offered by us as set forth on the front cover page of this prospectus and after deducting the estimated underwriting discounts and expenses payable by us. An increase (decrease) in the number of shares offered by us by 1,000,000 shares would increase (decrease) our as further adjusted net tangible book value by approximately $16.9 million, or $0.13 per share assuming the initial public offering price per share as set forth on the cover page of this prospectus remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The following table summarizes, as of September 28, 2025, on the as further adjusted basis described above, the total number of shares of our common stock purchased from us, the total consideration paid to us, and the average price per share of our common stock paid by purchasers of such shares and by new investors purchasing shares of our common stock in this offering.

	Shares Purchased		Total Consideration		
	Number	Percentage	Amount	Percentage	Average Price Per Share
Existing stockholders	110,308,690	85 %	$ 149,399,908	30 %	$ 1.35
New investors	19,450,000	15 %	350,100,000	70 %	$ 18.00
Total	129,758,690	100 %	$ 499,499,908	100 %	

Each $1.00 increase (decrease) in the assumed initial public offering price of $18.00 per share would increase (decrease) the total consideration paid by new investors by $18.2 million and increase (decrease) the percent of total consideration paid by new investors by 5.2%, assuming no change to the number of shares of our common stock offered by us as set forth on the front cover page of this prospectus and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The number of shares of common stock to be outstanding after this offering is based on 129,758,690 shares of common stock outstanding as of September 28, 2025, and excludes 20,579,015 shares of common stock reserved for future issuance under our equity incentive plans.

The foregoing does not reflect any potential purchases made by participants in the directed share program who are associated with us.

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis should be read in conjunction with, and is qualified in its entirety by reference to, our consolidated financial statements and the related notes appearing at the end of this prospectus. Some of the information included in this discussion and analysis or set forth elsewhere in this prospectus, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks and uncertainties. You should review the "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors" sections of this prospectus for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Overview

Bob's Discount Furniture is a rapidly growing, nationally proven omnichannel retailer of value home furnishings with 206 showrooms as of September 28, 2025 across 26 U.S. states. We offer quality, stylish products at everyday low prices, which we estimate are on average approximately 10% below our value-oriented furniture competitors' lowest promoted prices, which we estimate is equivalent to approximately 20-25% below their listed prices. Our value proposition is made possible by our curated merchandising strategy, with SKU counts approximately one-third narrower than value-oriented furniture competitors, longstanding sourcing relationships and efficient supply chains.

Our showrooms provide a convenient and fun shopping experience, supported by our trained, tech-enabled guest experience specialists. Our omnichannel capabilities allow customers to shop in-store, online, over the phone and via our mobile app. We leverage efficient fulfillment services to ensure most purchases can be delivered in as few as three days.

We have a proven, profitable and portable store model that has produced consistent financial returns across vintages, geographic regions and population densities. Nearly all of our stores were profitable on a four-wall basis in fiscal year 2024 and our new stores have achieved AUVs of $9 million and cash-on-cash returns exceeding 80% by their fifth year of operation, with returns exceeding 60% by year two and a payback period of approximately two years. We believe our business model and new store unit economics, plus the expansive and fragmented $182 billion home furnishings industry (excluding barbecues as of 2024), provides us with an opportunity to expand our store base in both existing and new geographies to over 500 stores by 2035. Our ability to open profitable new stores depends on multiple factors, including our ability to identify suitable markets and sites, negotiate leases with acceptable terms, support new locations with qualified managers and achieve brand awareness in new markets. For further information see "*Risk Factors – Risks Related to Our Business.*"

During the nine-month fiscal period ended September 28, 2025, our key long-term strategic accomplishments included:

- opening 17 new stores;
- delivering comparable sales growth of 10.5% (or adjusted comparable sales growth of 9.7%) predominately through strong conversion in our retail channel and traffic was positive across all channels, with particular strength in eCommerce; and
- reducing SG&A expenses as a percentage of revenue to 38.6% in the nine months ended September 28, 2025 from 41.8% in the nine months ended September 29, 2024 due to broad-based expense leverage on higher sales performance.

The COVID-19 pandemic served as a tailwind to the home furnishings industry in 2020 and 2021 and caused a surge in demand as the "stay-at-home" lifestyle led to consumers spending more time at home. This resulted in a market-wide pull forward, which subsequently led to a slowdown in the industry in the following years that was further exacerbated by increased interest rates and inflation. Bob's has emerged stronger following this cycle and continues to show resilience and outperformance compared to the home furnishings industry. Our comparable sales growth was approximately 2% per annum on average between fiscal year 2015 through fiscal year 2020, increasing

to approximately 12% in fiscal year 2021 and then running flat in fiscal year 2022. Though macroeconomic factors caused year-over-year declines in our comparable sales during fiscal years 2023 and 2024, we have continued to outperform relative to the home furnishings industry. For example, in fiscal year 2024 Bob's revenue growth surpassed the home furnishings industry (excluding barbecues) by over 700bps on a year-over-year basis, and we plan to continue to build on that momentum through fiscal year 2025. We believe that our continued focus on capturing market share and providing exceptional value to customers through our broad assortment and everyday low price strategy, and making selected strategic growth investments while remaining disciplined to maintain profitability through cost control, have been instrumental in helping us show resilience and emerge stronger throughout this challenging housing market. However, the potential significance and duration of these macroeconomic difficulties is uncertain, and further pressures on the housing market could have an adverse impact on our business.

In early 2025, the U.S. Government began imposing significant new or increased tariffs on goods imported into the U.S. from numerous countries from which the Company sources merchandise. While some trade deals have been reached, trade negotiations are ongoing, and overall, the global trade environment remains fluid and highly uncertain. In addition, in October 2025, the U.S. Government imposed a 25% tariff on imports of certain upholstered wooden furniture imports, which is set to rise to 30% on January 1, 2027. We will continue to evaluate the impact of tariffs on our company and make appropriate sourcing and pricing decisions to minimize the impact of these tariffs on our financial condition and results of operations.

How We Assess the Performance of Our Business

We consider a variety of performance and financial measures in assessing the performance of our business. In addition to our results determined in accordance with U.S. GAAP, we regularly review KPIs and certain non-GAAP financial measures, including Adjusted net income and Adjusted earnings before interest, tax expense, depreciation and amortization ("Adjusted EBITDA"), to evaluate our business, measure our performance, identify trends in our business, prepare projections and make strategic decisions. We believe that these non-GAAP financial measures and KPIs are useful to our investors as they present an informative supplemental view of our results from period to period by removing the effect of non-recurring items. The non-GAAP financial measures and KPIs presented herein are specific to us and may not be comparable to similar measures disclosed by other companies because of differing methods used by other companies in calculating them. The key measures we use to determine how our business is performing are: net revenues, gross profit and gross margin, SG&A, operating income, net income, comparable sales growth, adjusted comparable sales growth, number of new stores, number of stores, Adjusted net income and Adjusted EBITDA.

Net Revenues

We recognize revenue when merchandise is transferred or services are provided to the customer. This primarily occurs when inventory is delivered and accepted by the customer and also occurs when inventory is purchased and picked up at a retail store or distribution center. The revenue from delivery and the sale of our third-party product protection plan, Goof Proof (as defined below), net of costs, is recognized at the time of the delivery of the related merchandise to the customer. Net revenues are presented net of returns and sales tax.

Gross Profit and Gross Margin

Gross profit is equal to our net revenues less our cost of sales. Cost of sales consists of actual product cost, the cost of transportation between our warehouses, suppliers, depots and retail stores and to deliver to customers' homes, warranty costs, the cost of warehousing, inventory reserves and write-downs, and inventory shrinkage. Gross margin is gross profit as a percentage of our net revenues. Our gross margin is impacted by product mix, as some products generally provide higher gross margins, and by our merchandise costs and retail prices. Gross margin is also impacted by freight costs, the costs of distributing and transporting product to our stores, and occupancy costs related to distribution operations.

Selling, General and Administrative Expenses

SG&A expenses include the costs of selling our products and other general and administrative costs. Selling expenses consist primarily of compensation and benefits of our employees performing various sales functions, the occupancy costs of our retail stores and transaction losses. Compensation includes both variable costs, including commissions related to net revenue, and salaries and benefits. We expect certain of these expenses to continue to increase as we open new stores, develop new product categories and otherwise pursue our current business initiatives. General and administrative expenses included in SG&A expenses comprise primarily advertising expense, excluding pre-opening related costs, compensation and benefit costs for administrative employees, stock-based compensation, bank charges, and other administrative costs.

We expect that our SG&A expenses will increase in future periods due to additional legal, finance, insurance and other expenses that we expect to incur as a result of being a public company.

Pre-opening expenses

Pre-opening expenses include costs associated with opening new stores and new distribution centers for the duration of setup and preparation for opening. These costs primarily consist of rent and related occupancy expenses, marketing, payroll, and initial legal, permit, recruiting, and supplies expenses.

Operating Income

Operating income is gross profit less SG&A expenses, pre-opening expenses, loss on disposal of fixed assets, impairment of long-lived assets and restructuring charges. Operating income excludes interest income or expense, and income tax expense. We use operating income as an indicator of the productivity of our business and our ability to manage expenses.

Net Income

Net income is operating income less other expense, net, and income tax expense.

Key Performance Indicators and Non-GAAP Financial Measures

Comparable Sales Growth

Comparable sales growth measures performance during the current reporting period against the performance of the comparable store sales and eCommerce sales in the corresponding period of the previous fiscal year. Comparable store sales consist of net revenues from our stores beginning on the first day of the 14th full fiscal month following the store's opening, which is when we believe comparability is achieved. eCommerce sales consist of net revenues from online purchases during the current reporting period.

Opening new stores is a critical component of our growth strategy. Accordingly, comparable sales growth is only one measure we use to assess the success of our growth strategy. Definitions and calculations of comparable sales differ among companies in the retail industry; therefore, comparable sales growth disclosed by us may not be comparable to the metrics disclosed by other companies.

Various factors affect comparable sales growth, including:

- national and regional economic trends;
- housing affordability;
- the retail sales environment and other retail trends;
- the impact of competition;
- changes in our merchandise mix;

- the ability to identify and respond effectively to regional consumer preferences;
- spending habits of our customers, including levels of discretionary income;
- pricing;
- the growth of our channel mix in eCommerce;
- the ability to source and distribute products efficiently; and
- the use and timing of advertising and holiday events.

Adjusted Comparable Sales Growth

Adjusted comparable sales reflects comparable sales growth as adjusted to eliminate the impact of a $10.2 million anomalous timing shift in comparable sales for the third quarter of fiscal year 2024 as a result of a system outage impacting the final two delivery days of the third quarter of fiscal year 2024. See "*Risk Factors—Risks Related to Data Privacy and Information Technology—We rely extensively on computer systems to process transactions, summarize results and manage our business. Disruptions in both our primary and back-up systems could adversely affect our business and operating results*."

Number of Stores and Number of New Stores

The number of stores reflects the number of stores as of a particular date. The number of new stores reflects the number of stores opened during a particular reporting period. New stores require an initial capital investment from us for store build-outs, fixtures and equipment that we amortize over time, as well as cash required for inventory and pre-opening expenses. We expect new store growth to be the primary driver of our net revenue growth over the long-term. We lease all of our store locations. Our typical initial lease terms are approximately 10 to 15 years with options to renew for two successive five-year periods.

Adjusted Net Income and Adjusted EBITDA

Adjusted net income is defined as net income less items that are not indicative of the operating performance of the business, including, but not limited to, restructuring charges, insurance recoveries, gains on hedge accounting de-designation of interest rate cap, gains on sale of Connecticut income tax credits, gains and losses on disposal of fixed assets, impairment of long-lived assets, senior executive termination benefits, management fee and other expenses and income not indicative of ongoing business operations and performance.

We define EBITDA as net income before interest expense, interest income, income tax expense, and depreciation and amortization expenses. Adjusted EBITDA represents EBITDA as further adjusted for items that are not indicative of the operating performance of the business, including but not limited to, stock-based compensation expense, restructuring charges, insurance recoveries, gains on hedge accounting de-designation of interest rate cap, gains on sale of Connecticut income tax credits, gains and losses on disposal of fixed assets, impairment of long lived assets, senior executive termination benefits, management fee and other expenses or income not indicative of ongoing business operations and performance.

Adjusted net income and Adjusted EBITDA are key metrics used by management and our Board of Directors to assess our financial performance. We use these non-GAAP measures to evaluate the effectiveness of our business strategies, to make budgeting decisions, to evaluate our performance in connection with compensation decisions and to compare our performance against that of peer companies using similar measures. These non-GAAP measures are frequently used by analysts, investors, and other interested parties to evaluate companies in our industry. Management believes it is useful for investors and analysts to be able to evaluate these non-GAAP measures to help them evaluate our operating results by facilitating an enhanced understanding of our operating performance and enabling them to make more meaningful period-to-period comparisons. We believe that excluding items from net income and Adjusted EBITDA that may not be indicative of, or are unrelated to, our core operating results, and that may vary in frequency or magnitude, enhances the comparability of our results and is useful for analyzing trends in our business.

Adjusted net income and Adjusted EBITDA are non-GAAP financial measures and should not be considered as alternatives to net income as a measure of financial performance or any other performance measure derived in accordance with GAAP, and they should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. You are encouraged to evaluate these adjustments and the reasons we consider them appropriate for supplemental analysis. In evaluating Adjusted net income and Adjusted EBITDA, you should be aware that in the future we may incur expenses that are the same as or similar to some of the adjustments in this presentation. There can be no assurance that we will not modify the presentation of Adjusted net income and Adjusted EBITDA following this offering, and any such modification may be material. Our presentation of Adjusted net income and Adjusted EBITDA should not be construed to imply that our future results will be unaffected by any such adjustments. In addition, other companies, including companies in our industry, may not calculate Adjusted net income and Adjusted EBITDA at all or may calculate Adjusted net income and Adjusted EBITDA differently and accordingly, are not necessarily comparable to similarly entitled measures of other companies, which reduces the usefulness of Adjusted net income and Adjusted EBITDA as tools for comparison.

Adjusted net income and Adjusted EBITDA have their limitations as analytical tools, and you should not consider them in isolation or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are that Adjusted net income and Adjusted EBITDA:

- do not reflect every expenditure, future requirements for capital expenditures or contractual commitments;
- do not reflect changes in our working capital needs;
- do not reflect income tax expense, and because the payment of taxes is part of our operations, tax expense is a necessary element of our costs and ability to operate;
- do not reflect non-cash equity compensation, which will remain a key element of our overall equity-based compensation package; and
- do not reflect the impact of earnings or charges resulting from matters we consider not to be indicative of our ongoing operations.

Although depreciation and amortization are eliminated in the calculation of Adjusted EBITDA, the assets being depreciated and amortized will often have to be replaced in the future, and Adjusted EBITDA do not reflect any costs of such replacements.

Management compensates for these limitations by primarily relying on our GAAP results, while using Adjusted net income and Adjusted EBITDA as supplements to the corresponding GAAP financial measures.

Results of Operations

Comparison of the nine-month fiscal periods ended September 28, 2025 and September 29, 2024

The following tables summarize key components of our results of operations for the periods indicated:

	Nine-Month Fiscal Period Ended					
	September 28, 2025		September 29, 2024		Increase (Decrease)	
(in thousands)	Amount	% of Net Revenues	Amount	% of Net Revenues	Amount	%[1]
Net revenues	$ 1,719,212	100.0 %	$ 1,428,382	100.0 %	$ 290,830	20.4 %
Cost of sales	934,401	54.4 %	752,981	52.7 %	181,420	24.1 %
Gross profit	784,811	45.6 %	675,401	47.3 %	109,410	16.2 %
Selling, general, and administrative	662,968	38.6 %	596,365	41.8 %	66,603	11.2 %
Pre-opening expenses	15,157	0.9 %	13,562	0.9 %	1,595	11.8 %
(Gain) loss on disposal of fixed assets	(134)	— %	10	— %	(144)	NM

Restructuring charges	292	— %	—	— %	292	100.0 %
Insurance recoveries	(4,497)	(0.3)%	—	— %	(4,497)	100.0 %
Total operating expenses	673,786	39.2 %	609,937	42.7 %	63,849	10.5 %
Operating income	111,025	6.5 %	65,464	4.6 %	45,561	69.6 %
Interest expense	3,201	0.2 %	9,644	0.7 %	(6,443)	(66.8)%
Interest income	(1,502)	(0.1)%	(2,039)	(0.1)%	(537)	26.3 %
Other income, net	(653)	— %	(3,332)	(0.2)%	(2,679)	80.4 %
Total other expense, net	1,046	0.1 %	4,273	0.3 %	(3,227)	(75.5)%
Income before taxes	109,979	6.4 %	61,191	4.3 %	48,788	79.7 %
Income tax expense	29,282	1.7 %	11,879	0.8 %	17,403	146.5 %
Net income	$ 80,697	4.7 %	$ 49,312	3.5 %	31,385	63.6 %

(1) NM refers to a value that is not meaningful.

Key Performance Indicators and Non-GAAP Financial Measures[1][2]

	Nine-Month Fiscal Period Ended					
	September 28, 2025		September 29, 2024		Increase (Decrease)	
(in thousands, except percentages and number of stores)	Amount	% of Net Revenues	Amount	% of Net Revenues	Amount	%
Adjusted net income[1]	$ 79,014	4.6 %	$ 49,924	3.5 %	$ 29,090	58.3 %
Adjusted EBITDA[1]	$ 164,297	9.6 %	$ 121,063	8.5 %	$ 43,234	35.7 %
Comparable sales growth	10.5%		(7.6)%			
Adjusted comparable sales growth[3]	9.7%		(6.9)%			
Number of new stores opened	17		15			
Number of stores at period end	206		185			

(1) Adjusted net income and adjusted EBITDA are non-GAAP financial measures. Refer to "*—Reconciliation of Non-GAAP Financial Measures"* for reconciliation to the most comparable GAAP financial measures.

(2) Our KPIs are discussed and defined in the section titled "*—Key Performance Indicators and Non-GAAP Financial Measures."*

(3) Adjusted comparable sales growth for the nine-month fiscal periods ended September 28, 2025 and September 29, 2024, are presented on an adjusted basis to eliminate the impact of a $10.2 million anomalous timing shift in comparable sales for the third quarter of fiscal year 2024 as a result of a system outage impacting the final two delivery days of the third quarter of fiscal year 2024. See "*Risk Factors—Risks Related to Data Privacy and Information Technology—We rely extensively on computer systems to process transactions, summarize results and manage our business. Disruptions in both our primary and back-up systems could adversely affect our business and operating results.*"

Net Revenues

Net revenues increased $290.8 million or 20.4% in the nine months ended September 28, 2025 compared to the corresponding prior year period. Our retail channel increased $222.1 million, or 18.0%, and our eCommerce channel increased $68.7 million, or 35.5% for the nine months ended September 28, 2025 compared to the corresponding prior year period. The increase in total net revenues was primarily due to non-comparable sales of $149.6 million and comparable sales growth discussed below.

Comparable sales growth was 10.5% in the nine months ended September 28, 2025 compared to a decline of 7.6% in the prior year period, which are inclusive of an estimated $10.2 million anomalous timing shift of deliveries between the third and fourth quarters of fiscal year 2024 related to an information technology system outage impacting the final two delivery days of the third quarter of fiscal year 2024. Adjusting for this timing shift, our adjusted comparable sales growth was 9.7%, compared to a decline of 6.9% in the nine months ended September 29, 2024. The improvement in comparable sales growth and adjusted comparable sales growth was predominately driven by strong conversion in our retail channel. Traffic was positive across all channels, with particular strength in eCommerce. The increased eCommerce traffic led to a higher eCommerce mix of 15.3% of total net revenues in the nine months ended September 28, 2025 compared to 13.6% in the corresponding prior year period.

Gross Profit and Gross Margin

Gross profit increased $109.4 million or 16.2% in the nine months ended September 28, 2025 compared to the corresponding prior year period, primarily driven by the impact of higher net revenues partially offset by higher freight costs. Our results in the prior year benefited from unusually favorable short-term freight rates. We believe that the contracted rates we have been paying in fiscal year 2025 are more indicative of a normalized freight environment. The impact of tariffs on goods imported into the U.S were fully offset by vendor contribution and pricing.

Gross margin decreased to 45.6% from 47.3% in the nine months ended September 28, 2025 compared to the corresponding prior year period, primarily due to higher freight costs as discussed above as well as customer preference for the "Good" product category mix relative to historical levels.

Selling, General and Administrative Expenses

SG&A increased $66.6 million or 11.2% in the nine months ended September 28, 2025 compared to the corresponding prior year period, primarily due to increases in payroll-related expenses of $37.2 million related to new store growth and commissions on net revenue growth. SG&A also increased due to higher occupancy costs of approximately $14.6 million and growth in marketing spend of $5.4 million, mostly as a result of an increase in the number of retail stores, higher bank fees of $3.1 million due to net revenue growth and an increase in depreciation expense of $2.3 million.

SG&A as a percentage of revenue decreased to 38.6% in the nine months ended September 28, 2025 compared to 41.8% in the corresponding prior year period due to broad-based expense leverage on higher sales performance.

Pre-Opening Expenses

Pre-opening expenses increased $1.6 million in the nine months ended September 28, 2025 compared to the corresponding prior year period driven by the timing of new store openings and a new regional distribution center anticipated to commence operations in early 2026.

(Gain) Loss on Disposal of Fixed Assets

The change in the (gain) loss on disposal of fixed assets was not significant in the nine months ended September 28, 2025 compared to the corresponding prior year period.

Restructuring Charges

In the first quarter of fiscal year 2025, the Company identified efficiencies to optimize overhead costs resulting in workforce reductions at the corporate headquarters. Restructuring costs of $0.3 million were recognized in the nine month fiscal period ended September 28, 2025 for these workforce reductions. All actions initiated in the first quarter of fiscal year 2025 have been completed and the Company does not expect any costs attributable to these actions in subsequent periods. All payments associated with these actions were made prior to September 28, 2025. No significant restructuring actions were initiated during the nine-month fiscal period ended September 29, 2024.

Insurance Recoveries

In the nine-month fiscal period ended September 28, 2025, the Company received $4.5 million in insurance recoveries for lost profits associated with the above-described information technology system outage and the related interruption of our business that occurred at the end of September 2024. See "*Risk Factors—Risks Related to Data Privacy and Information Technology—We rely extensively on computer systems to process transactions, summarize results and manage our business. Disruptions in both our primary and back-up systems could adversely affect our business and operating results*." There were no insurance recoveries in the nine-month fiscal period ended September 29, 2024.

Interest Expense

Interest expense in the nine-month fiscal period ended September 28, 2025 decreased $6.4 million compared to the corresponding prior year period driven by no outstanding borrowings in fiscal year 2025 following the voluntary prepayment of long term debt in fiscal year 2024.

Interest Income

Interest income in the nine-month fiscal period ended September 28, 2025 decreased $0.5 million compared to the corresponding prior year period, primarily related to lower income earned on our money market funds.

Other Income, Net

Other income in the nine-month fiscal period ended September 28, 2025 decreased $2.7 million compared to the corresponding prior year period, primarily due to lower income earned on our interest rate cap which matured in the third quarter of fiscal year 2025.

Income Tax Expense

Income tax expense was $29.3 million for the nine-month fiscal period ended September 28, 2025, compared to $11.9 million for the corresponding prior year period. The effective tax rate for the nine-month fiscal period ended September 28, 2025 of 26.6% increased from 19.4% in the corresponding prior year period. The increase in income tax expense was primarily due to higher income before taxes and a lower excess tax benefit from stock-based compensation in the fiscal period ended September 28, 2025, driven by lower stock option exercises compared to the prior year period. The volume of stock option exercises in the current period is at a more normalized level. The increase in the effective tax rate was primarily due to an increase in state tax expense, driven by higher income before taxes and a lower excess tax benefit from stock-based compensation in the current year.

Comparison of Fiscal Years 2024 and 2023

The following tables summarize key components of our results of operations for the periods indicated:

	Fiscal Year Ended					
	December 29, 2024		December 31, 2023		Increase (Decrease)	
(in thousands, except percentages)	Amount	% of Net Revenues	Amount	% of Net Revenues	Amount	%[1]
Net revenues	$ 2,028,143	100.0 %	$ 2,008,082	100.0 %	$ 20,061	1.0 %
Cost of sales	1,079,703	53.2 %	1,073,355	53.5 %	6,348	0.6 %
Gross profit	948,440	46.8 %	934,727	46.5 %	13,713	1.5 %
Selling, general, and administrative expenses	813,302	40.1 %	806,938	40.2 %	6,364	0.8 %
Pre-opening expenses	15,326	0.8 %	4,662	0.2 %	10,664	228.7 %
Loss on disposal of fixed assets	17	— %	2,226	0.1 %	(2,209)	(99.2)%
Impairment of long-lived assets	2,061	0.1 %	1,322	0.1 %	739	55.9 %
Restructuring charges	—	— %	1,760	0.1 %	(1,760)	NM
Total operating expenses	830,706	41.0 %	816,908	40.7 %	13,798	1.7 %
Operating income	117,734	5.8 %	117,819	5.9 %	(85)	(0.1)%
Interest expense	10,538	0.5 %	19,872	1.0 %	(9,334)	(47.0)%
Interest income	(2,450)	(0.1)%	(1,006)	(0.1)%	1,444	143.5 %
Other income, net	(3,778)	(0.2)%	(3,665)	(0.2)%	113	3.1 %
Total other expense, net	4,310	0.2 %	15,201	0.8 %	(10,891)	(71.6)%
Income before taxes	113,424	5.6 %	102,618	5.1 %	10,806	10.5 %

Income tax expense	25,491	1.3 %	24,519	1.2 %	972	4.0 %
Net income	$ 87,933	4.3 %	$ 78,099	3.9 %	9,834	12.6 %

(1) NM refers to a value that is not meaningful.

Key Performance Indicators and Non-GAAP Financial Measures[1][2]

	Fiscal Year Ended					
	December 29, 2024		December 31, 2023		Increase (Decrease)	
(in thousands, except percentages and number of stores)	**Amount**	**% of Net Revenues**	**Amount**	**% of Net Revenues**	**Amount**	**%**
Adjusted net income[1]	$ 90,754	4.5 %	$ 83,239	4.1 %	$ 7,515	9.0 %
Adjusted EBITDA[1]	193,994	9.6 %	195,037	9.7 %	(1,043)	(0.5)%
Comparable sales growth	(3.4)%		(7.4)%			
Number of new stores opened	19		7			
Number of stores at period end	189		171			

(1) Adjusted net income and Adjusted EBITDA are non-GAAP financial measures. Refer to "*—Reconciliation of Non-GAAP Financial Measures*" for reconciliations to the most comparable GAAP financial measures.
(2) Our KPIs are discussed and defined in the section titled "*—Key Performance Indicators and Non-GAAP Financial Measures.*"

Net Revenues

Net revenues in fiscal year 2024 increased $20.1 million or 1.0% compared to fiscal year 2023. Our retail channel increased $4.9 million, or 0.3%, compared to fiscal year 2023 and our eCommerce channel increased $15.2 million, or 5.6%, compared to fiscal year 2023. The growth in our eCommerce channel was attributed to the full year impact of our website refresh in 2023, which increased our eCommerce mix to 14.1% of total sales in fiscal year 2024 from 13.5% of total sales in fiscal year 2023. The increase in total net revenues was primarily due to revenue from 19 new stores opened in fiscal year 2024 that contributed $72.6 million to net revenues. Net revenues also increased due to stronger customer conversion, and was partially offset by lower comparable store sales.

Comparable sales declined 3.4% in fiscal year 2024 compared to a decline of 7.4% in fiscal year 2023. Comparable sales declines were driven by overall challenges in the macroeconomic environment, including inflation, high interest rates, and a shift in consumer spending towards services. These factors contributed to a decline in industry-wide furniture demand, which adversely impacted our average order size and traffic, partially offset by higher conversion.

Gross Profit and Gross Margin

Gross profit in fiscal year 2024 increased $13.7 million or 1.5% compared to fiscal year 2023 driven by higher net revenues and targeted changes in product pricing across regional zones which increased product margin dollars. Gross margin increased to 46.8% compared to 46.5% in fiscal year 2023, driven by a reduction in average unit cost through vendor negotiations and improvements in our inventory management. Gross margin improvement was partially offset by higher average shipped cost per item, particularly during the second half of the year, related to ocean container availability and increased freight costs.

Selling, General and Administrative Expenses

SG&A expenses in fiscal year 2024 increased $6.4 million or 0.8% compared to fiscal year 2023 primarily due to higher occupancy costs of approximately $10.5 million as a result of an increase in the number of retail stores. SG&A also increased due to growth in marketing spend of $2.5 million primarily due to new stores and increases in payroll-related expenses of $2.8 million related to new store growth and annual merit increases. Partially offsetting these increases were reductions in third party labor expenses of $2.9 million and professional fees of $5.6 million. SG&A expenses as a percentage of net revenues was 40.1%, which was flat compared to fiscal year 2023.

Pre-Opening Expenses

Pre-opening expenses in fiscal year 2024 increased $10.7 million compared to fiscal year 2023 primarily due to the timing and number of new store openings with 19 new stores opened in fiscal year 2024 as compared to seven new stores in fiscal year 2023. Pre-opening expenses also increased due to an increase in new store occupancy expense driven primarily by the larger square footage of new stores that were opened in fiscal year 2024 as compared to the square footage of new stores opened in fiscal year 2023, and an increase in new store marketing expense.

Loss on Disposal of Fixed Assets

The loss on disposal of fixed assets in fiscal year 2024 decreased $2.2 million compared to fiscal year 2023 due primarily to the disposal of capitalized software during fiscal year 2023 in connection with strategic investments in our customer-facing software solutions.

Impairment of Long-Lived Assets

The impairment of long-lived assets in fiscal year 2024 increased $0.7 million compared to fiscal year 2023 primarily as a result of an increase in write-offs of operating ROU assets of $0.5 million. The impairment loss in fiscal year 2024 related to the write-off of operating lease ROU assets of $1.3 million and property and equipment of $0.7 million for one store. The impairment loss in fiscal year 2023 related to the write-off of $0.8 million on operating lease ROU assets and $0.5 million on property and equipment for a separate store.

Restructuring Charges

The restructuring charges in fiscal year 2023 primarily related to workforce reductions at our corporate headquarters in the first quarter of fiscal year 2023. All actions initiated were completed by the end of fiscal year 2023, and the Company does not expect any further costs attributable to these actions. There were no restructuring charges in fiscal year 2024.

Interest Expense

Interest expense in fiscal year 2024 decreased $9.3 million compared to fiscal year 2023 primarily due to lower outstanding borrowings following the voluntary prepayments of our first lien note dated February 12, 2014 (“First Lien Note”) in fiscal years 2023 and 2024. At the end of fiscal year 2024, we had no long-term debt outstanding.

Interest Income

Interest income in fiscal year 2024 increased $1.4 million compared to fiscal year 2023 primarily related to income earned on higher balances in our money market funds.

Other Income, Net

Other income, net in fiscal year 2024 remained relatively flat when compared to fiscal year 2023.

Income Tax Expense

Income tax expense was $25.5 million in fiscal year 2024 compared to $24.5 million in fiscal year 2023. The effective tax rate was 22.5% in fiscal year 2024 and 23.9% in fiscal year 2023. The increase in income tax expense was primarily due to higher income before taxes, partially offset by a decrease in state tax expense. The decrease in the effective tax rate is primarily driven by the decrease in state income tax expense.

Comparison of Fiscal Year 2023 and Fiscal Year 2022

The following tables summarize key components of our results of operations for the periods indicated:

	Fiscal Year Ended					
	December 31, 2023		January 1, 2023		Increase (Decrease)	
(in thousands except percentages)	**Amount**	**% of Net Revenues**	**Amount**	**% of Net Revenues**	**Amount**	**%[1]**
Net revenues	$ 2,008,082	100.0 %	$ 2,105,508	100.0 %	$ (97,426)	(4.6)%
Cost of sales	1,073,355	53.5 %	1,252,072	59.5 %	(178,717)	(14.3)%
Gross profit	934,727	46.5 %	853,436	40.5 %	81,291	9.5 %
Selling, general, and administrative expenses	806,938	40.2 %	793,887	37.7 %	13,051	1.6 %
Pre-opening expenses	4,662	0.2 %	9,565	0.5 %	(4,903)	(51.3)%
Loss on disposal of fixed assets	2,226	0.1 %	28	— %	2,198	NM
Impairment of long-lived assets	1,322	0.1 %	—	— %	1,322	NM
Restructuring charges	1,760	0.1 %	—	— %	1,760	NM
Total operating expenses	816,908	40.7 %	803,480	38.2 %	13,428	1.7 %
Operating income	117,819	5.9 %	49,956	2.4 %	67,863	135.8 %
Interest expense	19,872	1.0 %	24,343	1.2 %	(4,471)	(18.4)%
Interest income	(1,006)	(0.1)%	(638)	— %	368	57.7 %
Other income, net	(3,665)	(0.2)%	(8,488)	(0.4)%	(4,823)	(56.8)%
Total other expense, net	15,201	0.8 %	15,217	0.7 %	(16)	(0.1)%
Income before taxes	102,618	5.1 %	34,739	1.6 %	67,879	195.4 %
Income tax expense	24,519	1.2 %	7,091	0.3 %	17,428	245.8 %
Net income	$ 78,099	3.9 %	$ 27,648	1.3 %	50,451	182.5 %

(1) NM refers to a value that is not meaningful.

Key Performance Indicators and Non-GAAP Financial Measures[1][2]

	Fiscal Year Ended					
	December 31, 2023		January 1, 2023		Increase (Decrease)	
(in thousands, except percentages and number of stores)	**Amount**	**% of Net Revenues**	**Amount**	**% of Net Revenues**	**Amount**	**%**
Adjusted net income	$ 83,239	4.1 %	$ 23,803	1.1 %	$ 59,436	249.7 %
Adjusted EBITDA	195,037	9.7 %	117,752	5.6 %	77,284	65.6 %
Comparable sales growth	(7.4)%		0.4%			
Number of stores opened	7		14			
Number of stores at period end	171		164			

(1) Adjusted net income and Adjusted EBITDA are non-GAAP financial measures. Refer to "*—Reconciliation of Non-GAAP Financial Measures*" for reconciliations to the most comparable GAAP financial measures.

(2) Our KPIs are discussed and defined in the section titled "*—Key Performance Indicators and Non-GAAP Financial Measures.*"

Net Revenues

Net revenues in fiscal year 2023 decreased $97.4 million or 4.6% compared to fiscal year 2022. Our retail channel decreased $91.4 million, or 5.0%, compared to fiscal year 2022 and our eCommerce channel decreased $6.0 million, or 2.2%, compared to fiscal year 2022. The decrease in total net revenues was primarily due to macroeconomic trends negatively impacting industry demand in fiscal year 2023, in addition to the non-recurrence of abnormal backlog in fiscal year 2022. Deliveries benefitted in fiscal year 2022 as we improved our in-stock inventory position. Net revenues were partially offset by revenue from new stores opened in fiscal year 2023 of

$25.7 million. Our eCommerce channel net revenues as a percentage of total net revenues increased to 13.5% in fiscal year 2023 from 13.2% in fiscal year 2022.

Comparable sales declined 7.4% in fiscal year 2023 compared to an increase of 0.4% in fiscal year 2022. Comparable sales declines were driven by macroeconomic trends impacting industry demand, including the impacts of inflation and other challenges in the macroeconomic environment on discretionary consumer spending, which resulted in a decline in traffic to our stores. Comparable sales were also impacted by the non-recurrence of abnormal product backlog in fiscal year 2022, partially offset by higher customer conversion in our stores.

Gross Profit and Gross Margin

Gross profit in fiscal year 2023 increased $81.3 million or 9.5% compared to fiscal year 2022. driven by an improvement in our gross margin partially offset by lower net revenues. Gross margin increased to 46.5% compared to 40.5% in fiscal year 2022 primarily due to lower freight costs and a partial year impact of an increase in our average unit retails due to enhanced and localized strategic pricing capabilities that we implemented in fiscal year 2023.

Selling, General and Administrative Expenses

SG&A in fiscal year 2023 increased $13.1 million or 1.6% compared to fiscal year 2022 primarily due to growth in advertising spend of $19.7 million related to second half initiatives to fuel sales growth, an increase in bank fees of $12.7 million related to higher interest rates, and higher store occupancy costs of $7.7 million related to new store growth. Partially offsetting these increases were reductions in store headcount and payroll costs of $28.6 million related to lower commission-driven sales, and payroll savings generated by a one-time organizational restructuring at our corporate headquarters. SG&A expenses as a percentage of net revenues increased to 40.2% compared to 37.7% in fiscal year 2022 driven primarily by an overall increase in SG&A in addition to lower net revenues.

Pre-Opening Expenses

Pre-opening expenses in fiscal year 2023 decreased $4.9 million compared to fiscal year 2022 primarily due to the timing and number of new store openings with seven new stores opened in fiscal year 2023 as compared to 14 new stores in fiscal year 2022. Also contributing to lower pre-opening expenses is the smaller square footage of new stores that were opened in fiscal year 2023 as compared to our normal store footprint.

Loss on Disposal of Fixed Assets

The loss on disposal of fixed assets in fiscal year 2023 increased $2.2 million compared to fiscal year 2022 and due primarily to the disposal of capitalized software in connection with strategic investments in our customer-facing software solutions, compared to minimal activity in fiscal year 2022.

Impairment of Long-Lived Assets

The impairment of long-lived assets in fiscal year 2023 increased $1.3 million compared to fiscal year 2022. The impairment of long-lived assets in fiscal year 2023 related to the write-off of a single store's operating lease ROU assets of $0.8 million and property and equipment of $0.5 million. There was no impairment of long-lived assets in fiscal year 2022.

Restructuring Charges

The restructuring charges in fiscal year 2023 primarily related to workforce reductions at our corporate headquarters in the first quarter of fiscal year 2023. All actions initiated were completed by the end of fiscal year 2023. There were no restructuring charges in fiscal year 2022.

Interest Expense

Interest expense in fiscal year 2023 decreased $4.5 million compared to fiscal year 2022 primarily due to lower outstanding borrowings following the voluntary prepayments of our First Lien Note in fiscal year 2023.

Interest Income

Interest income in fiscal year 2023 increased $0.4 million compared to fiscal year 2022 primarily related to income earned on our money market funds.

Other Income

Other income in fiscal year 2023 decreased $4.8 million compared to fiscal year 2022 primarily due to $2.7 million in lower income on the sale of income tax credits for the State of Connecticut and $1.4 million in lower income earned on our interest rate cap.

Income Tax Expense

Income tax expense was $24.5 million in fiscal year 2023 compared to $7.1 million in fiscal year 2022. The effective tax rate was 23.9% in fiscal year 2023 and 20.4% in fiscal year 2022. The increase in income tax expense and the effective tax rate was primarily due to higher income before taxes and the absence of a benefit in fiscal year 2022 due to the reversal of a valuation allowance, partially offset by an increase in the excess tax benefit related to stock-based compensation.

Unaudited Quarterly Results of Operations Data

The following table sets forth our unaudited quarterly condensed consolidated statements of operations data for each of the seven quarters ended September 28, 2025, as well as certain KPIs and non-GAAP financial measures for the same period. In the opinion of management, the unaudited condensed consolidated statements of operations data set forth below reflect all adjustments that are necessary for the fair statement of such data. Our historical results are not necessarily indicative of the results that may be expected in the future, and the results for any quarter are not necessarily indicative of results to be expected for a full year or any other period. The following quarterly financial data should be read in conjunction with our financial statements and the related notes included elsewhere in this prospectus, as well as "*—Key Performance Indicators and Non-GAAP Financial Measures*" and "*—Reconciliation of Non-GAAP Financial Measures*."

	Three-Month Fiscal Period Ended						
(in thousands except percentages)	**September 28, 2025**	**June 29, 2025**	**March 30, 2025**	**December 29, 2024**	**September 29, 2024**	**June 30, 2024**	**March 31, 2024**
Consolidated Statement of Operations Data							
Net revenues	$ 616,919	$ 569,529	$ 532,764	$ 599,761	$ 490,296	$ 474,210	$ 463,876
YoY sales growth	25.8 %	20.1 %	14.9 %	16.4 %	(1.5)%	(4.0)%	(7.4)%
Gross profit	$ 283,827	$ 264,341	$ 236,643	$ 273,039	$ 230,022	$ 224,710	$ 220,669
Gross profit as a percentage of net revenues	46.0 %	46.4 %	44.4 %	45.5 %	46.9 %	47.4 %	47.6 %
Net income	$ 32,342	$ 35,210	$ 13,145	$ 38,621	$ 12,740	$ 18,974	$ 17,598
Net income as a percentage of net revenues	5.2 %	6.2 %	2.5 %	6.4 %	2.6 %	4.0 %	3.8 %
Key Performance Indicators and Non-GAAP Financial Measures[(1)(2)]							
Adjusted net income	$ 32,728	$ 32,207	$ 14,079	$ 40,830	$ 12,851	$ 18,580	$ 18,493
Adjusted net income as a percentage of net revenues	5.3 %	5.7 %	2.6 %	6.8 %	2.6 %	3.9 %	4.0 %
Adjusted EBITDA	$ 64,208	$ 62,834	$ 37,255	$ 72,931	$ 38,400	$ 43,885	$ 38,778

Adjusted EBITDA as a percentage of net revenues	10.4 %	11.0 %	7.0 %	12.2 %	7.8 %	9.3 %	8.4 %
Comparable sales growth	14.6 %	10.5 %	6.2 %	8.7 %	(6.2)%	(7.1)%	(9.5)%
Adjusted comparable sales growth[3]	12.3 %	10.5 %	6.2 %	6.8 %	(4.2)%	(7.1)%	(9.5)%
Number of new stores opened	8	5	4	4	8	7	—
Number of stores at period end	206	198	193	189	185	177	170

(1) Adjusted net income and Adjusted EBITDA are non-GAAP financial measures. Refer to "*—Reconciliation of Non-GAAP Financial Measures*" for reconciliations to the most comparable GAAP financial measures.

(2) Our KPIs are discussed and defined in the section titled "*—Key Performance Indicators and Non-GAAP Financial Measures.*"

(3) Adjusted comparable sales growth for the three-month fiscal periods ended September 28, 2025, December 29, 2024 and September 29, 2024, are presented on an adjusted basis to eliminate the impact of a $10.2 million anomalous timing shift in comparable sales for the third quarter of fiscal year 2024 as a result of a system outage impacting the final two delivery days of the third quarter of fiscal year 2024. See "*Risk Factors—Risks Related to Data Privacy and Information Technology—We rely extensively on computer systems to process transactions, summarize results and manage our business. Disruptions in both our primary and back-up systems could adversely affect our business and operating results.*"

Reconciliation of Non-GAAP Financial Measures

The following tables show a reconciliation of non-GAAP financial measures used in this filing to the most directly comparable GAAP financial measures. For information about why we consider Adjusted net income and Adjusted EBITDA useful and a discussion of material risks and limitations of these measures, please see "*—Key Performance Indicators and Non-GAAP Financial Measures*" and "*—Reconciliation of Non-GAAP Financial Measures*."

	Nine-Month Fiscal Period Ended	
(in thousands except percentages)	**September 28, 2025**	**September 29, 2024**
Net revenues	$ 1,719,212	$ 1,428,382
Adjusted net income		
Net income	$ 80,697	$ 49,312
Restructuring charges	292	—
Insurance recoveries	(4,497)	—
Gain on hedge accounting de-designation of interest rate cap	—	(3,067)
(Gain) loss on disposal of fixed assets	(134)	10
Management fee[1]	1,531	1,506
Other expenses[2]	554	2,342
Tax effect of adjustments	571	(179)
Adjusted net income	$ 79,014	$ 49,924
Adjusted net income as % of net revenues	4.6 %	3.5 %
Adjusted EBITDA		
Net income	$ 80,697	$ 49,312
Interest expense	3,201	9,644
Interest income	(1,502)	(2,039)
Income tax expense	29,282	11,879
Depreciation and amortization	52,084	48,682
Stock-based compensation expense	2,789	2,794
Restructuring charges	292	—

Insurance recoveries	(4,497)	—
Gain on hedge accounting de-designation of interest rate cap	—	(3,067)
(Gain) loss on disposal of fixed assets	(134)	10
Management fee[1]	1,531	1,506
Other expenses[2]	554	2,342
Adjusted EBITDA	$ 164,297	$ 121,063
Adjusted EBITDA as % of net revenues	9.6 %	8.5 %

(1) Represents management fees paid in accordance with our Advisory Agreement with our controlling stockholder, which will terminate in connection with the consummation of this offering. See "*Certain Relationships and Related Party Transactions—Advisory Agreement*."

(2) Other expenses represents costs that are not indicative of ongoing business operations and performance, including, but not limited to, third-party professional fees related to the planned IPO readiness, litigation matters outside the ordinary course of business and senior executive termination benefits.

(in thousands except percentages)	Fiscal Year Ended December 29, 2024	December 31, 2023	January 1, 2023
Net revenues	$ 2,028,143	$ 2,008,082	$ 2,105,508
Adjusted net income			
Net income	$ 87,933	$ 78,099	$ 27,648
Restructuring charges	—	1,760	—
Gain on hedge accounting de-designation of interest rate cap	(3,067)	(4,250)	(4,244)
Gain on sale of Connecticut income tax credits	—	(219)	(2,909)
Loss on disposal of fixed assets	17	2,226	28
Impairment of long-lived assets	2,061	1,322	—
Senior executive termination benefits[1]	—	2,789	—
Management fee[2]	2,013	2,307	2,155
Other expenses[3]	2,616	819	140
Tax effect of adjustments	(819)	(1,614)	985
Adjusted net income	$ 90,754	$ 83,239	$ 23,803
Adjusted net income as % of net revenues	4.5 %	4.1 %	1.1 %
Adjusted EBITDA			
Net income	$ 87,933	$ 78,099	$ 27,648
Interest expense	10,538	19,872	24,343
Interest income	(2,450)	(1,006)	(638)
Income tax expense	25,491	24,519	7,091
Depreciation and amortization	65,194	62,876	60,707
Stock-based compensation expense	3,648	3,923	3,431
Restructuring charges	—	1,760	—
Gain on hedge accounting de-designation of interest rate cap	(3,067)	(4,250)	(4,244)
Gain on sale of Connecticut income tax credits	—	(219)	(2,909)
Loss on disposal of fixed assets	17	2,226	28
Impairment of long-lived assets	2,061	1,322	—
Senior executive termination benefits[1]	—	2,789	—
Management fee[2]	2,013	2,307	2,155
Other expenses[3]	2,616	819	140
Adjusted EBITDA	$ 193,994	$ 195,037	$ 117,752
Adjusted EBITDA as % of net revenues	9.6 %	9.7 %	5.6 %

(1) Senior executive termination benefits represent salary and benefits continuation.

(2) Represents management fees paid in accordance with our Advisory Agreement with our controlling stockholder, which will terminate in connection with the consummation of this offering. See "*Certain Relationships and Related Party Transactions—Advisory Agreement*."

(3) Other expenses represent costs and investments that are not indicative of our ongoing business operations and performance. For fiscal year 2024, these expenses consisted primarily of third-party professional fees related to initial public offering readiness. For fiscal years 2023 and 2022, these expenses consisted primarily of litigation matters outside the ordinary course of business.

(in thousands except percentages)	Three-Month Fiscal Period Ended						
	September 28, 2025	**June 29, 2025**	**March 30, 2025**	**December 29, 2024**	**September 29, 2024**	**June 30, 2024**	**March 31, 2024**
Net revenues	$ 616,919	$ 569,529	$ 532,764	$ 599,761	$ 490,296	$ 474,210	$ 463,876
Adjusted net income							
Net income	$ 32,342	$ 35,210	$ 13,145	$ 38,621	$ 12,740	$ 18,974	$ 17,598
Restructuring charges	—	—	292	—	—	—	—
Insurance recoveries	—	(4,497)	—	—	—	—	—
Gain on hedge accounting de-designation of interest rate cap	—	—	—	—	(1,377)	(1,690)	—
(Gain) loss on disposal of fixed assets	2	(157)	21	7	2	8	—
Impairment of long-lived assets	—	—	—	2,061	—	—	—
Management fee[1]	515	500	516	507	506	500	500
Other expenses[2]	—	51	503	274	1,013	682	647
Tax effect of adjustments	(131)	1,100	(398)	(640)	(33)	106	(252)
Adjusted net income	$ 32,728	$ 32,207	$ 14,079	$ 40,830	$ 12,851	$ 18,580	$ 18,493
Adjusted net income as % of net revenues	5.3 %	5.7 %	2.6 %	6.8 %	2.6 %	3.9 %	4.0 %
Adjusted EBITDA							
Net income	$ 32,342	$ 35,210	$ 13,145	$ 38,621	$ 12,740	$ 18,974	$ 17,598
Interest expense	1,077	1,221	903	894	2,783	3,752	3,109
Interest income	(839)	(263)	(400)	(411)	(310)	(1,083)	(646)
Income tax expense	12,125	12,531	4,626	13,612	5,512	5,560	807
Depreciation and amortization	18,019	17,307	16,758	16,512	16,589	16,200	15,893
Stock-based compensation expense	967	931	891	854	942	982	870
Restructuring charges	—	—	292	—	—	—	—
Insurance recoveries	—	(4,497)	—	—	—	—	—
Gain on hedge accounting de-designation of interest rate cap	—	—	—	—	(1,377)	(1,690)	—
(Gain) loss on disposal of fixed assets	2	(157)	21	7	2	8	—
Impairment of long-lived assets	—	—	—	2,061	—	—	—
Management fee[1]	515	500	516	507	506	500	500
Other expenses[2]	—	51	503	274	1,013	682	647
Adjusted EBITDA	$ 64,208	$ 62,834	$ 37,255	$ 72,931	$ 38,400	$ 43,885	$ 38,778
Adjusted EBITDA as % of net revenues	10.4 %	11.0 %	7.0 %	12.2 %	7.8 %	9.3 %	8.4 %

(1) Represents management fees paid in accordance with our Advisory Agreement with our controlling stockholder, which will terminate in connection with the consummation of this offering. See "*Certain Relationships and Related Party Transactions—Advisory Agreement*."

(2) Other expenses represent costs and investments that are not indicative of our ongoing business operations and performance. These expenses consisted primarily of third-party professional fees related to the planned IPO readiness, litigation matters outside of the ordinary course of business and senior executive termination benefits.

Liquidity and Capital Resources

Overview

Our primary sources of liquidity are net cash flows provided by operating activities and available borrowings under our $125.0 million Revolving Credit Facility and our $350.0 million Term Loan B (the "Term Loan"). Our primary cash needs have historically been for merchandise inventories, payroll, advertising, rent, interest payments,

and capital expenditures associated with opening new stores and updating existing stores, as well as the development of our infrastructure and information technology. The recent increase in cash used for merchandise inventories was the result of strategic inventory purchases and is in line with higher sales. We expect further investments in inventory to be commensurate with higher sales from new stores and comparable sales growth. We expect that our cash on hand, cash generated from operations and the availability of borrowings under our Revolving Credit Facility and our $350.0 million Term Loan will be sufficient to meet our liquidity requirements for at least the next twelve months. We seek out and evaluate opportunities for effectively managing and deploying capital in ways that improve working capital and support and enhance our business initiatives and strategies. At September 28, 2025, we had total liquidity of $247.8 million, comprised of cash and cash equivalents of $123.4 million and available borrowing capacity of $124.4 million.

Material Cash Commitments

We consider our material contractual obligations when assessing liquidity.

Debt and Related Interest Payments

At September 28, 2025, we had no amounts outstanding under our Revolving Credit Facility, which matures in July 2029; therefore, no amounts are estimated to be paid on our Revolving Credit Facility within one year. Interest payments on our financing arrangements for the fiscal year ended December 28, 2025 were not material. Future interest payments will be dependent on our cash flow needs and any short-term borrowing under our Revolving Credit Facility. The interest rate and subsequent payments related to the Revolving Credit Facility are dependent on the secured overnight financing rate.

On October 31, 2025, we entered into a $350.0 million Term Loan having a maturity date of October 31, 2032 and bearing interest of 4.00% plus the Secured Overnight Financing Rate (“SOFR”), with a SOFR floor of 0%. Contracted payments are 1% of the Term Loan annually, with 0.25% paid quarterly beginning in June 2026. The Company is required to prepay the Term Loan with net proceeds from an initial public offering of the Company’s common stock. Proceeds from this Term Loan were used to pay the dividend discussed below.

We may be impacted by increases in interest rates on debt outstanding; to mitigate this risk, we evaluate interest rate cap agreements to manage our exposure to interest rate movements.

Dividend

On October 31, 2025, the Company’s Board of Directors declared a dividend of $2.45 per share on all outstanding shares of common stock (or an aggregate of approximately $423.3 million), which was paid on or before November 14, 2025, to stockholders of record on October 31, 2025, together with a compensatory make-whole payment in an aggregate amount of $2.6 million to the holders of certain of our outstanding options.

Leasing

Future rental payments for operating and financing leases total $1.0 billion and $65.4 million, respectively, as of September 28, 2025.

Capital Expenditures

Historically, we have invested significant capital in opening new stores and we anticipate additional capital expenditures as we open more stores. Our capital expenditures are related to construction activities to design and build landlord-owned leased assets, net of tenant allowances received. Certain lease arrangements require the landlord to fund a portion of the construction related costs through payments directly to us. New stores may require different levels of capital investment on our part in the future. Total capital expenditures, net of tenant allowances, were $41.1 million for the nine months ended September 28, 2025, of which the largest portion relates to new and remodeled stores. Total capital expenditures, net of tenant allowances, were $64.0 million in fiscal year 2024, of which the largest portion relates to new and remodeled stores.

Restricted Cash

The Company maintains certain cash balances that are restricted as to withdrawal or use. Restricted cash is comprised primarily of cash used as collateral with the Company's insurance carrier related to a portion of our workers' compensation and automobile insurance obligations. At September 28, 2025, we had $9.4 million in restricted cash.

Cash Flow Analysis

The following table provides a summary of our cash provided by operating, investing and financing activities:

	Nine-Month Fiscal Period Ended		Fiscal Year Ended		
(in thousands)	**September 28, 2025**	**September 29, 2024**	**December 29, 2024**	**December 31, 2023**	**January 1, 2023**
Net cash provided by operating activities	$ 118,748	$ 92,025	$ 161,154	$ 197,172	$ 51,993
Net cash used in investing activities	(57,989)	(60,145)	(78,224)	(22,773)	(49,733)
Net cash used in financing activities	(8,570)	(102,161)	(105,469)	(94,527)	(89,749)
Net (decrease) increase in cash and cash equivalents	$ 52,189	$ (70,281)	$ (22,539)	$ 79,872	$ (87,489)

Operating Activities

Net cash provided by operating activities in the nine months ended September 28, 2025 was $118.7 million, primarily resulting from our net income of $80.7 million and non-cash charges of $119.3 million, both partially offset by changes in operating assets and liabilities resulting in a net use of cash of $81.3 million. Net cash used by changes in our operating assets and liabilities consisted primarily of a $37.3 million increase in inventories, a $36.7 million increase in operating leases, a $5.6 million increase in prepaid and other current assets, a $4.1 million increase in accounts receivable, and a $7.5 million decrease in accounts payable, all partially offset by a $12.5 million increase in customer deposits.

Net cash provided by operating activities in the nine months ended September 29, 2024 was $92.0 million, primarily resulting from our net income of $49.3 million and non-cash charges of $112.1 million, both partially offset by changes in operating assets and liabilities resulting in a net use of cash of $69.4 million. Net cash used by changes in our operating assets and liabilities consisted primarily of a $58.2 million increase in inventories, a $38.5 million increase in operating leases, and a $16.4 million increase in prepaid and other current assets, all partly offset by a $36.8 million increase in accounts payable, and a $6.4 million increase in customer deposits.

Net cash provided by operating activities in fiscal year 2024 was $161.2 million, primarily resulting from our net income of $87.9 million and non-cash charges of $145.0 million, both partially offset by changes in operating assets and liabilities resulting in a net use of cash of $71.8 million. Net cash used by changes in our operating assets and liabilities consisted primarily of a $76.4 million increase in inventories, a $57.7 million increase in operating leases, a $10.1 million increase in prepaid and other current assets and a $5.3 million increase in accounts receivable, all partially offset by a $72.9 million increase in accounts payable, and a $4.2 million increase in customer deposits.

Net cash provided by operating activities in fiscal year 2023 was $197.2 million, primarily resulting from our net income of $78.1 million and non-cash charges of $138.1 million, both partially offset by changes in operating assets and liabilities, resulting in a net use of cash of $19.0 million. Net cash used by changes in our operating assets and liabilities consisted primarily of a $61.5 million increase in operating leases, a $12.6 million increase in accounts payable, a $5.8 million increase in other assets, and a $4.0 million increase in prepaids and other current assets, all partially offset by a $44.0 million decrease in inventories and a $4.1 million decrease in customer deposits.

Net cash provided by operating activities in fiscal year 2022 was $52.0 million, primarily resulting from our net income of $27.6 million and non-cash charges of $130.1 million, both partially offset by changes in operating assets

and liabilities, resulting in a net use of cash of $105.7 million. Net cash used by changes in our operating assets and liabilities consisted primarily of a $51.5 million increase in operating leases, a $34.5 million increase in inventories, a $33.2 million increase in accounts payable, a $8.8 million increase in accounts receivable, and a $2.8 million increase in other assets, all partially offset by a $56.9 million decrease in customer deposits, a $13.0 million decrease in accrued expenses, and a $2.5 million decrease in prepaids and other current assets.

Investing Activities

Net cash used in investing activities in the nine months ended September 28, 2025 was $58.0 million, which consisted primarily of purchases of property and equipment, net of tenant allowances, associated with the 17 new store openings in the nine months ended September 28, 2025 together with investments in business information systems.

Net cash used in investing activities in the nine months ended September 29, 2024 was $60.1 million, which consisted primarily of purchases of property and equipment, net of tenant allowances, associated with the 15 new store openings in the nine months ended September 29, 2024 together with investments in business information systems.

Net cash used in investing activities in fiscal year 2024 was $78.2 million, which consisted of purchases of property and equipment primarily associated with the 19 new store openings in fiscal year 2024.

Net cash used in investing activities in fiscal year 2023 was $22.8 million, which consisted of $29.8 million in purchases of property and equipment primarily associated with the seven new store openings in fiscal year 2023, partially offset by $7.0 million in proceeds from the reduction in our interest rate cap.

Net cash used in investing activities in fiscal year 2022 was $49.7 million, which consisted of $51.4 million in purchases of property and equipment primarily associated with the 14 new store openings in fiscal year 2022, partially offset by $1.7 million in proceeds from the reduction in our interest rate cap.

Financing Activities

Net cash used in financing activities in the nine months ended September 28, 2025 was $8.6 million, consisting of $8.3 million in principal payments on financing lease obligations, $1.1 million in payments for the acquisition of treasury stock, both of which were partially offset by $1.2 million in net proceeds related to the exercise of employee stock options.

Net cash used in financing activities in the nine months ended September 29, 2024 was $102.2 million, consisting of $82.9 million of voluntary prepayments on our First Lien Note, $6.5 million in principal payments on financing lease obligations, $7.1 million in payments related to the exercise of employee stock options, and $5.6 million in payments for the acquisition of treasury stock.

Net cash used in financing activities in fiscal year 2024 was $105.5 million, consisting of $82.9 million of payments on our First Lien Note, $30.0 million in payments on our Line of Credit, $9.0 million in principal payments on financing lease obligations, $7.6 million in payments related to the exercise of employee stock options, and $6.0 million in payments for the acquisition of treasury stock, partially offset by $30.0 million in proceeds from our Line of Credit.

Net cash used in financing activities in fiscal year 2023 was $94.5 million, consisting of $77.0 million in payments on our Line of Credit, $66.5 million of payments on our First Lien Note, $8.3 million in principal payments on financing lease obligations, $5.8 million in payments related to the exercise of employee stock options and $4.0 million in payments for the acquisition of treasury stock, partially offset by $67.0 million in proceeds from our Line of Credit.

Net cash used in financing activities in fiscal year 2022 was $89.7 million, consisting primarily of $97.3 million of payments on our First Lien Note, $10.0 million in payments on our Line of Credit, $7.5 million in payments of debt issuance costs, and $7.2 million in principal payments on financing lease obligations, partially offset by $20.0 million in proceeds from our Line of Credit and $13.3 million in proceeds from the issuance of common stock.

Off-Balance Sheet Arrangements

As of September 28, 2025 and December 29, 2024, we had no significant off-balance sheet arrangements other than short-term purchase obligations, and $10.0 million and $1.2 million of outstanding standby letters of credit, respectively.

Recent Accounting Standards

Refer to *Note 2, Summary of Significant Accounting Policies* of the notes to the audited consolidated financial statements and interim condensed consolidated financial statements included elsewhere in this prospectus for information on the recently issued accounting standards.

Critical Accounting Policies and Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions about future events that affect amounts reported in our consolidated financial statements and related notes as well as the related disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Management evaluates its accounting policies, estimates, and judgments on an ongoing basis. Management bases its estimates and judgments on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ under different assumptions and conditions, and such differences could be material to the consolidated financial statements.

Management evaluated the development and selection of its critical accounting policies and estimates and believes that the following accounting policies are critical as they involve a higher degree of judgment or complexity and are the most significant to reporting our results of operations and financial position. The following critical accounting policies reflect the significant estimates and judgments used in the preparation of our consolidated financial statements. With respect to critical accounting policies, even a relatively minor variance between actual and expected experience can potentially have a materially favorable or unfavorable impact on subsequent results of operations. All of our significant accounting policies are discussed in *Note 2, Summary of Significant Accounting Policies* to our audited consolidated financial statements included elsewhere in this prospectus.

Long-Lived Assets

Lease Accounting

Our long-lived assets primarily consist of property and equipment and operating ROU assets. At September 28, 2025, December 29, 2024 and December 31, 2023, our property and equipment was $311.5 million, $280.4 million and $247.5 million, respectively, and our operating ROU assets were $630.1 million, $533.7 million and $490.4 million, respectively. Property and equipment is recorded at cost, less accumulated depreciation, and amortization. ROU assets are recognized at the lease commencement date based on the present value of the remaining future minimum lease payments during the lease term, taking into consideration lease payments made before lease commencement and lease incentives, and are recorded net of impairment. Our ROU asset calculations contain uncertainties as they require management to make assumptions and apply judgment, including lease terms and incremental borrowing rates ("IBRs").

At lease commencement, we evaluate whether we are reasonably certain to exercise available options based on consideration of a variety of economic factors and the circumstances related to the leased asset. Factors considered include, but are not limited to, (i) the contractual terms, including renewal periods compared to estimated market rates, (ii) the uniqueness or importance of the asset or its location, (iii) the potential costs of obtaining an alternative asset, (iv) the potential costs of relocating or ceasing use of the asset, including the consideration of leasehold improvements and other invested capital and (v) any potential tax consequences. The determination of the reasonably certain lease term affects the inclusion of rental payments utilized in the incremental borrowing rate calculations and the results of the lease classification test.

Additionally, as the implicit rate is not readily determinable in most of our leases, we determine the discount rate for each lease based upon our IBR in order to calculate the present value of the lease liability at the commencement date. The IBR is computed as the rate of interest that we would have to pay to borrow on a collateralized basis over a similar term an amount equal to the total lease payments in a similar economic environment. We estimate the IBR for each lease by considering the Company's credit profile, reference to yield rates on debt issuances by companies of a similar credit rating, and the weighted-average lease term.

Store Impairment

We evaluate the recoverability of the carrying value of long-lived assets, including our stores, whenever events or circumstances indicate the carrying amount may not be recoverable. We evaluate the performance of individual stores for indicators of impairment, and underperforming stores are selected for further evaluation of the recoverability of the carrying amounts. The evaluation of long-lived assets is performed at the lowest level of identifiable cash flows, which is at the individual retail store level.

Conditions that may indicate impairment include, but are not limited to, a significant adverse change in customer demand or business climate that could affect the value of an asset, a product recall or an adverse action or assessment by a regulator. Further, management considers other factors when evaluating stores for impairment, including the individual store's execution of its operating plan and other local market conditions. If the sum of the estimated undiscounted future cash flows related to the asset are less than the carrying value, we recognize a loss equal to the difference between the carrying value and the fair value, usually determined by the estimated discounted cash flow analysis of the asset.

Since there is typically no active market for our long-lived tangible assets, we estimate fair values based on the expected future cash flows. We estimate future cash flows based on store-level historical results, current trends, and operating and cash flow projections. Our estimates are subject to uncertainty and may be affected by a number of factors outside our control, including general economic conditions and the competitive environment. While we believe our estimates and judgments about future cash flows are reasonable, future impairment charges may be required if the expected cash flow estimates, as projected, do not occur or if events change requiring us to revise our estimates.

Quantitative and Qualitative Disclosures about Market Risk

Foreign Currency Exchange Risk

We purchase the majority of our inventory from vendors outside of the United States in transactions that are primarily denominated in U.S. dollars and, as such, any foreign currency impact related to these international purchase transactions was not significant to us for the nine-month fiscal periods ended September 28, 2025 and September 29, 2024 and fiscal years 2024, 2023 and 2022. However, since we pay for the majority of our international purchases in U.S. dollars, a decline in the U.S. dollar relative to other foreign currencies would subject us to risks associated with increased purchasing costs from our vendors. We cannot predict with certainty the effect these increased costs may have on our financial statements or results of operations. We currently do not use derivative instruments to manage this risk.

Interest Rate Risk

We are primarily exposed to interest rate risk with respect to borrowing under our credit facility. At September 28, 2025, we had no long-term debt outstanding. Our interest rate risk exposure over the next twelve months would be dependent on the amount borrowed under the Revolving Credit Facility. To lessen our exposure to interest rate risk, we had previously entered into interest rate cap agreements which hedged all variable-rate borrowings and have since expired, but could be considered as part of future interest rate risk mitigation.

Impact of Inflation

Periods of higher or increasing inflation may reduce the level of discretionary consumer spending and inhibit customers' use of credit, which can adversely affect our comparable sales. In addition, inflation generally affects us

by increasing our cost of labor, material, transportation, and our general costs. For example, in fiscal year 2022 and fiscal year 2024 and again in the nine-month fiscal period ended September 28, 2025 and September 29, 2024, we experienced increases in ocean freight rates which impacted our profitability. In fiscal year 2022, we were able to recover these cost increases through price increases. We also attempt to mitigate the impacts of inflation by negotiating vendor arrangements with more favorable pricing and other terms. However, we cannot reasonably estimate our ability to successfully recover any impact of inflation through price increases or negotiations with vendors in the future. We currently do not use derivative instruments to manage this risk.

Business

THE BOB'S WAY

"The Bob's Way" embodies our brand and culture. It's our unwavering commitment to honesty, integrity, transparency and fun in every aspect of our business – an ethos that has remained unchanged for more than 30 years and continues to be our North Star as we help our customers turn the places they live into the homes they love.

Our Ambition

To become America's leading omnichannel retailer of quality, stylish furniture at everyday low prices

Our Belief

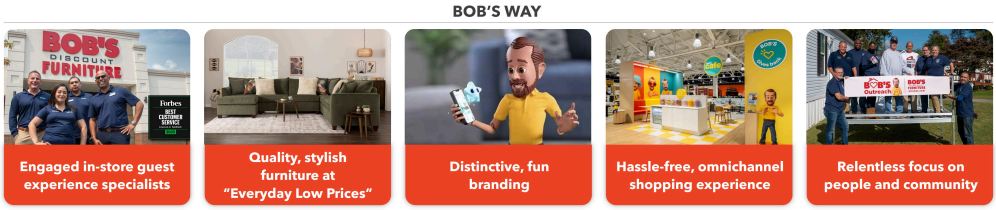
We can help everyone turn the place they live into the home they love

Our Promise

We deliver value without compromise

Our Company

Bob's Discount Furniture is a rapidly growing, nationally proven omnichannel retailer of value home furnishings with 206 showrooms as of September 28, 2025 across 26 U.S. states. Since our founding in 1991, we have built our ethos as a trusted and reliable brand offering superior value and service, without compromising on quality or style. Our business model is anchored in delivering furniture at "Everyday Low Prices," which we estimate results in our prices being on average approximately 10% below our value-oriented furniture competitors' lowest promoted prices, which we estimate is equivalent to approximately 20-25% below their listed prices. At the heart of Bob's success is not just the value of our furniture, but the team members who bring our promise to life every day. From showroom to living room, it's our people who make Bob's feel like home.



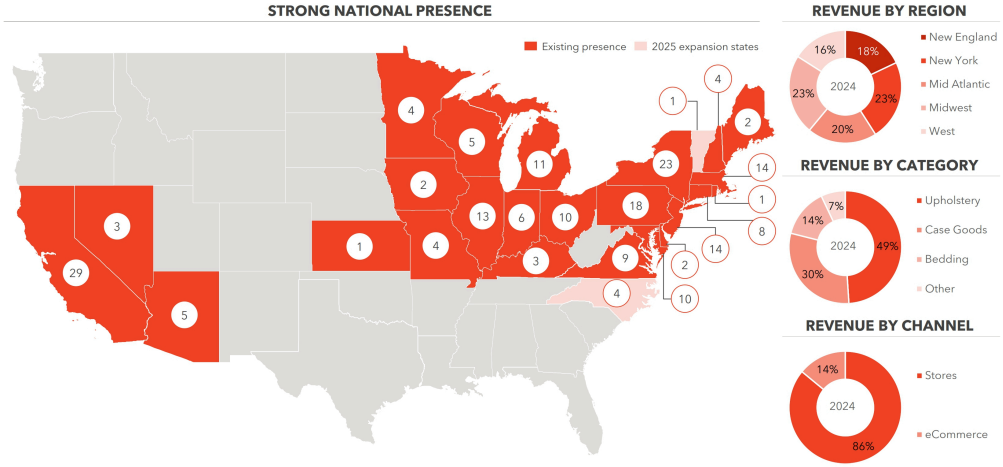
Our value proposition is made possible by our curated merchandising strategy, longstanding sourcing relationships and efficient supply chain. Our merchants target an assortment of products that is narrow and deep, which allows us to drive innovation and cost efficiency. Based on internal estimates, we believe our SKU counts are approximately one-third narrower than our value-oriented furniture competitors. Products are also tailored based on proven market trends and customer demand. Our "Good, Better, Best" assortment strategy ensures we offer customers value at every price point, driving an average order value of approximately $1,400 per transaction, excluding sales at our outlets. Our go-to-market strategy emphasizes a convenient and fun shopping experience, integrated with our online platform and supported by our trained, tech-enabled guest experience specialists. We target our showrooms to average approximately 32,000 square feet and have generated consistently strong store-level financial returns across vintages, geographic regions and population densities.

Our efficient fulfillment process ensures most purchases have the ability to be delivered in as few as three days, rather than weeks, providing customers with a swift and reliable shopping journey. Speed and consistency of customer deliveries are enabled by our vertically integrated logistics network, anchored by five strategically located distribution centers and additional third-party regional depots. Disciplined inventory management ensures product availability matches customer demand and delivery preference, with approximately 86% of orders during the nine-

month fiscal period ended September 28, 2025 in-stock and ready to be delivered in as few as three days from the time of purchase. Our expeditious delivery timeline and overall convenience are key elements of our value proposition and we believe greatly enhance our overall customer experience.

Over the past decade, we have made substantial investments in our omnichannel capabilities, enabling a seamless shopping experience across digital and physical platforms. Customers can shop online, in-store, over the phone and via our mobile app, with unified shopping cart functionality and consistent service quality. Approximately 73% of our in-store customers reported engaging with us across multiple channels in fiscal year 2025, reflecting the strength of our integrated platform. To deliver this seamless customer experience, we leverage a highly integrated operating system that draws on the same inventory, pricing and logistics network whether our customers buy in-store or online. We believe our momentum, combined with our scale, enjoyable showroom and omnichannel journey, favorably positions us to grow profitably and continue to increase market share.

We believe there remains significant opportunity to expand our store base in both existing markets and new geographies. Our growth strategy is fueled by significant and proven whitespace potential, a disciplined market entry playbook and attractive unit economics, with new stores historically generating rapid payback periods and 80+% cash-on-cash returns. Our growth is guided by a disciplined playbook that informs what markets to enter and how to enter them. We focus our expansion on areas with strong furniture demand, particularly where there are existing furniture stores, to optimize capture of qualified customers in the market. Our brand and business model has resonated across market sizes and with a diverse range of customers. As our brand awareness grows in new and existing markets, our demand increases, which in turn allows us to invest even more heavily in customer awareness and thus continually drive stronger store performance. With a proven name, a loyal customer base and a business model designed to generate high returns on capital, we believe that we are well-positioned to expand our store base to more than 500 stores in our existing format by 2035, as described in more detail below.



Map reflects data as of September 28, 2025; Revenue data for fiscal year 2024

Our belief that everyone deserves a home they love is reflected in how we operate daily and the appreciation we have for our people and communities. From our in-store guest experience specialists who create a no-pressure, no-gimmicks shopping experience, to our distribution and logistics teams who enable fast, reliable fulfillment, Bob's is built on the dedication of more than 5,800 team members nationwide, as of September 28, 2025. By investing in training, promoting collaboration and rewarding accountability, we foster a culture that creates long-term loyalty to Bob's, exemplified by an attractive average tenure of approximately seven years for our store managers. Our unique marketing, in-store experience and community engagement all focus on a friendly and relatable work environment that we believe makes working at Bob's less intimidating and more enjoyable.

Bob's has a foundational commitment to supporting our communities. Our complimentary in-store cafés are home to our "Café Collections for a Cause" initiative where Bob's will match every customer dollar donated to a featured charity, up to $75,000. In addition, as part of every new store opening, we donate to a local nonprofit organization and school during the store's ribbon cutting ceremony. Investing in our communities is deeply integrated into who we are.

Recent Financial Performance

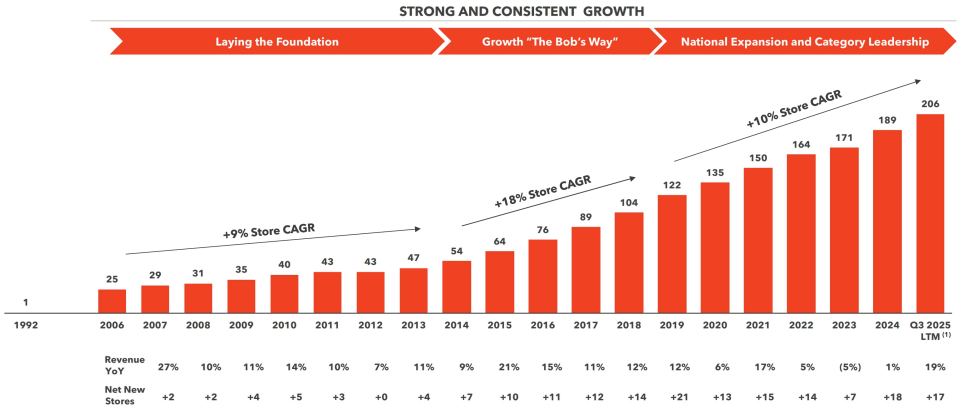
Our strong financial performance reflects the strength of our brand strategy and is highlighted by having:

- Increased store base by 11.4% to 206 units as of September 28, 2025 from 185 units as of September 29, 2024
- Increased net revenue by 20.4% to $1,719 million in the nine months ended September 28, 2025 from $1,428 million in the nine months ended September 29, 2024
- Improved net income by 63.6% to $81 million in the nine months ended September 28, 2025 from $49 million in the nine months ended September 29, 2024
- Increased Adjusted EBITDA by 35.7% to $164 million in the nine months ended September 28, 2025 from $121 million in the nine months ended September 29, 2024
- Increased comparable sales growth to 10.5% (or adjusted comparable sales growth of 9.7%) in the nine months ended September 28, 2025 from a decline of 7.6% (or a decline in adjusted comparable sales growth of 6.9%) in the nine months ended September 29, 2024

See "*Summary Consolidated Financial and Other Data,*" "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Indicators and Non-GAAP Financial Measures*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Reconciliation of Non-GAAP Financial Measures*" for additional information regarding our financial performance and non-GAAP financial measures, together with a reconciliation of non-GAAP financial measures to their most directly comparable GAAP measures.

Our focus on value positions us well within the expansive and fragmented $182 billion U.S. home furnishings industry (excluding barbecues) in 2024, as defined by Euromonitor, allowing us to capture significant share by appealing to customers seeking quality, style and affordability. Bob's has grown faster than the home furnishings industry (excluding barbecues) in each of the last 14 fiscal years, with the exception of fiscal year 2023, based on Euromonitor data. Since fiscal year 2010, Bob's has grown at a CAGR of approximately 9%, which is over 680bps faster than the home furnishings industry (excluding barbecues), which grew at a CAGR of approximately 3% during the same period, based on Euromonitor data. This sustained outperformance underscores our ability to effectively navigate market and macroeconomic dynamics, capitalize on customer demand, and take share.

The home furnishings industry is sensitive to interest rates and housing activity. In 2020 and 2021, the COVID-19 pandemic served as a tailwind to the home furnishings industry, which drove a surge in demand as consumers adapted to a "stay-at-home" lifestyle. This resulted in market-wide pull forward, which led to a subsequent slowdown in the industry in the following years that was further exacerbated by increased interest rates and inflation. Bob's has emerged stronger following this cycle and continues to show resilience and outperformance compared to the home furnishings industry. Though macroeconomic factors caused year-over-year declines in our comparable sales during fiscal years 2023 and 2024, we have continued to outperform relative to the home furnishings industry. For example, in fiscal year 2024 Bob's revenue growth surpassed the home furnishings industry (excluding barbecues) by over 700bps on a year-over-year basis, and we plan to continue to build on that momentum through fiscal year 2025. As interest rates and inflation normalize, housing turnover and new residential construction are expected to accelerate, creating a favorable demand backdrop. Bob's has proven its ability to outperform industry benchmarks even through recent headwinds, underscoring the durability of our model and positioning us to capture incremental upside as conditions improve.



(1) Q3 2025 LTM calculated for the 12-month period ended September 28, 2025

"OH MY BOB!" - KEY DRIVERS OF OUR SUSTAINED SUCCESS

We believe the following strengths differentiate us from our competitors:

A Proven, Scaled Brand Delivering Value Without Compromise

Bob's is rapidly becoming *Where America Shops for Furniture*™ by consistently delivering unparalleled customer experiences at every stage of the furniture purchasing journey. Customers know they can count on Bob's for quality, stylish furniture at everyday low prices. Consistently delivering on that promise has made Bob's a trusted name in homes across the country. Our store experience customer satisfaction rating is 90%+, based on our internal customer survey data, which reflects the loyalty we've built over nearly thirty-five years.

The Bob's brand comes to life in every part of our business. From breakthrough and memorable marketing campaigns like *Oh My Bob!*, *Dare to Compare* and an industry first reality series *Till Décor Do Us Part*, to the complimentary snacks in our in-store café, every aspect of the shopping experience is designed to be differentiated and customer-centric. We believe our fun and authentic brand image, compelling value and best-in-class, low-pressure service resonate with our customers and define Bob's as a unique and comfortable destination for furniture shopping.

Our dedicated team members deliver un-rivaled service "The Bob's Way". Our people-first approach builds customer trust and fuels our growth. Between our customer-centric service, tech-enabled omnichannel experience, and our trusted brand, we believe that we continue to resonate with customers on a national scale.

Highly Differentiated Merchandising, Sourcing and Logistics Infrastructure

Bob's has established a sophisticated and highly differentiated product, pricing, sourcing and supply chain strategy that drives our go-to-market strategy.

Product

Our merchandising philosophy is to consistently deliver stylish, high-quality furniture at unbeatable value, with everyday low prices customers can trust. We have developed a curated product offering by gaining a deep understanding of customer needs and preferences which enables us to be a follower of new and emerging trends. Our streamlined assortment appeals to a broad range of customers by featuring timeless classics, innovative designs

and tech-enabled alternatives that adapt to evolving customer tastes. Our product architecture of "Good, Better, Best" provides a clear framework for delivering maximum value to a diverse customer base. The "Good" value tier provides a reliable foundation of essential and durable products, while our "Better" tier introduces additional functional capabilities, upgraded materials and styles. Our "Best" product tier integrates premium materials, craftsmanship and quality with elevated designer inspired style. We have a focused merchandising strategy built around a narrow and deep SKU model that we estimate is approximately one-third narrower than our value-oriented furniture competitors. This model allows us to concentrate purchasing volume on high-velocity items, negotiate aggressive pricing and reduce our inventory risk.

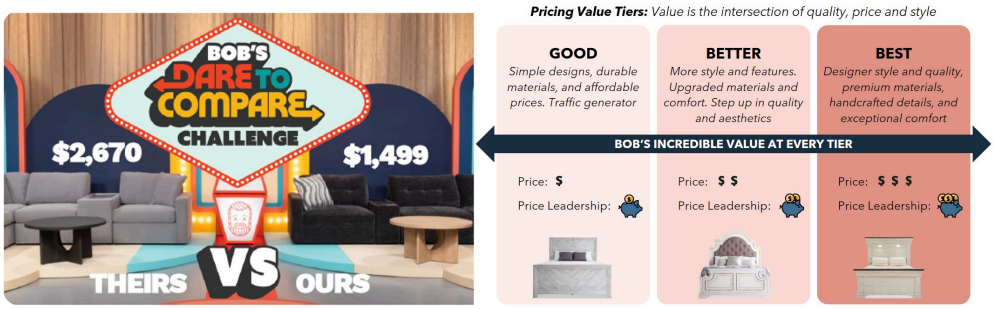


For illustrative purposes; prices and assortment are illustrative as of September 28, 2025

Pricing

Bob's offers a differentiated customer proposition rooted in delivering value without compromise. Our sophisticated pricing strategies underpin our everyday low price model, enabling us to offer prices which we estimate are on average approximately 10% below our value-oriented furniture competitors' lowest promoted prices, which we estimate is equivalent to approximately 20-25% below their listed prices. We do not rely on promotions or sales gimmicks. Instead, we offer transparency and trust – elements that resonate with today's value-conscious consumer. As customers ascend our "Good, Better, Best" product architecture, we believe that our relative value increases, enhanced by everyday low price bundle and save offerings particularly in bedroom categories to increase

units per transaction. Incremental enhancements in quality, features, functionality and style are strategically priced to deliver superior customer value across the full spectrum of price points.



Sourcing

Our value leadership is driven by buying power, a streamlined assortment of products, and strategic vendor relationships extending in some cases nearly 15 years. Our everyday low price model ensures consistent, year-round order volume for suppliers, enabling them to maintain steady production and improve their efficiency. We believe that the combination of scale and consistency positions us as the first partner of choice for our suppliers. We leverage this advantage, along with long-standing strategic relationships, to drive cost optimization, innovation, and speed-to-market. Our flexible sourcing strategy enabled us to move all key production out of China by the end of fiscal year 2024, mitigating known tariff risk, while preserving the ability to pivot as circumstances evolve. Today, our primary sourcing markets are Vietnam and the United States, representing approximately 63% and 27% of our product cost volume, respectively as of October 24, 2025, with smaller sourcing markets in Thailand, Malaysia and Cambodia. This unique blend of scale, consistency, strategy, and relationship management allows us to remain nimble and responsive to changes in the macro landscape.

Supply Chain

We believe swift and reliable delivery service complements our customer shopping experience. We are not satisfied until every customer sees their furniture at home exactly as they experienced it in our showroom. Recognizing customer sensitivity to product availability, we target and have maintained an in-stock rate of approximately 86% during the nine-month fiscal period ended September 28, 2025, which allows guest experience specialists to offer prompt and reliable delivery in as few as three days. Our BOBtastic delivery options offer a range of services tailored to meet our customers' needs, from white glove delivery to quick pickup.

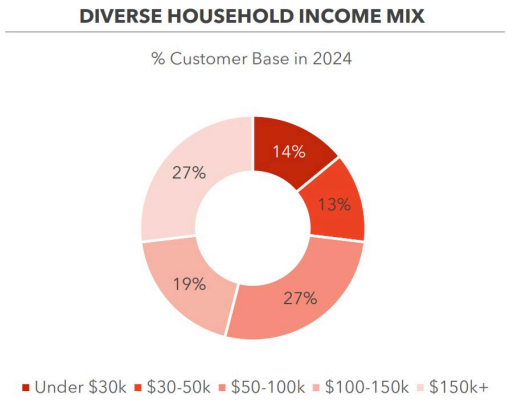
We manage the distribution and delivery of our products through our five distribution centers and 46 third-party delivery depots as of September 28, 2025, located strategically in markets throughout the United States. With more than half of our sales order volume serviced by more than one distribution center during the nine-month fiscal period ended September 28, 2025, we have the flexibility to adapt as demand shifts and protect service levels as we continue to scale. These systems allow our customers to have most products delivered to them in as few as three days, rather than weeks, as well as schedule delivery around their availability and preference; during fiscal year 2024, 55% of orders were delivered to customers in seven days or less and 76% of our orders were delivered in two weeks or less. Reflecting our focus on service, our Delivery Net Promoter Score (NPS) has increased from 76 as of September 30, 2022 to 91 as of September 28, 2025, an improvement achieved while continuing to utilize third-party delivery partners. Our consistent store and delivery customer satisfaction ratings reflect the seamless customer experience from showroom to living room.

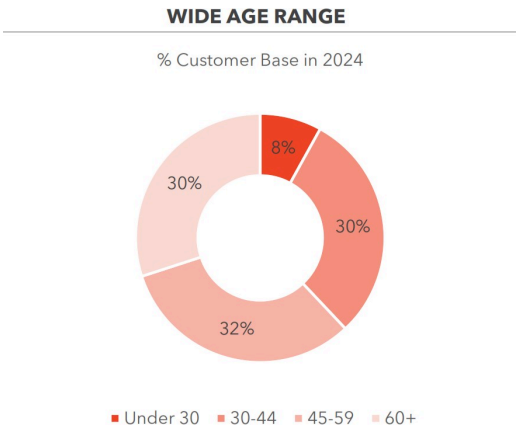
Broad Customer Appeal

We have scaled successfully across markets around the country, including urban, suburban and secondary trade areas, and appeal to a diverse customer base. Our offerings cater to both budget-conscious families as well as higher-

income households seeking furniture at a great value. This approach allows us to serve our customers across all purchasing occasions, including important life milestones.

In fiscal year 2024, approximately 46% of our customers had household incomes over $100,000 and approximately 27% earned above $150,000, and new customers earning over $150,000 increased almost 25% year-over-year as of September 28, 2025. Our appeal spans generations, with customers aged 30-44 representing approximately 30% of our total fiscal year 2024 customer base, 45-59 at approximately 32%, and 60+ at approximately 30%. Our active customer base has grown to 2.9 million, as of December 28, 2025, underscoring the increasing resonance of our brand and depth of our customer relationships. This wide appeal reflects the strength of our value proposition and supports our geographic and digital expansion.





Omnichannel Platform Driving End-to-End Customer Engagement

At Bob's, we are committed to delivering a seamless shopping journey across all touchpoints (showrooms, phone, online, webchat), ensuring our customers can access our quality furniture wherever and however they prefer. Our strategy is built on a channel-neutral philosophy, operating as one highly integrated backend system across inventory management, pricing, fulfillment, merchandising and supply chain logistics. Our technology structure is similarly integrated across our platform enabling us to utilize advanced data analytics and technology to connect with customers across our various channels during the course of a highly considered purchase cycle. As a result of these investments, our digital ecosystem now includes over 10 million customer profiles and has attracted over 41 million website visitors as of December 28, 2025, further strengthening our ability to engage and understand our customers.

Differentiated In-Store Experience

We greet each of our guests with the phrase "Welcome to Bob's, would you like to look around?" We believe this is the beginning of a welcoming, hassle-free shopping experience with no gimmicks, reflecting our core promise of value without compromise. Our stores are designed to be engaging and helpful, with layouts that group comparable products and feature visual displays to enable discovery. Bob's low-pressure sales environment encourages customers to browse freely and comfortably, creating a relaxed and fulfilling shopping experience, particularly when compared to a more traditional furniture buying experience led by high-pressure sales associates. We believe that our showrooms serve as a powerful catalyst for accelerating brand awareness and deepening customer engagement and loyalty.

Our guest experience specialists are knowledgeable, friendly and equipped with personal tablets, leading to efficient service and driving conversion. The tablets enable real-time product recommendations, stock visibility and

allow our team members to offer a broad range of Bob's comprehensive selection, including various styles, colorways and add-ons. Every store includes a café with fun, complimentary amenities that enhance the retail adventure and reinforce our brand's approachable and customer-first ethos. While a majority of our customers reported engaging with us across multiple channels in fiscal year 2025, approximately 85% of our revenue was converted in-store, showcasing the effectiveness of our showroom strategy.

Online Platform

Our eCommerce channel represented approximately 14% of total net revenue in fiscal year 2024. Our website, mybobs.com, complements our stores by offering customers convenient access to our full product lineup and generates incremental traffic to our physical locations. Enhanced by AI-driven search tools, product recommendation algorithms, virtual visualization capabilities and an AI chatbot, our online presence allows customers to research, explore and purchase with confidence. Our OmniCart technology creates a seamless experience across channels, enabling customers to build and transfer shopping carts between online and in-store touchpoints. This system provides customers with flexibility to begin their journey digitally while transacting in person, or vice versa, designed to ensure a consistent, frictionless experience across platforms. Together, our store and eCommerce platforms form a cohesive, tech-enabled ecosystem.

Attractive Unit Economics with Proven Portability Across Markets

Our ability to successfully enter, and prosper in, a wide variety of markets is a testament to the strength of our business model and strategic execution. As of September 28, 2025, we operated 206 showrooms across 26 states, delivering strong unit economics in both legacy markets and the regions into which we have more recently expanded. Mature regions such as New England and New York, first established in 1992 and 1997, have demonstrated AUVs of approximately $14 million. Our top five New England and New York stores have generated AUVs of approximately $20 million and approximately $22 million, respectively, for the 12 months ended September 28, 2025. Our newer stores continue to show strong progress, with recent cohorts either already exceeding or near our current AUV target in less than two years.



LTM AUV calculated for the 12-month period ended September 28, 2025; Average age of stores calculated as of September 28, 2025; Excludes outlet sales, closed stores and stores opened after September 28, 2024

Our development strategy involves an ongoing assessment of whitespace growth potential and extensive analysis of factors such as real estate availability, competitive market dynamics, zone pricing and ROI targets. Our robust, cross-functional development process ensures that each new market entry and store opening is thoughtfully planned and highly customized to best serve local customer needs. By maintaining a disciplined approach to expansion and leveraging our proven market entry strategies, we believe that we are well-positioned to continue our successful growth trajectory across new and existing markets. As we continue to expand, we remain committed to delivering the best-in-class experience that our customers have come to expect from Bob's.

Experienced and Dedicated Team Enabling The Bob's Way

The heart of our organization is our people, who form the foundation of our success. Our management team has cultivated a motivated, people-first culture of approximately 5,800 employees, as of September 28, 2025, committed to delivering outstanding customer experiences The Bob's Way. Our company culture is an integral part of our strategy, and we have had great success developing inspiring leaders, rewarding top performers and maintaining

best-in-class employee satisfaction amongst our retail peers. Our commitment to our team is best exemplified by an attractive average tenure of approximately seven years for our store managers, with 81% of open store manager roles filled in fiscal year 2024 by internal promotions. Our focus on leadership development ensures opportunities for our next generation of managers as well as cohesion and continuity of Bob's values. This enduring loyalty has enabled us to build lasting relationships with customers and foster an environment that empowers team members to excel.

We believe that our company culture is a key competitive advantage and a strong contributor to our success, and we have prioritized maintaining our culture as we scale. Bob's measures employee engagement as a key driver of employee loyalty, belief in Bob's mission, and employee job satisfaction. Employee engagement has steadily increased since we first began measuring it in fiscal year 2022.

Bob's is guided by a highly skilled and driven executive leadership team, whose acumen and industry knowledge have been essential in shaping our brand, advancing our company's progress, and ensuring our adaptability to market dynamics. Empowered by a legacy of collaborative innovation and relentless pursuit of excellence, our company's noteworthy achievements have garnered widespread recognition. Important accolades include:

- July 2025: Recognized on Newsweek List of America's Best Retailers 2025
- April 2025: Named one of America's Most Trustworthy Companies
- January 2025: Recognized by Forbes for Best Customer Service for 2nd consecutive year
- December 2023: Awarded Furniture Industry Leadership by Furniture Today

OUR GROWTH STRATEGIES

We believe we have a clear opportunity to drive sustainable growth and profitability by executing on the following strategies:

Grow Store Base Across New and Existing Markets

We believe that our compelling value proposition and the success of our stores across a broad range of geographic regions, population densities and demographic groups creates a significant opportunity to profitably increase our store base. Bob's unit expansion story is underpinned by a strategic, data-driven playbook. With a 12 to 18 month opening cycle, we have institutionalized a development process that balances speed with disciplined ROI evaluation and has powered our expansion across 26 states. Each store opening is supported by rigorous site selection, merchandising alignment and operational planning, creating a repeatable development process that has delivered consistent returns. We believe there is a clear and actionable path to more than 500 stores in our existing format nationwide by 2035, representing 2.5 times our current store base.

Our new store expansion model is guided by a disciplined opportunity assessment that prioritizes market-level profitability, supply-chain-enabled contiguous expansion, brand awareness, competitive positioning, pricing advantages and regional relationships. We target AUVs of approximately $9 million and cash-on-cash returns exceeding 80% within five years for our new store formats, with returns exceeding 60% by year two and a payback period of approximately two years. We leverage broad data analytics, on-the-ground insights and hindsight learnings from our nearly 35-year history to inform future strategic decisions and ensure success. We expect to balance expansion in new markets with high-density growth in existing markets, creating a durable and diversified path to increasing our national scale.

Grow Stores In Existing Markets

Our long-standing legacy markets in the Northeast, including New York, demonstrate the strength of our brand and the benefits of scale. In our existing markets, Bob's growing store density has continued to unlock meaningful cost and operational advantages driven by efficiencies in marketing and brand recognition and streamlined supply chains. Our in-fill strategy is highly contiguous, densifying existing and adjacent markets to enhance existing store-level economics and provide a runway for sustainable growth.

As an example of our growth in existing markets, we have grown Philadelphia from four units in fiscal year 2014 to 14 units as of September 28, 2025. Over the same period, we have expanded our aided brand awareness in the Philadelphia market significantly to upwards of 78% and our profitability metrics have more than doubled.

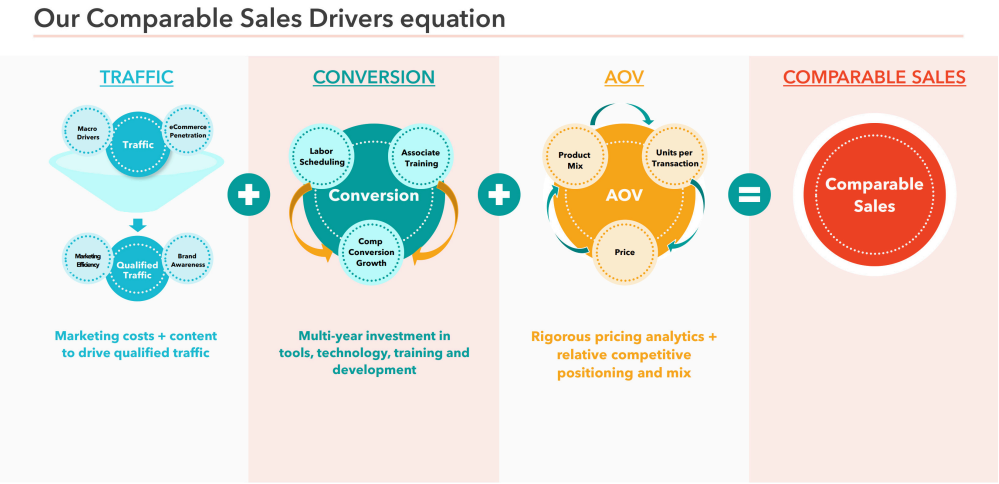
Grow Stores In New Markets

We have achieved success and demonstrated portability across geographic regions. Our momentum gives us confidence that we can continue expanding beyond newly opened and existing markets. For example, we successfully expanded into the Midwest region in fiscal year 2016 and the West Coast in fiscal year 2018, and more recently the Southeast region through our North Carolina openings in fiscal year 2025. We believe that our regional expansion demonstrates the broad resonance of our model and value proposition. In each new market, brand awareness has scaled quickly, reinforcing our confidence in our ability to replicate our success and drive efficiencies in advertising, supply chain and fixed costs. Each new store opening is followed by extensive testing and hindsight analysis, allowing us to refine our expansion and marketing playbooks and learn from every experience.

As an example of our new market expansion success, we entered Los Angeles in fiscal year 2018 with six units and an aided brand awareness of 24%, based on a third-party data collection provider. We currently have 17 units in Los Angeles and have more than doubled our aided brand awareness and revenue. Our profitability metrics in Los Angeles have expanded to our mature store average. As we continue to infill stores in Los Angeles, we expect to continue to gain market share and drive further cost efficiencies.

Drive Comparable Sales

We have a broad array of foundational and newly created initiatives that we believe will continue to increase our comparable sales by strengthening brand awareness, increasing conversion, optimizing our regionalized product assortment, and further deepening our relationship with our customers by leveraging technology.



Strengthen Brand Awareness

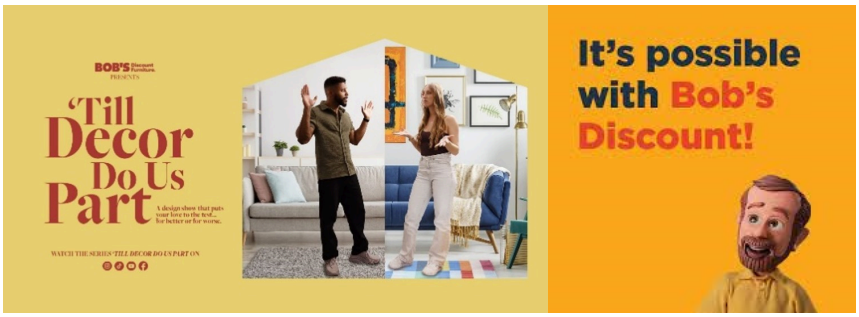
Our aided brand awareness in our top 10 designated market areas averaged approximately 71% in fiscal year 2024 whereas our national aided brand awareness was approximately 45%. We believe this speaks to the large opportunity in continuing to reach customers with our unique value proposition. Bob's aided brand awareness has more than doubled since fiscal year 2018, supported by enhanced marketing capabilities and a differentiated value proposition that resonates with a diverse customer base. According to our internal metrics, our brand scores have improved materially across key metrics since fiscal year 2018: +112% in consideration, +178% in reputation, and +77% in brand buzz.

We use a variety of marketing channels and tactics to reach our customers. Bob's is well-known for our fun, whimsical advertising that features "Little Bob", intended to create a memorable and lighthearted presence, moving away from the serious, high-end image of traditional furniture stores. Our "out-of-the-box" approach to unique campaigns infuses a playful element of surprise and humor, helping us to more authentically connect with our target audience. Our distinctive brand personality comes alive through high-impact television and digital campaigns, such as:

- Viral social media and advertising initiatives that generated 2.9 billion impressions in the second quarter of fiscal year 2025
- Our classic Oh My Bob! campaign in fiscal year 2024 highlighting the value appeal of our products in the memorable and fun Bob's tone generated over 70 million views during the Spring 2025 campaign
- Our industry-first social reality series in fiscal year 2025, Till Décor Do Us Part, resulting in highly positive sentiment that generated 79 million views, 132 million impressions and 15% higher click through rate since launch in July 2025 to September 5, 2025
- Strategic collaborations with local influencers and brands, including a Bob's branded NASCAR vehicle as we entered North Carolina, which significantly enhanced market aided brand awareness by 64% since the beginning of fiscal year 2024 to July 1, 2025 and garnered 250 million media impressions during the period beginning May 12, 2025 to August 31, 2025



Little Bob is the brand's fun-loving and memorable "spokes-puppet." He appears in much of our advertising to elevate attribution and recall. Originally conceived as founder Bob Kaufman's avatar, Little Bob has evolved over the years to embody many of the fun and wholesome attributes of the brand.



Our marketing initiatives help boost brand awareness and drive customer traffic to our showrooms and website, which we believe in turn serves as a powerful catalyst for deepening customer engagement and loyalty.

Increase Conversion

We are constantly refining and optimizing our operations to increase conversion. We leverage real-time data and past learnings to turn tactics into a cohesive, consistent and sustainable plan across our national retail experience, talent management, and technical capabilities. We track a number of operational KPIs that highly correlate with revenue growth, including close rate by associate, OmniCart attachment rate, schedule effectiveness and training milestones. Our in-store technology platform, which was rolled out in 2024, enables retail leadership teams and store-level managers to track our operational KPIs through real-time dashboards, which enable nimble reallocation of resources and assessment of under and overperformance.

We empower regional leaders and invest in guest experience specialists. We have a robust talent pipeline that is further enhanced by continuous employee learning and development programs, fair compensation and incentives, and great store management teams. Our store associate training leverages conversion KPIs and individual performance rankings to enhance insights, coach more effectively and elevate overall team performance. Guest experience specialists offer personalized clienteling, so that each customer feels valued and understood. Our hiring and training excellence has assisted us in consistently increasing store conversion year after year.

Our showrooms are designed to deepen customer engagement through easy-to-navigate store layouts, seasonal floor resets, and café amenities, making furniture shopping enjoyable and hassle-free, which we believe in turn increases conversion. Our in-store technology enables guest experience specialists to leverage real-time stock, delivery and financing information, supported by digital shopping carts that flow seamlessly from the showroom to online, and vice versa. As we build out our technological capabilities further, we expect to generate greater process efficiencies and increase sales conversion.

Optimize Regional Assortment

Bob's value proposition and product architecture allows us to provide a product for the vast majority of customers. We believe that our product architecture is a unique competitive advantage and we have an opportunity to further expand that strength through sophisticated clustered assortment capabilities.

Our approach to product assortment utilizes data-driven insights from real-time sales to help us better manage inventory. Our assortment "newness" is a key growth lever. By integrating new products, representing approximately 15% to 30% of our showroom product offering each year, we seek to continue to drive repeat purchase demand and brand relevance. While a majority of our products are consistent across all stores, in the first quarter of fiscal year 2024, we began to test targeted and limited localized product assortments tailored to the specific preferences and tastes of certain markets. We are pleased with initial customer responses, which builds our confidence in a broader identification and rollout of clustered opportunities. For example, we cater to our Manhattan customers by focusing on small space living furniture and exclude large sectional pieces that are not ideal for city

apartments. Aligning closely with local customer preferences allows us to increase AOV and more efficiently leverage supply chain efficiencies, driving margin accretion.

Deepen Customer Relationships Through Technology

Bob's is designed to meet customers wherever they choose to engage. Our upgraded website, refreshed in fiscal year 2023, enables fast and easy shopping with intuitive post-order self-service. Digital investments have enabled real-time cart continuity (OmniCart), AI-driven search, and virtual product visualization. Our BobSquad virtual sales team and BobBot post-order chatbot support high engagement and seamless handoff across eCommerce channels.

Bob's leverages customer data in a variety of ways to ensure strategic, cross-functional decisions and to drive interest, conversion, and loyalty. Through our enriched customer database, we conduct in-depth analyses on our customer composition and behavior to draw valuable insights. These insights support decisions and assist in project prioritization, such as identifying marketing opportunities, capitalizing on merchandising trends and informing real estate analysis and planning. In addition, we leverage our customer data as part of our audience strategy and customer relationship management functions. For example, we develop lookalike modeling for paid media targeting and leverage our existing customer base to drive retention through email, SMS and direct mail marketing which we believe drives meaningful traffic and conversion.

Leverage Scale to Expand Margins and Drive Efficiency

We are making focused investments to efficiently drive top-line growth and margin expansion. As we continue to scale we realize benefits from increasing brand awareness and unit density in both existing and new geographies. Our margin expansion opportunities include expanding product cost margins, increasing marketing efficiencies, achieving supply chain optimization and leveraging fixed costs.

Optimize Zone Pricing

Our everyday low price promise is supported by a sophisticated pricing strategy. Our zone pricing capabilities, which began in the fourth quarter of fiscal year 2023, are designed to help us align with local demand and purchasing power, while also enabling us to consistently offer products priced below our competitors. We track national, regional and local competitors on pricing across product categories to maintain our leading value proposition. By further strategically adjusting price points based on regional economic conditions and customer behavior, we seek to optimize our profitability while maintaining our commitment to delivering value without compromise and maintaining our product margins.

Strategic Sourcing

We continue to deliver strong and expanding product cost margins, underpinned by our operational discipline and deep vendor relationships. As we continue to scale and expand our sourcing relationships with vendors, we anticipate balancing reinvestment with merchandise margin improvements, reflective of better terms, volume-based efficiencies, and increased vendor demand for our business. As of September 28, 2025, we have pivoted our supply chain completely out of China to avoid prior tariff impacts on our margins. We remain nimble and plan to proactively address incremental tariff impacts to further support continued margin expansion.

Marketing Efficiencies

Our rising retail density across existing and new markets is amplifying our brand visibility. As we pivot more towards national advertising, we continue to unlock meaningful leverage from our marketing budget. Additionally, our AI-powered targeting has enabled more precise audience engagement and has driven an approximately 50%+ improvement in return on advertising spend since fiscal year 2019. Bob's has proven that we take meaningful market share when we enter a new market given our unique value proposition which resonates with customers. As our overall brand awareness continues to scale, we believe we will continue to drive increased marketing efficiencies and lower our overall customer acquisition costs.

Supply Chain

As we continue to scale, we expect to be able to drive efficiencies across every aspect of our supply chain, including ensuring container availability, increased purchasing power with our freight vendors to reduce ocean shipping costs, reducing trucking and depots costs per order and in order to make furniture delivery to our customers more efficient. We plan to continue diversifying our supply chain network as we expand, allowing for improved utilization of our existing distribution centers and reducing overall costs.

Fixed Costs

Our existing infrastructure across field management and corporate overhead supports growth without linear cost escalation. Our corporate staff is structured to maintain effective oversight at its current level, and we believe that our model has the capacity to support future growth while simultaneously leveraging benefits from expanding scale. We anticipate gaining additional operational benefits as we continue to densify and grow our overall national penetration.

These elements provide a foundation for continued success and ongoing operating efficiencies as we scale. We will continue to make strategic investments in our infrastructure to improve operational efficiency and prepare for the next stage of our growth.

Our Industry and Market Opportunity

We operate within the large, growing and highly fragmented $182 billion U.S. home furnishings industry (excluding barbecues) in 2024, as defined by Euromonitor.

Benefiting from Secular Trends

The COVID-19 pandemic served as a tailwind to the home furnishings industry in 2020 and 2021 and caused a surge in demand as the "stay-at-home" lifestyle led to consumers dedicating more time at home. This resulted in a market-wide pull forward, which subsequently led to a slowdown in the industry. As the industry returned to normalization in the following years, Bob's has emerged stronger and continues to show resilience and outperformance.

We believe that our Company is well-positioned to leverage favorable long-term trends in the housing and home furnishings industries. Housing market fundamentals support a near-term recovery, with housing turnover at or near historic lows, creating pent-up demand. Additionally, the persistent gap between housing costs, rent inflation, and wage growth is creating a more value-conscious consumer that aligns with our positioning. While online engagement is rising, many customers continue to value in-store home furnishing experiences as part of the purchasing journey. We believe that the recovery in the housing market will further boost demand for home furnishings, presenting a compelling opportunity for incremental growth in our business.

Highly Fragmented Market, Characterized by Many Independent Regional Operators

The U.S. home furnishings industry is characterized by a high degree of fragmentation, predominantly composed of smaller, independent regional operators. We believe this fragmentation presents a strategic opportunity for us to grow market share by leveraging our scale, resources and omnichannel capabilities.

According to our estimates, our annual revenue currently accounts for 1% of the approximately $182 billion U.S. home furnishings industry (excluding barbecues) in 2024, as defined by Euromonitor. This presents a compelling opportunity to capture market share in a traditionally fragmented landscape, while sustaining our strong revenue growth trajectory.

Our Merchandising Strategy

Our ability to deliver a curated assortment of stylish, high-quality furniture at everyday low prices is a key differentiator in the marketplace. This advantage is driven by our focus on product assortment, competitive pricing

dynamics and strategic sourcing. Our merchandising approach is designed to simplify the shopping experience for consumers, while consistently delivering exceptional value across categories.

Product Assortment

Our highly curated products are typically designed and created specifically for us. We focus on functionality and popular trends that appeal to a broad range of preferences and are used throughout the home. We offer a wide range of product categories, including upholstered living room furniture, bedroom, dining room, mattresses and home décor. Many of our products include extra features such as integrated technology, built-in storage, memory foam and reclining options, and we partner with our vendors on a shared vision for creating quality products at a great value. We do not sell third-party brands, allowing us to maintain strict control over quality and cost, and we partner with our vendors on a shared goal of bringing thoughtfully designed products to market. We integrate approximately 15% to 30% new products into our assortment each year which drives repeat purchase demand and brand activation opportunities.

We maintain a market-responsive approach to product development, carefully studying the marketplace and tracking movements in consumer behavior to identify key trends that guide our decision making. Our ability to pinpoint trending products stems from a well-established network of industry connections and overseas factory relationships. These long-standing relationships, built on mutual trust and aligned incentives, provide us with competitive intelligence that helps inform our product selection and timing decisions.

Our product architecture is data-driven and increasingly tailored to each geography's unique tastes and needs, ensuring that our offerings are better suited to the diverse preferences of the customers we serve. This localization strategy is in early stages and a significant opportunity to further personalize our customer approach.

Our disciplined inventory management approach ensures we don't carry significant inventory risk. In fiscal year 2024, 97% of products sold through our stores (excluding outlets) were at full price and 3% were sold on clearance. Clearance inventory includes pieces we plan to discontinue from our assortment. We maintain controlled exit strategies for products through a measured clearance process. As a fast follower of furniture trends, our clearance items represent a small portion of our total inventory mix given our focus on proven designs.

Upholstered Products – 49% of fiscal year 2024 merchandise revenue

We offer a wide array of upholstered products, primarily within the living room category, including both stationary and motion reclining furniture -- our highest demand upholstered categories in fiscal year 2024. Our assortment ranges from budget-friendly performance fabrics to top-grain leather and represent a stable and core growth driver for our business. We differentiate our products by combining style with function, through a development process we call "Bobifying," which often includes enhancing items with additional features while still maintaining attractive, competitive price points. These enhancements reflect our commitment to evolving with consumer preferences and include features like pop-up sleepers, drop-down tables, heat and massage functions, charging ports, integrated audio speakers, and thoughtfully designed hidden storage compartments. As customer

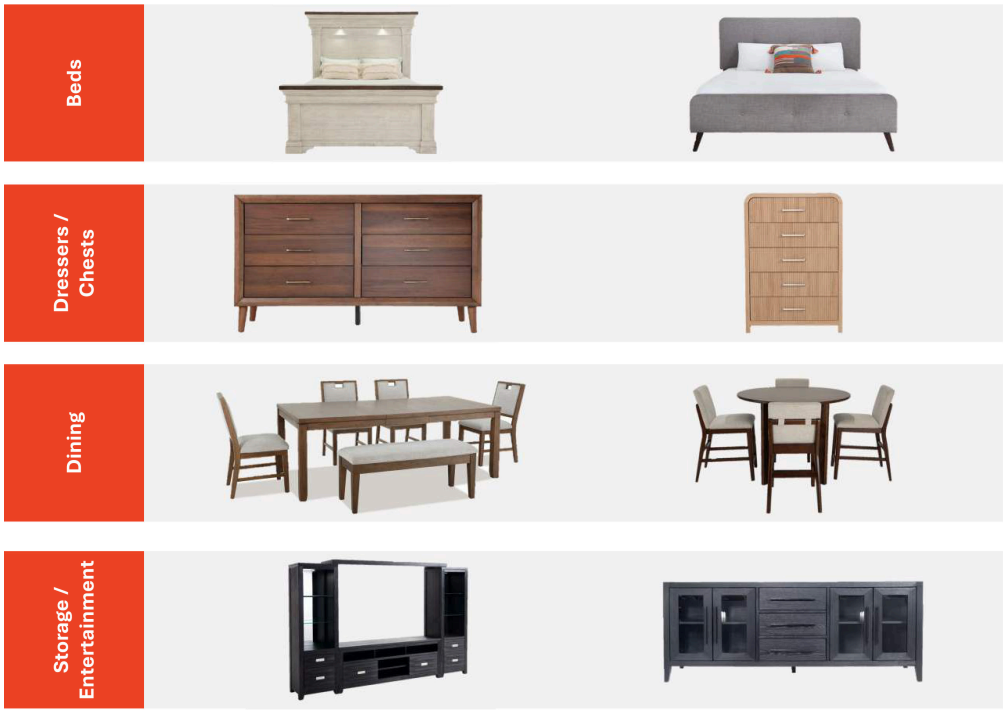
needs and lifestyles change, we adapt our offerings accordingly, ensuring these modern conveniences complement rather than overshadow our foundation of quality and design that customers have come to value and trust.



Case Goods – 30% of fiscal year 2024 merchandise revenue

The core of our case goods collections includes bedroom sets, dining room sets, occasional and accent furniture, entertainment centers and storage pieces that complete the room. These products are central to our assortment and provide customers with stylish, functional options at compelling prices. Case goods play a pivotal role in boosting units per transaction by inspiring customers to purchase complete room solutions and expand their shopping baskets. We consistently evaluate industry trends and consumer demand, enhancing designs with added functionality, such as storage drawers, lift top chests, accent lighting and charging technology, to increase functionality. Our approach

balances the introduction of new styles with trending designs, ensuring customers can “buy the look” across entire rooms.



Bedding – 14% of fiscal year 2024 merchandise revenue

Bedding primarily consists of mattresses and power bases, which serve as cornerstones of our value proposition and natural cross-sell opportunities throughout the store. Our guest experience specialists are trained to seamlessly integrate mattresses and power bases into bedroom purchases, and drive attachment with related categories such as adjustable bed bases and bedding accessories. This category benefits from domestic sourcing, enabling quick availability and efficient packaging for delivery. We have recently expanded our assortment with the introduction of luxury mattresses, elevating our offerings into the “Best” category. This strategic move helps us capture higher-end market segments while continuing to deliver exceptional value.



Other – 7% of fiscal year 2024 merchandise revenue

Beyond our core furniture categories, Bob's offers a diverse assortment of home accents and complementary products that help customers complete their living spaces. This curated selection includes:

- *Rugs:* Area rugs in different sizes, textures and patterns
- *Lighting:* Table lamps, floor lamps and accent lighting
- *Home Décor:* Wall art, decorative mirrors and accessories
- *Accent Furniture:* Entryway tables, ottomans, benches and small storage solutions
- *Seasonal & Lifestyle Items:* Outdoor furniture and other lifestyle-oriented products

We are constantly evaluating new product categories into which we may expand. Offering these products allows Bob's to extend its value promise into the finishing touches of the home, giving customers one-stop shopping for both full-size furniture items and smaller decorative pieces.

Bob's Goof Proof

Our guest experience specialists are trained to recommend all furniture sales are supplemented with Bob's Goof Proof, our extended furniture protection plan ("Goof Proof"). The cost of coverage varies by order value and includes five years of repair or replacement for stains and most accidental damage that occurs from a single incident. These protection plans are serviced by a third-party provider. In fiscal year 2024, approximately 57% of our products were complemented with Goof Proof.

Pricing Strategy

We employ an everyday low price strategy, providing consistent, competitive pricing year-round without reliance on promotions or sales. Through disciplined cost negotiations, incredible buying power and strong supplier relationships, we deliver direct savings to our customers. This approach enables customers to shop with confidence, knowing they receive the best price at any time, and streamlines the sales process for our team. We focus on helping customers find the right products rather than navigating complex promotional structures or relying on high-pressure sales tactics. Our pricing is transparent, with no hidden fees or inflated costs, ensuring a straightforward and honest customer experience.

We use data-driven processes to optimize pricing across categories:

- *Good, Better, Best architecture:* We pursue a "Good, Better, Best" architecture in every major product category, with the goal of providing options for various budgets while delivering value at each level. For

fiscal year 2024, 42% of our product assortment was "Good," 35% "Better," and 22% "Best," with a long-term goal of one-third of assortment in the "Best" tier

  - *Good:* Provides a reliable, quality foundation of essential and durable products
  - *Better:* Introduces additional functional capabilities, upgraded materials and styles and improved quality
  - *Best:* Integrates premium materials, handcrafted details and design equivalent style and quality

- *Zone pricing:* We recently adopted zone pricing capabilities to tailor pricing at the zone level to reflect local market dynamics, supported by ongoing competitive data collection to ensure price leadership.
- *Emotional price points built around destination products:* We maintain and protect critical consumer price thresholds (e.g., $999) to reinforce value and trust across all product categories. We also position our destination products that Bob's is known for, such as sofas and bedroom sets to strengthen our value perception. We leverage our home completers categories, such as lamps and tables, and special touches such as rugs, pillows and other decorative accents to build our basket size and enhance margins.
- *Price bundling:* In an effort to increase units per transaction, we offer "Bundle and Save" opportunities on selected compatible items, with transparent price designation on each product. Notable product pairings include a mattress with a bed frame, a dining room table with chairs or benches, or an adult bedroom set with dresser, mirror and a nightstand.
- *Dynamic adjustments:* While we possess the operational capability to change pricing overnight, we remain strategic and carefully gauge market conditions prior to taking pricing actions.
- *Competitive insights:* We proactively gather and analyze competitive data by scraping national, regional and local competitor prices to ensure that our pricing accounts for real-time market changes.

Bob's Way to Pay

Bob's provides a range of third-party financing solutions to meet diverse customer needs, including 6–12 month interest-free options and extended 30–60 month plans with select interest rates. These offerings support higher average order values by giving customers the ability to obtain pre-approval and build their cart within set limits. For customers not qualifying for primary financing, we offer second-tier options, lease-to-own programs, and "buy now, pay later" flexible solutions.

In fiscal year 2024, approximately 45% of revenue utilized financing. We do not assume credit risk on financing transactions but do pay associated lender fees, which are typically offset by increased average order values. This comprehensive approach ensures customers can purchase confidently and conveniently, consistent with The Bob's Way.

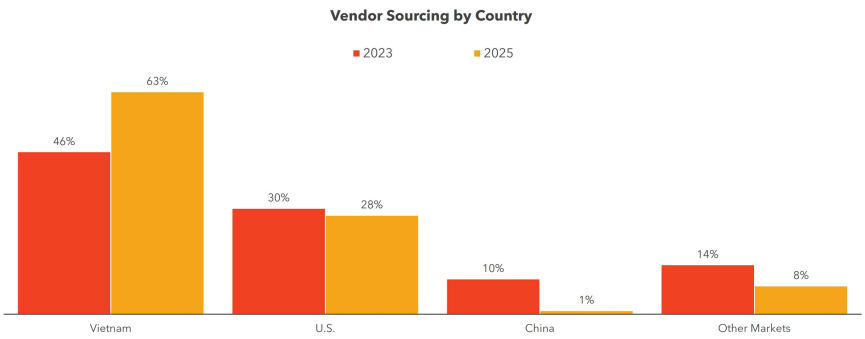
Delivery

The majority of our products are delivered directly to our customers through our third-party delivery partners, and we charge customers a fee for this service. This fee is designed to offset the costs associated with line haul and last mile delivery, ensuring cost efficient and reliable transportation of merchandise to our customers.

Global Vendor Sourcing

Our sourcing value is driven by our buying power, streamlined assortment, and strategic vendor relationships. Our everyday low price model ensures consistent, year-round order volume for suppliers, enabling them to maintain steady production and maximize efficiency. We believe our combination of scale and consistency positions us as our suppliers' #1 customer and partner of choice. We leverage this advantage, along with long-standing strategic relationships, to drive cost optimization, innovation, and speed-to-market. Our flexible sourcing strategy enabled us to move all key production out of China by the end of fiscal year 2024, mitigating known tariff risk, while

preserving the ability to pivot as circumstances evolve. Today, our primary sourcing markets are Vietnam and the United States, and we continue to explore additional emerging markets.

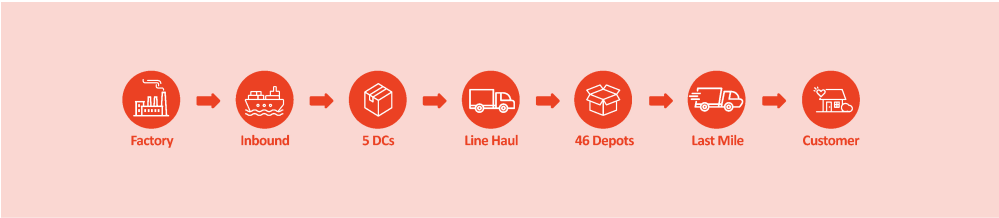


This unique blend of scale, consistency, strategy, and relationship management ensures we remain nimble and responsive as the macro landscape continues to change. Looking ahead, we continue to develop our sourcing capabilities to secure capacity for growth, fuel innovation, and keep costs tightly controlled while mitigating risk. We are focused on building data-driven best practices to optimize our supply chain performance- continually improving quality and speed. A curated, diversified supplier pipeline gives us exclusive product access and pricing leverage — sustaining scale and everyday value for our customers.

Our Supply Chain

Distribution and Logistics Infrastructure

Our well-invested and hard-to-replicate distribution network and logistics infrastructure creates a unique advantage for us. We are committed to maintaining a 85%+ in-stock rate, with 55% of orders delivered to customers in 7 days or less and 76% of our orders are delivered in two weeks or less. Our delivery process is seamless, and we train and measure our delivery partners on "The Bob's Way" to ensure an exceptional customer experience.



Number of distribution centers and third-party regional depots as to September 28, 2025

Our Ocean Freight Process

Our ocean freight process focuses on efficiently transporting products from factories to Bob's distribution centers, and typically takes approximately two months from product completion in factory to distribution center check-in. We coordinate the movement of goods from our vendors, ensuring products are securely loaded onto vessels and shipped across the ocean. Upon arrival at the ports, our team oversees the seamless transfer of shipments into our distribution centers. As the 4th largest importer on the East Coast as of September 2024 based on shipping volume according to ImportGenius, we leverage our scale and expertise to streamline these operations, ensuring timely and reliable delivery for our business needs.

Our Distribution Centers

We operate five strategically located distribution centers, each representing a significant investment and a major operational undertaking. Our scalable national supply chain ensures service excellence, moving products from our distribution centers to 46 third-party regional depots and then directly to customers. The placement of our distribution centers provides us with a competitive advantage, allowing us to serve key markets quickly and reliably.

Dedicated teams manage every aspect of our distribution centers, including loss prevention, human resources and quality control, ensuring efficient operations and optimal performance. To handle excess capacity and maintain smooth product flow, we utilize storage trailers and external trailer lots. Our approach balances the trade-off between capital expenditures within our distribution centers and operational expenses, enabling us to maximize efficiency while controlling costs.

While we build more permanent Midwest and Southeast distribution centers, which we expect to open in the coming years, we have expanded the capacity and utilization of our existing five distribution centers to service stores in more distant markets, including the newly opened Southeast market. This approach enables us to optimize network efficiency and reduce distribution costs for stores located closer to these new facilities.

The Last Mile

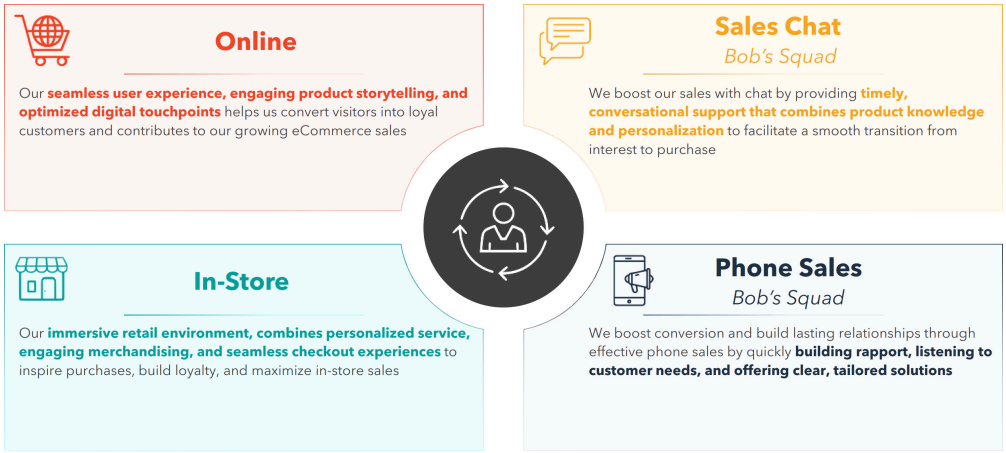
An exceptional customer delivery experience is critical to The Bob's Way. Our strategic last-mile delivery approach transforms customer satisfaction into a competitive advantage by partnering with trusted delivery specialists who share our commitment to excellence. This partnership model allows us to deliver exceptional service quality while maintaining operational flexibility, consistently achieving outstanding customer scores. Delivery is central to our value proposition, with over 90% of sales fulfilled via direct-to-home delivery. We offer premium white-glove service, including setup and packaging removal, and recently added the option for furniture removal, responding to a critical customer need.

Our third-party delivery partners are trained on our guidelines and expectations, with weekly reviews that help maintain high standards. Incentives are performance-based and maintained with rigorous quality standards. Through this customer first approach, Bob's has turned what was once a potential pain point into a powerful customer interaction and creates overall brand loyalty and customer retention.

Omnichannel Operations

At Bob's, the customer journey transcends transactions. Our stores and eCommerce platform form a cohesive, customer-centric ecosystem integrating all sales and communication channels. Showrooms offer a convenient and fun shopping experience, while our website and digital channels serve as a virtual extension of our showrooms. Our omnichannel model streamlines the shopping process, reducing friction and enhancing engagement, increasing

conversion and driving higher average order value. Omnichannel engagement drives higher spend per item, increased items per order and greater repeat purchase rates.



Stores

Showrooms

As of September 28, 2025, we operated 206 showrooms across 26 states, with an average size of approximately 33,000 square feet. Our showrooms are intentionally designed to inspire customers and reduce the complexity often associated with furniture shopping. Furniture is a "considered purchase" due to its big-ticket nature and long-term intended use, and we believe customers prefer product interaction before making an investment.

Key features of our showrooms that support the customer experience include:

- *Knowledgeable guest experience specialists:* Our talented specialists are trained to assist customers in a non-pressured manner, equipped with customized "Bob Boost" tablets to provide product specifications, schedule delivery, verify availability and finalize transactions on the spot.
- *Engaging visual layouts:* Our showrooms offer a theater-like experience, guiding customers through curated room vignettes that reflect real home settings and present complete solutions. This immersive environment facilitates cross-selling of add-ons and accessories, showcasing how complementary pieces create cohesive designs. Vignettes are seasonally updated to feature new products and best sellers, with clear price ladders underscoring the value of each option.
- *Data-driven labor scheduling:* We utilize analytics on store traffic and coverage per guest experience specialist to create optimal labor scheduling, ensuring that our showrooms are staffed efficiently to meet customer demand and maximize selling opportunities.
- *Low-pressure sales environment:* Beyond product displays, our locations include family-friendly touches which encourage longer visits and reinforce the approachable personality of our brand. We believe these immersive environments not only create confidence in the purchasing process but also drive higher conversion rates.

- *In-store café:* Our cafés offer complimentary coffee, snacks and ice cream, creating a welcoming environment that's perfect for families. These amenities encourage longer visits and reinforce the approachable personality of our brand.



Outlets

Our outlets primarily facilitate the liquidation of damaged, excess and discontinued merchandise, as well as the sale of lower average unit retail, made-for-outlet products, allowing core showrooms to maintain a curated assortment. Outlets are strategically located at the rear of our main stores and offer customers discounted options that uphold Bob's quality and style standards while also reinforcing our full-price store environment.

As of September 28, 2025, we operate 27 stores with outlets representing approximately 13% of our total store base. This model efficiently leverages existing inventory, minimizes operational complexity, and broadens customer access to the Bob's brand.

Empowered Teams and Efficient Service

In our showrooms, we empower store associates to focus on customer service rather than high-pressure sales. Guest experience specialists are commission-based, including a bonus structure that we believe optimizes higher sales and average order values. Our team is supported by a retail operating system unique to Bob's that includes digital tablets for completing purchases without leaving the sales floor, as well as programs such as "Host on Duty" which dedicates a manager to floor success during every shift. Our training and development program reaffirms consistent sales strategies, with a focus on KPIs that correlate with sales such as cart conversion, Goof Proof attachment and mattress penetration. Our overall organizational design is rooted in a culture that reinforces store-level celebrations and annual reward programs.

eCommerce

Online

Our website, www.mybobs.com, was redesigned in late fiscal year 2023. Our online platform serves as a seamless extension of the showroom, offering customers access to our complete assortment, including online-

exclusive products and expanded customization options. Digital touchpoints increasingly influence transactions, supporting households both within and beyond our physical footprint and accelerating store growth. The platform instills customer confidence through detailed product information, room inspiration, 3D visualization, rich customer reviews and AI-driven recommendations tailored to style, budget, and household needs, which streamlines the purchase process and drives higher conversion and basket sizes. Fulfillment transparency is integral, with inventory status and delivery calendars embedded in the online shopping experience.

Sales Chat

Beyond our physical and online platforms, we enhance the Bob's experience through live chat and phone sales, integral components of our omnichannel strategy. These channels blend online convenience with personalized expertise, ensuring comprehensive customer support.

Sales Chat is referred to as Bob's Squad, and represents a highly-trained product driven team to answer questions on product functionalities, make product recommendations and complete a transaction. Customers benefit from prompt, accurate assistance and can engage with a live person through web chat, by phone or in stores. Phone sales remain a vital channel, with teams adept at building rapport and delivering tailored solutions.

Post-Order Support

Once an order is placed, whether it's in-store, digitally or by telephone, customers receive proactive updates on delivery timing, installation options and service appointments. Our systems allow real-time tracking and instant escalation when issues arise, ensuring transparent and stress-free post-order support. Associates across chat, phone and mobile platforms have access to complete customer histories, enabling them to resolve questions seamlessly without handoffs. This platform is transitioning to an advanced large language model, which automates routine inquiries and accelerates resolutions, reducing call volumes and allowing our teams to focus on complex needs.

Our Growing Footprint and Differentiated Store Format

Cross-Functional Site Selection Guides Our Development Process

We employ a rigorous, cross-functional approach to our overall whitespace expansion strategy, including our site selection and individual store development, targeting profitable expansion through detailed market analysis and strategic alignment. Our development plan prioritizes opportunities based on market potential, profitability, and ongoing assessments of growth in both new and existing markets, supported by cash-on-cash return and financial contribution analyses.

Our strategy leverages data-driven insights, local broker expertise, landlord relationships, and market intelligence to identify prime locations. Markets and sites are evaluated for alignment with supply chain efficiency, competitive pricing, brand awareness, and proximity to successful showrooms. We embrace competitive markets given our differentiated proposition.

Our Real Estate Committee, composed of cross-functional leaders, reviews and approves all potential sites through comprehensive market and financial analyses and incorporating learnings from existing stores to refine criteria and strategy. While we evaluate a variety of criteria for our new store locations, we focus specifically on targeting growing markets that exhibit high-traffic characteristics while evaluating existing competitor presence in each. We prudently evaluate demographic data and patterns, advantaged by our appeal to a diverse customer base. Leveraging experience and strategic partnerships, we secure competitive sites and drive expansion in-line with our

long-term growth objectives. As of September 28, 2025, we have entered into agreements for 100% of planned new showroom locations for fiscal year 2026 and approximately half of our planned locations for fiscal year 2027.



Our new showroom prototype averages 32,000 sq ft. with an average net cash investment of $1.7 million (net of tenant allowances). By Year 5, we expect these showrooms to reach $9 million in AUV and ultimately deliver cash-on-cash returns of 80%+, with returns exceeding 60% by year two and a payback period of approximately two years.

We maintain a disciplined approach to store enhancements, separating our efforts into refreshing, remodeling, and relocation.

- Refreshes – include paint and minor store scheme updates, and are performed to keep our storefronts consistent and inviting, reinforcing our showroom's identity.
- Remodels – our store remodel program enhances layouts, upholds brand consistency and strengthens our competitive position in some of our most productive locations. In fiscal year 2025, three stores received updated designs through full remodels.
- Relocations – strategic relocations of stores to more advantageous sites have consistently delivered significant lifts in comparable sales. Over the last five years, we have relocated 6 stores, which on average delivered a total revenue lift of 14% YoY in the pre vs. post periods.

Targeted Expansion in Existing and New Markets

We focus on strengthening our presence in existing markets and expanding into high-growth potential markets, demonstrating consistent showroom execution nationwide.

In established markets, we densify our footprint to enhance operational scale. While targeted infill can create short term pressure on AUV, this densification strategy unlocks meaningful market share gains, high cash-on-cash returns, increased profitability, and supports our long-term growth objectives. Investments in localized marketing, distribution and customer engagement maximize store performance and reinforce market leadership. We have seen an increase in national market share from this strategic approach as market share has grown from fiscal year 2022 to this year.

In new markets, we seek to build brand awareness and deploy experienced managers from our talent pool to establish strong operational foundations and seed our culture. These leaders leverage operational expertise and local insights to connect to the local community and ensure each site meets market potential. This disciplined approach balances risk and drives long-term ROI as we enter new territories.

Our market entry strategy follows a deliberate cluster-based expansion model, exemplified by our planned opening of six locations in North Carolina during the first year of market entry. This concentrated approach allows us to achieve meaningful market penetration while maximizing operational synergies and brand recognition within each new designated market area. When entering new markets, we implement broad marketing campaigns to build awareness and attract customers. The ongoing efficiency improvements in our established markets provide a strong foundation, enabling us to further optimize marketing investments as our new regions expand and begin driving overall profitability.

Our People and Our Culture

At Bob's, our team of more than 5,800 people (as of September 28, 2025) is at the center of everything we do. The Bob's Way guides how we interact with customers, how we treat one another and how we operate our business. By creating a culture built on honesty, integrity, transparency and fun, we empower our teams to deliver the exceptional experience our customers deserve.

Honesty

Honesty is the cornerstone of Bob's. We ask our people to own outcomes, celebrate wins and acknowledge mistakes. This standard creates an environment where accountability is embraced. By embedding honesty into all that we do, we have built teams that are resilient, collaborative and aligned. What drives our performance are the same no-pressure, no-gimmicks principles that guide our interactions every day.

Integrity

At Bob's, integrity means a steadfast commitment to our mission of helping customers build a home they truly love. We hold ourselves to the highest ethical standards, ensuring every decision and relationship reflects our dedication to doing what's right for our customers, our team, and our communities. Our team members are empowered to act with care, always prioritizing long-term trust over short-term gain. By consistently aligning our actions with our values, we create meaningful experiences and lasting relationships, earning a reputation we're proud to uphold.

Transparency

We believe transparency is a form of respect for our customers and for one another. We have open communication between managers and our guest experience specialists. Our top guest experience specialists earn recognition as the *Best of Bob's* award celebrating and acknowledging their performance. Our team knows exactly where the Company is headed, what is expected of them and how their contributions matter. This culture of openness fosters trust and empowers our teams to deliver on our promise of value without compromise.

Fun

While our business is grounded in operational discipline, we also believe an enjoyable workplace attracts and retains the best talent. Our showrooms and distribution centers emphasize camaraderie, with recognition programs, team events and traditions that keep morale high. This emphasis on fun contributes to a welcoming environment, improves engagement and retention, and encourages our team to see long-term career potential with Bob's.

Training and Development

At Bob's, talent is our key competitive advantage. We view acquisition, training, and development as an ongoing cycle, ensuring specialists and leaders are equipped to grow with the business. We recruit with purpose, prioritizing candidates with strong character, a service mindset, and alignment with our culture. Customer orientation is valued over prior sales experience, fostering a consultative approach. Our recruiting teams actively seek individuals who embody Bob's values of honesty, integrity, transparency and fun.

Leadership potential is assessed continuously and integrated into development plans. 81% of our open store manager roles in fiscal year 2024 were promoted internally, with an attractive average tenure of approximately seven

years. Store manager retention improved from 82% to 86% year-over-year, reflecting our strong culture and clear career pathways for long-term success.

Training at Bob's addresses both current roles and future responsibilities. Guest experience specialists receive targeted instruction through classroom, e-learning, and hands-on training. Store managers complete advanced programs in financial management, process efficiency, and performance leadership, with emphasis on setting expectations, accountability, and recognition. Our culture supports an environment of continuous learning, where all team members have the opportunity to improve performance and develop their careers.

Updated policies and an accessible Employee Code of Conduct reinforce our cultural standards, complemented by role-specific "Expectations of Excellence." This disciplined approach to recruitment, training, and development builds a robust talent pipeline, improves retention, reduces turnover, and supports scalable growth while preserving our culture. Investing in our people ensures an engaged workforce equipped to achieve our growth objectives.

Growing Our Brand

As we expand nationally, we continue to reinforce our customer-first brand promise. Our model not only benefits consumers but also extends to suppliers and vendors through trusted, long-term relationships. We aspire to be recognized not as a traditional national chain, but as a trusted, community-centric retailer.

Awareness and Marketing

Bob's marketing strategy balances immediate performance with long-term brand strength through a full-funnel approach leveraging connected TV, social media, digital channels, and first-party data. We employ rigorous analytics focused on acquisition cost, conversion, and lifetime value, optimizing channel mix and messaging in real time via multi-touch attribution. Our advertising campaigns emphasize transparent pricing and differentiated value, avoiding promotional discounting to reinforce brand equity. Our creative strategy highlights our highly differentiated in-house capabilities and leverages our agility to rapidly produce, pivot, and scale content that supports dynamic product launches and evolving business strategies.

Advertising communicates the transparency, ease, and fun of shopping at Bob's. Using consistent "no gimmicks" messaging and our "Little Bob" brand ambassador we reinforce and build trust with our customers. Storytelling, often utilizing family-oriented narratives, highlights our product's role in everyday life, fostering broad resonance and brand credibility. Strategic partnerships with the NFL, NHL and MLB, in addition to our introduction of a Bob's-branded NASCAR vehicle, expand brand awareness and community integration. For new markets, we

also deploy targeted, localized campaigns that blend core messaging with market-specific insights, strengthening visibility and trust as we grow.



Tech-Enabled Engagement

We invest in technology to deliver seamless omnichannel experiences, integrating our physical and digital platforms for a unified brand presence. With approximately 14% of our business conducted digitally, we leverage AI and machine learning for personalized engagement, efficient content creation, and dynamic campaign optimization, ensuring consistent and cost-effective customer interactions.

Our robust customer database enables detailed analysis of customer demographics and behavior, informing targeted audience strategies and marketing initiatives. These insights drive strategic decisions across functions, supporting marketing opportunities, merchandising trends, and brand awareness efforts.

Community Impact and Giving Back

We view community impact as a core element of Bob's identity and long-term strategy. Our commitment extends beyond the customer transaction to include support for the communities in which we operate.

Our efforts include:

- Local engagement initiatives as we enter new markets, ensuring that Bob's builds authentic, lasting community connections.
- Charitable giving and sponsorships focused on families, education and causes aligned with our mission of providing comfort and value.
- Associate-driven programs that empower our employees to contribute meaningfully to local organizations and causes.
- Donations to a local nonprofit organization and school as part of every new store grand opening celebration

We believe that a strong community presence enhances long-term brand equity and differentiates Bob's from traditional national retailers, ensuring that growth is accompanied by measurable positive impact.



Our Technology

Technology underpins our strategy, enabling seamless omnichannel experiences and driving efficiency, scalability, and innovation. We balance third-party solutions with custom development for competitive advantage, ensuring consistency across channels and investing in digital platforms that deepen online engagement. Recent initiatives include advanced personalization and additional Buy Now, Pay Later options, with AI embedded across customer service, product recommendations, and ERP optimization.

AI deployment optimizes supply chain and freight operations, improving demand forecasting, inventory management, and route planning to reduce costs and accelerate delivery. These efforts enhance operational efficiency and product availability.

Data security is paramount, overseen by our Chief Information Security Officer and supported by robust safeguards such as phishing simulations, penetration testing, and continuous monitoring. At Bob's, technology is a key enabler of business outcomes, facilitating seamless customer experiences and informed decision-making. As we further integrate AI and unify data, we will continue to deliver a more personalized, efficient, and secure service.

Competition

We operate within the large, growing and highly fragmented $182 billion U.S. home furnishings industry (excluding barbecues) in 2024, as defined by Euromonitor. The U.S. home furnishings industry is characterized by a high degree of fragmentation, predominantly composed of smaller, independent regional operators. We believe this fragmentation presents a strategic opportunity for us to grow market share by leveraging our scale, resources and omnichannel capabilities.

Our focus on value positions us well within the expansive and fragmented $182 billion U.S. home furnishings industry (excluding barbecues) in 2024, as defined by Euromonitor, allowing us to capture significant share by appealing to customers seeking quality, style and affordability.

Our competition also includes furniture stores, big box retailers, department stores, specialty retailers and online furniture retailers and marketplaces. New or existing home furniture retailers could also enter our markets and increase the competition we face.

Intellectual Property

In an effort to establish and protect our brand and other intellectual property rights, we rely on a combination of copyright, trademark and trade secret laws, as well as confidentiality agreements, license agreements and similar contracts to establish and protect our proprietary rights. As of September 28, 2025, we had, or had exclusive licenses to use, over 40 U.S. trademark registrations and applications, including "BOB'S DISCOUNT FURNITURE," "Oh My Bob!" and "BOB-O-PEDIC." In order to maintain our U.S. trademark registrations, we must continue to use the marks in commerce on the goods and services identified in the registrations and must make required filings with the U.S. Patent and Trademark Office at intervals specified by applicable statutes and regulations. Failure to comply with these requirements may result in abandonment or cancellation of the registrations.

We also hold the rights to several domain names, including mybobs.com. We believe that our trademarks and other proprietary rights are important to our success and our competitive position, and, therefore, we devote resources to the protection of our trademarks and proprietary rights.

Other than licenses to commercially available software, we do not believe that any of our licenses to third-party intellectual property are material to our business taken as a whole.

Information Technology and Systems

Our technology and information systems are foundational to enabling business intelligence and operational excellence across our sales channels. We continue to invest in scalable, secure, and customer-centric technologies to enhance the customer experience, drive sales and create operating efficiencies. Our infrastructure leverages a hybrid model of cloud-based and co-located data centers, supporting an ecosystem of integrated, industry and standard applications.

Our systems provide the data analysis and automation necessary to support our marketing, merchandising, pricing, inventory, distribution, store operations and point-of-sale, eCommerce, finance, accounting and human resources operations and initiatives. We continue to innovate and optimize our technology systems as well as continue to make significant investments in our technology infrastructure to support agility, resilience, and growth. We believe our current systems allow us to quickly identify and respond to business trends while maintaining strong defenses against ever-evolving cybersecurity threats. See "*Risk Factors—Risks Related to Data Privacy and Information Technology*."

Properties

Our primary offices are located at 434 Tolland Turnpike, Manchester CT, where we occupy approximately 103,000 square feet of office space pursuant to a lease agreement that expires in October 2037.

As of September 28, 2025, we lease five distribution centers, located in California, Connecticut, Illinois, Maryland and New Jersey, with an average size of approximately 685,000 square feet. We also lease retail space for our stores, in 206 locations as of September 28, 2025 across 26 U.S. states.

Employees

As of September 28, 2025, we had approximately 1,102 salaried employees and 4,713 hourly, commissioned or mileage-based employees. As of that date, approximately 4,360 of our employees were based in our stores, 941 of our employees were based in our distribution centers and 514 of our employees were based in our corporate headquarters.

As of September 28, 2025, a total of 260 employees in 12 of our stores are represented by a union or subject to collective bargaining agreements. We have not experienced any work stoppages and we believe that we have good relationships with our employees.

Seasonality

While we believe that our wide assortment of products across our omnichannel platforms makes us less susceptible to seasonal shopping patterns than many retailers, our quarterly results nevertheless vary depending upon a variety of factors, including changes in our product offerings, the opening of new retail locations and shifts in the timing of various events quarter over quarter including holidays, among other things. As a result of these factors, our working capital requirements and demands on our product distribution and delivery network may fluctuate during the year. Unique factors in any given quarter may affect period-to-period comparisons between the quarters being compared, and the results for any quarter are not necessarily indicative of the results that we may achieve for a full fiscal year.

Regulation and Legislation

We are subject to numerous regulations, including labor and employment laws, customs, laws governing truth-in-advertising, consumer protection, privacy, safety, real estate, environmental and zoning and occupancy laws, and other laws and regulations that regulate retailers and govern the promotion and sale of merchandise and the operation of our stores, manufacturing and distribution facilities, in the United States as well as in jurisdictions from which we source products. We monitor changes in such laws believe that we are in material compliance with laws applicable to our business.

Data Privacy/Security

Numerous state and federal laws, rules, regulations, industry standards and other obligations relating to privacy, data protection, and data security govern the collection, dissemination, use, access to, confidentiality, and security of personal information, and we are subject to several such obligations. Failure to comply with these obligations, where applicable, can result in the imposition of significant civil and/or criminal penalties and private litigation. Privacy and security laws, regulations, industry standards and other obligations are evolving, may conflict with each other to make compliance efforts more challenging, and can result in investigations, proceedings, or actions that lead to significant penalties and restrictions on data processing and we may become subject to additional requirements and obligations as we expand our operations into new geographic markets. See "*Risk Factors—Risks Related to Data Privacy and Information Technology*."

Environmental

We believe federal and state environmental regulations have not had a material effect on operations, but more stringent and varied requirements of local government bodies with respect to zoning land use and environmental factors could delay construction and increase development costs for new stores.

Legal Proceedings

From time to time, we have and we may become involved in litigation, claims and other proceedings relating to the conduct of our business including but not limited to claims related to our employment practices, commercial disputes, claims of intellectual property infringement and claims related to personal injuries and product liability for the products that we sell and the stores we operate. Any claims could result in litigation against us and could result in regulatory proceedings being brought against us by various federal and state agencies that regulate our business. Defending such litigation is costly and can impose significant burden on management and employees. Further, we could receive unfavorable preliminary or interim rulings in the course of litigation, and there can be no assurance that favorable final outcomes will be obtained.

In the opinion of management, we are currently not a party to any legal proceedings, the outcome of which, if determined adversely to us, would individually or in the aggregate have a material adverse effect on our business, financial condition or results of operations.

Management

Executive Officers and Directors

Below is a list of the names, ages as of the date of this prospectus, positions and a brief account of the business experience of the individuals who serve as our executive officers and directors as of the date of this prospectus.

Name	Age	Title
William G. ("Bill") Barton	69	Chief Executive Officer, President and Director
Carl Lukach	45	Chief Financial Officer, Executive Vice President and Treasurer
Rob Bogan	57	Chief Technology Officer and Senior Vice President
Patricia Davies	68	Chief Human Resources Officer and Senior Vice President
Carol Glaser	59	Chief Merchandising Officer and Executive Vice President
Stephen Moeller	48	Chief Growth Officer and Executive Vice President
Ramesh Murthy	60	Chief Operating Officer and Executive Vice President
Stephen Nesle	58	Chief Marketing Officer and Senior Vice President
Ryan Schaffer	47	Chief Legal & Development Officer and Corporate Secretary
Edmond J. English	72	Executive Chairman
Mir Aamir	53	Director
Joshua Bekenstein	67	Director
Barbara Carbone	67	Director
Jennifer Davis	48	Director
Soyoung Kang	51	Director
John Kilgallon	62	Director
Trevor Lang	55	Director
Philip H. Loughlin	58	Director
Scott Williams	62	Director

(1) Member of the Audit Committee.
(2) Member of the People Committee.
(3) Member of the Nominating and Corporate Governance Committee.

Executive Officers

William G. ("Bill") Barton has served as our Chief Executive Officer, President and Director since October 2020. Prior to joining Bob's Discount Furniture, Mr. Barton served as the President and Chief Executive Officer of California Closets Company, Inc. ("California Closets"), a manufacturer of custom closets and storage for homes, from May 2009 to October 2020, where he worked with the leadership team to drive sustained growth, launching California Closets' eCommerce platform and establishing collaborations with major lifestyle brands. Prior to serving as President and Chief Executive Officer, Mr. Barton served as the Senior Vice President of Operations of California Closets from 2006 to May 2009. Mr. Barton was the co-founder, president and chief operating officer of Tier Technologies, Inc. (NASDAQ: TIER), a global information technology professional services firm, from 1990 to 2000. They provided strategic IT consulting and systems integration services to corporate and government clients throughout the US, UK and Australia. Mr. Barton holds a Bachelor of Science degree in Business Administration and Management from the University of Phoenix and an M.B.A. from Pepperdine Graziadio Business School. We believe Mr. Barton is qualified to serve on our Board of Directors because of his extensive industry and institutional knowledge, operational experience and his knowledge of our company through his role as our Chief Executive Officer.

Carl Lukach has served as our Chief Financial Officer, Executive Vice President and Treasurer since June 2023. Prior to joining Bob's Discount Furniture, Mr. Lukach served as Chief Financial Officer of Noodles & Company (NASDAQ: NDLS), a fast-casual restaurant chain, from November 2020 to June 2023, prior to which he served as

Vice President, Finance of Equinox from September 2016 to November 2020. From September 2014 to September 2016, Mr. Lukach served as Senior Director, Finance and Corporate Development at Abercrombie & Fitch (NYSE: ANF), prior to which he spent nearly a decade as an investment banker in the Retail & Consumer Group at Credit Suisse and Bear Stearns. Mr. Lukach holds a Bachelor's degree in Finance from Georgetown University.

Rob Bogan has served as our Chief Technology Officer and Senior Vice President since April 2025. Prior to joining Bob's Discount Furniture, Mr. Bogan served as the Chief Technology Officer of DXL Group (NASDAQ: DXLG), an omni channel clothing retailer, from November 2023 to April 2025. From August 2023 to November 2023, Mr. Bogan served as Chief Information Officer of Cato Corporation (NYSE: CATO), a specialty retailer, prior to which he served as Chief Technology Officer of Mitchell Gold + Bob Williams, a home furnishings manufacturer and retailer, from September 2021 to August 2023 and Senior Vice President, Technology and Chief Information Officer of California Closets from May 2018 to August 2021. Mr. Bogan studied computer science in Dublin, Ireland, and later advanced his education at the University of California, Berkeley, Haas School of Business, completing its intensive CIO Leadership program. His background combines technical training with executive development, reflecting a global career at the intersection of technology and business strategy.

Patricia Davies has served as our Chief Human Resources Officer and Senior Vice President since January 2021, and previously served as our Senior Vice President, Human Resources from March 2016 to December 2020. Prior to joining Bob's Discount Furniture, Ms. Davies was Corporate Officer and Vice President, Human Resources of Jabil Inc. (formerly Nypro Inc.), a healthcare manufacturer, from December 2011 to March 2016. Ms. Davies holds a Bachelor of Science degree in Biology and Chemistry from Indiana University of Pennsylvania and a Master of Science degree in Environmental Science from Temple University.

Carol Glaser has served as our Chief Merchandising Officer and Executive Vice President since July 2020, and previously served as our Executive Vice President, Merchandising from October 2018 to July 2020 and our Senior Vice President and General Merchandise Manager from March 2013 to October 2018. Ms. Glaser has held other notable merchandising leadership positions from March 2008 to March 2013 including Vice President and General Merchandise Manager, General Merchandise Manager and Divisional Merchandise Manager. Prior to joining Bob's Discount Furniture, Ms. Glaser was the Vice President of Merchandising for Levitz Furniture from April 2006 to December 2007. Ms. Glaser holds a Bachelor of Science degree in marketing from Long Island University.

Stephen Moeller has served as our Chief Growth Officer and Executive Vice President since October 2024. Prior to joining Bob's Discount Furniture, Mr. Moeller served in senior roles at Wayfair Inc. (NYSE: W) from May 2017 to October 2023, including General Manager: Exclusive Brands, Supplier Acquisition, Visual Media and User Generated and COO, Wayfair Professional. Mr. Moeller holds a Bachelor of Arts degree in Economics from Princeton University.

Ramesh Murthy has served as our Chief Operating Officer and Executive Vice President since March 2025 and Executive Vice President of Operations since November 2024. He previously served as our Chief Supply Chain Officer and Executive Vice President from March 2022 to November 2024. Prior to joining Bob's Discount Furniture, Mr. Murthy served in senior roles at Hasbro from June 2014 to March 2022, including Senior Vice President – Global Planning and Logistics and Senior Vice President – Global Planning. Mr. Murthy holds a Bachelor of Science degree in Biomedical Engineering and Electrical Engineering from Rensselaer Polytechnic Institute and a Master of Science degree in Biomedical Engineering from Boston University.

Stephen Nesle has served as our Chief Marketing Officer and Senior Vice President since March 2016. Prior to joining Bob's Discount Furniture, Mr. Nesle held executive creative leadership roles at Deutsch Inc., DDB Worldwide Communications Group LLC, McCann Worldgroup and Digitas, Inc. Mr. Nesle is an award-winning marketing and creative leader with more than thirty years of experience building brands and driving demand. Mr. Nesle is an executive member of the International Academy of Digital Arts and Sciences. Mr. Nesle holds a Bachelor of Fine Arts degree in creative writing from Emerson College.

Ryan Schaffer has served as our Chief Legal & Development Officer and Corporate Secretary since March 2025, and previously served as our Chief Legal Officer and Corporate Secretary from March 2022 to March 2025 and Senior Vice President, General Counsel and Corporate Secretary from June 2021 to March 2022. Prior to

joining Bob's Discount Furniture, Mr. Schaffer served as Vice President and Managing Counsel of Inspire brands from December 2020 to May 2021, prior to which he served in a number of senior roles at Dunkin' Brands from January 2012 to December 2020, including Vice President and Managing Counsel, Senior Director and Legal Counsel and Director, Legal Counsel and Assistant Corporate Secretary. Mr. Schaffer holds a Bachelor of Arts degree in Government from Harvard University and a J.D. from the University of Virginia School of Law.

Non-Employee Directors

Edmond J. English has served as the Executive Chairman of our Board of Directors since March 2016. Mr. English served as our Chief Executive Officer from November 2006 to March 2016. Prior to joining Bob's Discount Furniture, Mr. English served as Chief Executive Officer for The TJX Companies, Inc. (NYSE: TJX) from 2000 to 2005. In addition to serving on our Board of Directors, Mr. English also serves as a director of Burlington Stores, Inc. (NYSE: BURL) and Rue Gilt Groupe, Inc., a private off-price eCommerce portfolio company. Mr. English also serves on the Board of Trustees of various funds within the multi-affiliate structure of Natixis Global Asset Management, a global asset management firm. Mr. English holds a Bachelor of Science degree in Business Administration from Northeastern University. We believe that Mr. English is qualified to serve on our Board of Directors based on his extensive understanding of our business through his various leadership roles at our company and more than 40 years of experience in the retail industry, including broad experience in large retail chain management encompassing marketing, finance and accounting, operational expertise and supply chain management.

Mir Aamir has served on our Board of Directors since January 2021. Mr. Aamir has served as President and Chief Executive Officer of Fulfil Solutions, Inc., a venture backed robotics automation company, since November 2021. Prior to Fulfil Solutions, Inc., Mr. Aamir served in various senior executive roles at Quotient Technology Inc., a digital marketing platform company, from October 2013 to August 2019, including President and Chief Executive Officer, as well as Safeway, Inc., a national grocery retailer from May 2005 to September 2013. In addition to serving on our Board of Directors, Mr. Aamir also serves on the boards of directors of Fulfil Solutions, Inc. and Teach the World Foundation, a nonprofit organization dedicated to educating unschooled children using technology and game-based learning. He previously served on the board of directors of Cloudways, a high growth cloud application company, until its acquisition by Digital Ocean (NYSE: DOCN) in 2022, as well as on the Board of FTD, LLC, a global eCommerce retailer. Mr. Aamir holds a Bachelor of Business Administration degree from the Institute of Business Administration at the University of Karachi in Pakistan and an M.B.A. from the University of Chicago Booth School of Business. We believe that Mr. Aamir is qualified to serve on our Board of Directors based on his leadership in multiple businesses.

Joshua Bekenstein has served on our Board of Directors since February 2014. Mr. Bekenstein has been a Senior Advisor at Bain Capital Private Equity, LP, since January 2023. Previously, he was a Managing Director, having joined the firm at its inception in 1984. Prior to joining Bain Capital, Mr. Bekenstein spent several years at Bain & Company, where he was involved with companies in a variety of industries. In addition to serving on our Board of Directors, Mr. Bekenstein also serves as a director of Bright Horizons Family Solutions Inc. (NYSE: BFAM), BRP Inc. (NASDAQ: DOOO) and Dollarama Inc. (OTC: DLMAF). He previously served on the boards of directors of The Michaels Companies, Inc. (NASDAQ: MIK) until April 2021 and Canada Goose Holdings Inc. (NYSE: GOOS) until September 2023. Mr. Bekenstein holds a Bachelor of Arts degree in Economics from Yale University and an M.B.A. from the Harvard Business School. We believe Mr. Bekenstein is qualified to serve on our Board of Directors because of his leadership and investment experience in the retail industry.

Barbara Carbone has served on our Board of Directors since January 2023. Ms. Carbone served in several accounting and auditing-related roles at KPMG LLP, a multinational accounting and advisory firm, from 1981 through September 2019. Since November 2022, Ms. Carbone has served as a member of the board of directors of Limoneira Company (NASDAQ: LMNR), a publicly-traded international agribusiness and real estate development company and, since May 2025, has served as a member of the board of directors of The Cooper Companies, Inc. (NASDAQ: COO), a global medical device company. From August 2020 through January 2026, she served as the chair of the board of directors of TrueCar, Inc., an automotive digital marketplace. From January 2021 through March 2025, Ms. Carbone served on the board of directors of DZS Inc. (NASDAQ: DZSI), a provider of mobile transport and broadband access equipment and software. From June 2021 through August 2022, Ms. Carbone served on the board of directors and chair of the audit committee of Blue Nile, Inc., the world's leading diamond jeweler

online for engagement and wedding rings. Ms. Carbone holds a Bachelor of Business Administration degree in Business and Accounting from California State University-Sacramento. We believe Ms. Carbone is qualified to serve on our Board of Directors based on her substantial financial and audit expertise, and experience as a director of public companies in various business sectors.

Jennifer Davis has served on our Board of Directors since November 2022. Ms. Davis has been a Partner at Bain Capital since August 2022, where she is in the Consumer vertical and a member of the North America Private Equity team. Prior to joining Bain Capital, Ms. Davis was a Partner in Consumer/Retail Investment Banking at Goldman Sachs, where she served as Head of Retail Investment Banking and Head of Consumer/Retail Client Coverage. Ms. Davis currently serves on the board of Canada Goose Holdings Inc. (NYSE: GOOS), the boards of privately held 1440 Foods and Concert Golf Partners, and the boards of directors of non-profits The Opportunity Network and Cornell University. Ms. Davis holds a Bachelor of Science in Applied Economics and Business Management from Cornell University and an M.B.A. from the Harvard Business School. We believe Ms. Davis is qualified to serve on our Board of Directors based on her strong finance, marketing and general business operations skills and valuable experience gained from current board service.

Soyoung Kang has served on our Board of Directors since January 2021. Ms. Kang is currently President at eos Products, a fast-growth consumer packaged goods company, since August 2025 and previously served as Chief Marketing and Innovation Officer from June 2018. Prior to joining eos Products, Ms. Kang served as Senior Vice President of Brand Merchandising at Bath & Body Works, Inc. (NYSE: BBWI) and other executive roles from 2008 to 2018. Before that, Ms. Kang led strategy and growth initiatives across global companies, including Victoria's Secret & Co. (NYSE: VSCO) and The Boston Consulting Group. Ms. Kang holds a B.S. from the Massachusetts Institute of Technology and an M.B.A. from The Wharton School of the University of Pennsylvania. We believe Ms. Kang is qualified to serve on our Board of Directors based on her experience in consumer products, retail and merchandising, and high growth companies.

John Kilgallon has served on our Board of Directors since February 2014. Mr. Kilgallon has been a Partner at Bain Capital since 2011, where he is a member of the North America Private Equity team, and leads the Capital Markets team. Prior to joining Bain Capital, Mr. Kilgallon held senior leadership positions in debt and equity capital markets, investment banking, and corporate finance at Citadel, Merrill Lynch, Goldman Sachs, and Bear Stearns. He began his finance career at GE Capital. Mr. Kilgallon holds a Bachelor of Science in Mechanical and Aerospace Engineering from Princeton University and an M.B.A. from the Amos Tuck School at Dartmouth College. We believe Mr. Kilgallon is qualified to serve on our Board of Directors based on his strong finance, marketing and general business operations skills and valuable experience gained from current board service.

Trevor Lang has served on our Board of Directors since November 2025. Mr. Lang served as the President of Floor & Decor (NYSE: FND) from August 2022 to March 2025. Previously, he served as the Chief Financial Officer and Executive Vice President of Professional Services at Floor & Decor from June 2011 to August 2022. From June 2007 to June 2011, Mr. Lang served as the Chief Financial Officer of Zumiez Inc. (NASDAQ: ZUMZ), prior to which he served as Vice President of Finance at Carter's Inc. (NYSE: CRI) from February 2003 to June 2007. Mr. Lang holds a Bachelor of Business Administration in Accounting from Texas A&M University. We believe that Mr. Lang is qualified to serve on our Board of Directors based on his finance expertise and considerable experience in the consumer retail industry.

Philip H. Loughlin has served on our Board of Directors since 2016. Mr. Loughlin was a Partner at Bain Capital from 2004 to 2025 and now serves as a Senior Advisor to the firm. Prior to joining Bain Capital in 1996, Mr. Loughlin was a consultant at Bain & Company and served in operating roles at Eagle Snacks, Inc. and Norton Company. Mr. Loughlin serves on the boards of directors of private companies, including Envestnet, Inc., Guidehouse Inc., Fogo de Chao, Inc., Sizzling Platter, LLC and Dessert Holdings Inc. He previously served on the boards of directors of AMC Entertainment, Inc. (NYSE: AMC) and Bloomin' Brands, Inc. (NASDAQ: BLMN). Mr. Loughlin holds a Bachelor of Arts in Economics from Dartmouth College and an M.B.A. from the Harvard Business School. We believe Mr. Loughlin is qualified to serve on our Board of Directors based on his strong finance, marketing and general business operations skills and valuable experience gained from previous and current board service.

Scott K. Williams has served on our Board of Directors since July 2018. Mr. Williams has served as Chief Executive Officer and a director of Batteries Plus, a retailer of battery and lighting solutions, since January 2019. Mr. Williams previously served as President of Cabela's, Inc. from February 2016 until its acquisition by Bass Pro Shops in October 2017. Prior to that, he was Chief Commercial Officer at Cabela's from August 2015 to February 2016 and Chief Marketing and eCommerce Officer from October 2011 to August 2015. Previously, he was President of Fanatics, Inc., a pure-play growth company in licensed apparel. He had also served as Corporate Vice President for Wal-Mart Stores, Inc. with responsibility as General Manager of the Samsclub.com business unit, as well as overseeing digital marketing and call center operations. Prior to working at Wal-Mart, he was Senior Vice President of the Marketing and Direct Business segment of OfficeMax, Inc. In addition to serving on our Board of Directors, Mr. Williams has served on the board of directors of Duluth Holdings Inc. (NASDAQ: DLTH) since June 2018 and has served as Compensation Committee Chair since May 2025. Mr. Williams holds a Bachelor of Science degree in Business Administration from the University of Kansas and a Masters of Management degree from the Kellogg Graduate School of Management of Northwestern University. We believe Mr. Williams is qualified to serve on our Board of Directors given his considerable experience across both online and in-store retailing businesses.

Family Relationships

There are no family relationships between any of our executive officers or directors.

Controlled Company

Upon completion of this offering, we will be a "controlled company" under the New York Stock Exchange corporate governance standards. As a controlled company, exemptions under the New York Stock Exchange standards will exempt us from certain New York Stock Exchange corporate governance requirements, including the requirements:

- that our Board of Directors be composed of a majority of "independent directors," as defined under the New York Stock Exchange rules;
- that the people committee be composed entirely of independent directors; and
- that the nominating and corporate governance committee be composed entirely of independent directors.

Accordingly, for so long as we are a "controlled company," you will not have the same protections afforded to stockholders of companies that are subject to all of the New York Stock Exchange corporate governance requirements. In the event that we cease to be a controlled company, we will be required to comply with these provisions within the transition periods specified in the rules of the New York Stock Exchange.

These exemptions do not modify the independence requirements for our audit committee, and we expect to satisfy the member independence requirement for the audit committee prior to the end of the transition period provided under the New York Stock Exchange listing standards and SEC rules and regulations for companies completing their initial public offering.

Board Composition and Director Independence

Our business and affairs are managed under the direction of our Board of Directors. The number of directors will be fixed by our Board of Directors, subject to the terms of our second restated certificate of incorporation and second amended and restated bylaws that will become effective immediately prior to the completion of this offering.

Our Board of Directors has undertaken a review of the independence of each director. Based on the information provided by each director concerning his or her background, employment, and affiliations, our Board of Directors has determined that each of Mir Aamir, Barbara Carbone, Soyoung Kang, Trevor Lang and Scott Williams are independent under the rules of the New York Stock Exchange. In making this determination, the Board of Directors considered the relationships that such directors have with our Company and all other facts and circumstances that the Board of Directors deemed relevant in determining such directors' independence, including beneficial ownership of our capital stock by each non-employee director and their affiliates, and the transactions involving them described in "*Certain Relationships and Related Party Transactions*."

Our Board of Directors will be divided into three classes, as follows:

- Class I, which will initially consist of Joshua Bekenstein, Barbara Carbone, John Kilgallon and Scott Williams, whose terms will expire at the first annual general meeting of stockholders occurring after this offering;
- Class II, which will initially consist of William Barton, Soyoung Kang, Trevor Lang and Philip H. Loughlin, whose terms will expire at the second annual general meeting of stockholders occurring after this offering; and
- Class III, which will initially consist of Mir Aamir, Jennifer Davis and Edmond J. English, whose terms will expire at the third annual general meeting of stockholders occurring after this offering.

Upon the expiration of the initial term of office for each class of directors, each director in such class shall be elected for a term of three years and serve until a successor is duly elected and qualified or until his or her earlier death, resignation or removal.

In connection with this offering, we intend to enter into the Amended and Restated Stockholders Agreement, pursuant to which Bain Capital will have the right to nominate a number of directors to our Board of Directors determined according to the then current beneficial ownership of Bain Capital. We will be required to use our reasonable best efforts to ensure that such director nominees are included in the Board of Directors' slate of nominees to the stockholders at each meeting of the stockholders of the Company at which directors are to be elected to the Board of Directors. In addition, subject to applicable laws and stock exchange regulations, the Amended and Restated Stockholders Agreement will provide that for so long as Bain Capital has the right to nominate at least one director to our Board of Directors, it will have the right to designate a director for appointment to certain committees of our Board of Directors. See "*Certain Relationships and Related Party Transactions—Amended and Restated Stockholders Agreement*."

Board Committees

Upon the completion of this offering, our Board of Directors will have three standing committees: the audit committee; the people committee; and the nominating and corporate governance committee. Each of the committees operates under its own written charter adopted by the Board of Directors, each of which will be available on our website upon closing of this offering.

Audit Committee

Following this offering, our audit committee will be composed of Mir Aamir, Barbara Carbone, Edmond J. English and Trevor Lang, with Barbara Carbone serving as chairperson of the committee. Our Board of Directors has determined that Mir Aamir, Barbara Carbone and Trevor Lang meet the definition of "independent director" under the rules of the New York Stock Exchange and under Rule 10A-3 under the Exchange Act. Within one year following the effective date of the registration statement of which this prospectus forms a part, the audit committee will consist exclusively of independent directors. None of our audit committee members simultaneously serves on the audit committees of more than three public companies, including ours. Our Board of Directors has determined that each of Barbara Carbone and Trevor Lang is an "audit committee financial expert" within the meaning of the SEC's regulations and applicable listing standards of the New York Stock Exchange. The audit committee's responsibilities upon completion of this offering will include:

- appointing, approving the compensation of, and assessing the qualifications, performance, and independence of our independent registered public accounting firm;
- pre-approving audit and permissible non-audit services, and the terms of such services, to be provided by our independent registered public accounting firm;
- reviewing the audit plan with the independent registered public accounting firm and members of management responsible for preparing our audited consolidated financial statements;

- reviewing and discussing with management and the independent registered public accounting firm our annual and quarterly consolidated financial statements and related disclosures as well as critical accounting policies and practices used by us;
- reviewing the adequacy of our internal control over financial reporting;
- reviewing all related party transactions for potential conflict of interest situations and approving all such transactions;
- establishing policies and procedures for the receipt and retention of accounting-related complaints and concerns;
- recommending, based upon the audit committee's review and discussions with management and the independent registered public accounting firm, the inclusion of our audited consolidated financial statements in our Annual Report on Form 10-K;
- reviewing and assessing the adequacy of the committee charter and submitting any changes to the Board of Directors for approval;
- monitoring our compliance with legal and regulatory requirements as they relate to our audited consolidated financial statements and accounting matters;
- overseeing the integrity of our information technology systems, process and cybersecurity;
- preparing the audit committee report required by the rules of the SEC to be included in our annual proxy statement; and
- reviewing and discussing with management and our independent registered public accounting firm our earnings releases.

People Committee

Following this offering, our people committee will be composed of Joshua Bekenstein, Edmond J. English, Philip H. Loughlin and Scott Williams, with Philip H. Loughlin serving as chairperson of the committee. The people committee's responsibilities upon completion of this offering will include:

- reviewing and approving the corporate goals and objectives relevant to the compensation of our executive officers;
- reviewing the compensation of our executive officers;
- appointing, compensating, and overseeing the work of any compensation consultant, legal counsel or other advisor retained by the people committee;
- conducting the independence assessment outlined in the rules of the New York Stock Exchange with respect to any compensation consultant, legal counsel, or other advisor retained by the people committee;
- reviewing and assessing the adequacy of the committee charter and submitting any changes to the Board of Directors for approval;
- overseeing and administering our equity compensation and similar plans;
- reviewing and approving our policies and procedures for the grant of equity-based awards and granting equity awards;
- reviewing and making recommendations to the Board of Directors with respect to director compensation; and

- reviewing and discussing with management the compensation discussion and analysis to be included in our annual proxy statement or Annual Report on Form 10-K.

Nominating and Corporate Governance Committee

Following this offering, our nominating and corporate governance committee will be composed of Jennifer Davis, Soyoung Kang and John Kilgallon, with Jennifer Davis serving as chairperson of the committee. The nominating and corporate governance committee's responsibilities upon completion of this offering will include:

- developing and recommending to the Board of Directors criteria for board and committee membership;
- establishing procedures for identifying and evaluating candidates for the Board of Directors, including nominees recommended by stockholders;
- recommending to the Board of Directors the persons to be nominated for election as directors and to each of the board's committees;
- developing and recommending to the Board of Directors a set of corporate governance guidelines;
- reviewing and assessing the adequacy of the committee charter and submitting any changes to the Board of Directors for approval;
- provide for new director orientation and continuing education for existing directors on a periodic basis;
- performing an evaluation of the performance of the committee; and
- overseeing the evaluation of the Board of Directors and management.

People Committee Interlocks and Insider Participation

None of the members of our people committee has at any time during the prior three years been one of our officers or employees. None of our executive officers currently serves, or in the past fiscal year has served, as a member of the board of directors or people committee (or other committee performing equivalent functions) of any entity that has one or more executive officers serving on our Board of Directors or people committee. For a description of transactions between us and members of our people committee (or other committee performing equivalent functions) and affiliates of such members, please see "*Certain Relationships and Related Party Transactions*."

Board of Directors Oversight of Risk Management

Management is responsible for the day-to-day management of risks the Company faces. The full Board of Directors has the ultimate oversight responsibility for the risk management process, and, through its committees, oversees risk in certain specified areas. In particular, our audit committee oversees management of enterprise risks as well as financial risks and cybersecurity risks and is responsible for overseeing the review and approval of related party transactions. Our people committee is responsible for overseeing the management of risks relating to our executive compensation plans and arrangements and the incentives created by the compensation awards it administers. Our nominating and corporate governance committee oversees risks associated with corporate governance, business conduct and ethics.

Pursuant to the Board of Directors' instruction, management regularly reports on applicable risks to the relevant committee or the full Board of Directors, as appropriate, with additional review or reporting on risks conducted as needed or as requested by the Board of Directors and its committees.

Codes of Business Conduct and Ethics

We have adopted a code of ethics that applies to all of our employees, officers and directors. Upon the closing of this offering, our code of ethics will be available on our website. We intend to disclose any amendments to our code of ethics, or any waivers of their requirements, on our website. Information contained on our website is not

incorporated by reference into this prospectus, and you should not consider information contained on our website to be part of this prospectus or in deciding to purchase shares of our common stock.

Executive and Director Compensation

The following discussion of compensation arrangements should be read with the compensation tables and related disclosures set forth below. This discussion may contain forward-looking statements that are based on our current plans, considerations, expectations and determinations regarding future compensation programs. Actual compensation programs that we adopt following the completion of this offering may differ materially from the currently planned programs summarized in this discussion.

Compensation discussion and analysis

This compensation discussion and analysis section is intended to provide information about our 2025 compensation programs for our named executive officers ("NEOs"), the objectives of those programs and our executive compensation philosophy, as well as to provide context for the information included in the tables that follow this discussion. For 2025, our named executive officers were William Barton, our President and Chief Executive Officer; Carl Lukach, our Chief Financial Officer; Carol Glaser, our Chief Merchandising Officer; Ramesh Murthy, our Chief Operating Officer; and Stephen Moeller, our Chief Growth Officer.

Principal Objectives of the Company's Executive Compensation Program

In designing our executive compensation program, our objective is to provide our executives with a total compensation package that furthers our ability to compete for high-caliber talent and pay for performance in a manner that is equitable and transparent. To help meet this objective, we provide a compensation program that is focused on the following key areas:

- providing market-competitive total cash compensation in the form of base salary and short-term cash incentives under our annual management bonus plan (the "Bonus Plan");
- rewarding executives for their contributions towards the Company's financial success, as measured by the Company's normalized earnings before interest and taxes ("Normalized EBIT"), under the Bonus Plan; and
- incentivizing executives to enhance stockholder value over the long-term by, prior to this offering, granting initial stock option awards with a larger grant date value than would be delivered under annual awards and that vest over five years, with no subsequent grants during this initial vesting period.

Decision-making Responsibility

Role of the Committee and Board of Directors. The people committee (the "Committee") of our Board of Directors reviews and discusses the compensation of our NEOs and makes compensation recommendations to our Board of Directors. Our Board of Directors then reviews such recommendations and has the responsibility for making final compensation decisions. The chair of the Committee and our executive chairman, working together, propose a recommendation for the compensation of our CEO, which is then reviewed by the Board of Directors, with the Board of Directors approving our CEO's compensation in executive session.

Our Board of Directors approves our annual Normalized EBIT objective, which is defined as actual earnings before interest and taxes, adjusted to remove one-time occurrences impacting financial results as approved by the Audit Committee of the Board of Directors, as part of its annual budget planning process, which the Committee then reviews and adopts as the performance metric under our Bonus Plan. The Committee also serves as the administrator of our equity incentive plan.

Role of Executives. Our NEOs have a limited role in the executive compensation process. Our CEO, with input from members of our compensation and human resources teams, proposes to the Committee annual, merit-based base salary recommendations for his direct reports. These recommendations are based, in part, on compensation survey information that is reviewed and analyzed by our compensation and human resources teams. The Committee reviews and, if appropriate, makes base salary recommendations to our Board of Directors for final approval. Our named executive officers may also be invited by the Committee or our Board of Directors to address various business, human capital or other organization strategies and to attend portions of such Committee and/or Board of Directors meetings where such topics are discussed.

Compensation Setting Process

The Committee and Board of Directors follow a thoughtful and deliberate approach in discharging their responsibilities with respect to our executive compensation program and making compensation decisions. In fulfilling their responsibilities, the Committee and Board of Directors rely on their members' experience with the compensation practices of other sponsor-backed companies, as well as recommendations from our CEO with respect to the compensation of his direct reports. In assessing the Company's executive compensation structure, the Committee and Board of Directors generally focus on total cash compensation, which consists of annual base salary and incentive opportunities under our Bonus Plan. As discussed in more detail below, the Committee and Board of Directors evaluate long-term incentive opportunities at the time an NEO is newly hired or promoted and provide equity grants in the form of stock option awards. Prior to this offering, our practice was to grant initial option grants that were intended to reflect approximately five years of economic value, which the Committee generally determined based on an executive's total cash compensation opportunity. Annual grants following the initial equity grants were generally intended to reflect approximately one year of economic value. In making its compensation recommendations prior to this offering, the Committee did not strictly benchmark any of these compensation elements to any specified compensation levels within the market in which the Company competes for talent, but it generally sought to target total cash compensation within a broad range that pivots around the market 50th percentile.

In the first quarter of each year, the Committee meets to review and make recommendations with respect to the Bonus Plan payouts for the previous year, as well as to adopt the Normalized EBIT target for the current year. At this time, the Committee will also review, and if applicable make recommendations to the Board of Directors with respect to, any merit-based base salary changes for our named executive officers. In the third quarter of each year, the Committee generally reviews the Company's succession plans to ensure the stability of our executive team, which has been an important factor in the success of the business. Throughout the year, the Committee also has ongoing involvement with respect to matters influencing employee engagement, including maintaining visibility into ongoing employee communications around pay process, fairness and transparency.

Role of Compensation Consultant and Peer Group

In making its compensation recommendations prior to this offering, the Committee did not seek the advice of a compensation consultant or adopt a formal peer group of companies for purposes of compensation benchmarking. However, in connection with the Company's transition to a public company, the Committee has engaged the services of a compensation consultant and expects that, in addition to other advice, that consultant will assist the Committee with developing a relevant set of peer group companies and providing executive compensation benchmarking information.

Elements of Compensation

Component	Form of Payout	Objective
Base Salary	Cash	• To provide a fixed and competitive base level of compensation and to reward individual performance through annual salary adjustments
Annual Bonus Plan	Cash	• 100% performance-based plan that incentivizes the achievement of important short-term performance goals, currently our Normalized EBIT objective
Long-Term Incentives	Equity awards in the form of stock options	• Strengthen alignment between executive pay and stockholder interests by tying compensation to stock price appreciation over an option's exercise price • Extended vesting periods for new hire awards promote retention

Annual Base Salary

We provide each of our NEOs with a base salary for the services that the NEO performs for us. As described above, our CEO, with input from members of our compensation and human resources teams, proposes to the Committee annual, merit-based base salary recommendations during the first quarter of our fiscal year for his direct reports based on the individual performance of the NEO, Company performance, and relevant benchmarking information. The Committee then recommends base salary adjustments to our Board of Directors based on the CEO's recommendations and its assessment of an NEO's performance against our organizational goals and core values. The base salary adjustments for our CEO are determined by the Board of Directors in executive session following a joint recommendation from the chair of the Committee and our executive chairman. For 2025, except for Mr. Moeller who was hired in September 2024 and was therefore not eligible for a base salary increase, each of our NEOs received a merit-based salary increase in the range of approximately 3-5% over his or her 2024 base salary, as shown below.

Executive	2025 FYE Base Salary	2024 FYE Base Salary	% Change
William Barton	$ 1,025,000	$ 995,000	3.02 %
Carl Lukach	$ 527,902	$ 510,050	3.50 %
Carol Glaser	$ 563,207	$ 536,388	5.00 %
Ramesh Murthy	$ 546,000	$ 520,000	5.00 %
Stephen Moeller	$ 510,000	$ 510,000	0 %

Annual Incentive Awards

The Company's Bonus Plan is designed to incentivize the achievement of annual Normalized EBIT, an important indicator of performance for the Company. Under the Bonus Plan, Company performance against the pre-established Normalized EBIT objective has historically been the sole determinant of an NEO's bonus payout. As described above, our Board of Directors approves the annual Normalized EBIT objective as part of its annual budget process, which the Committee then reviews and adopts for purposes of establishing the target level of performance under the Bonus Plan. The Committee also establishes the threshold and maximum performance levels under the plan, with payouts ranging from 0% to 150% of target performance (200% in the case of Mr. Barton pursuant to his employment agreement with the Company).

The table below shows the 2025 target annual bonus for each NEO that can be earned based on our Normalized EBIT performance. Bonuses with respect to fiscal year 2025 have not been determined as of the date of this filing.

Name	Target Percentage	Target Amount
William Barton	100 %	$ 1,015,137
Carl Lukach	60 %	$ 316,741
Carol Glaser	60 %	$ 337,924
Ramesh Murthy	60 %	$ 327,600
Stephen Moeller	60 %	$ 306,000

Equity Incentive Compensation

In order to incentivize long-term value creation for our stockholders, as a privately held company, the Committee adopted an approach to equity-based compensation where it recommends awards for a newly-hired or promoted executive in the form of an initial stock option grant that is intended to reflect five years of economic value, with such award vesting over a five-year period subject to continued employment (the "Initial Option Grant"). Once the Initial Option Grant becomes fully vested, the executive is eligible to receive an annual stock option grant that vests as to 25% of the shares subject to the award over a four-year period, subject to continued employment.

Mr. Barton and Ms. Glaser received an annual stock option grant in 2025 under the BDF Holding Corp. 2014 Stock Option (the "Option Plan") in respect of 61,986 shares and 40,772 shares, respectively. Our other NEOs did not receive stock option grants in 2025. In connection with the Recapitalization, as described above, our Board of Directors adjusted the exercise price of vested and unvested stock options outstanding under the Option Plan, including stock options held by our NEOs, and approved make-whole payments to the holders of certain stock options, including Mr. Barton and Ms. Glaser, in each case as provided under the terms of the Option Plan.

Employment Agreements

The Company has entered into an employment agreement with each of Messrs. Barton and Lukach that governs the terms and conditions of their employment relationship with us, including the compensation and benefits to which each executive is entitled. Messrs. Barton and Lukach are also entitled to severance and other benefits upon a termination of employment in certain circumstances pursuant to their employment agreements. These severance protections are described in more detail below under "Potential Payments Upon Termination or Change in Control."

Other Benefits and Perquisites

We do not provide our NEOs with perquisites, with the exception of our CEO who receives limited perquisites under his employment agreement, including annual membership dues for the Young Presidents Organization and Chief Executives Organization and executive coaching expenses of up to $75,000 per year.

In addition, our NEOs participate in our tax-qualified 401(k) profit sharing plan, a broad-based, defined contribution retirement plan in which all of our employees who meet certain age and service requirements are eligible to participate. We make a non-discretionary matching contribution equal to 50% of each employee's deferrals under the plan, up to 6% of an employee's eligible compensation. We do not maintain a defined benefit pension plan or supplemental executive retirement plan.

Policies on Clawback and Recovery of Compensation

In connection with this offering, we intend to adopt a clawback policy to address the recovery of erroneously-awarded incentive compensation in compliance with the requirements of the Dodd-Frank Act, final SEC rules and applicable listing standards.

Compensation Risk Management

Our Committee has reviewed our compensation policies and practices and does not believe that these policies and practices create risks that are reasonably likely to have a material adverse effect on us.

Summary Compensation Table

The following table sets forth the compensation awarded to, earned by, or paid to our named executive officers in respect of their service to us for fiscal year 2025.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)[1]	Nonequity Incentive Plan Compensation ($)[2]	All Other Compensation ($)[3]	Total ($)
William Barton *President and Chief Executive Officer*	2025	1,014,846	—	—	267,780	—	18,817	1,301,443
Carl Lukach *Chief Financial Officer*	2025	524,812	—	—	—	—	10,349	535,161
Carol Glaser *Chief Merchandising Officer*	2025	558,565	—	—	152,895	—	22,772	734,232
Ramesh Murthy *Chief Operating Officer*	2025	541,500	—	—	—	—	12,403	553,903
Stephen Moeller *Chief Growth Officer*	2025	510,001	—	—	—	—	2,671	512,672

(1) The amounts shown in this column represent the grant date fair value of options to purchase shares of our common stock granted to certain of our named executive officers in fiscal year 2025 under the Option Plan computed in accordance with Financial Accounting Standards Board Accounting Standards Codification, or FASB ASC, Topic 718, excluding the effect of estimated forfeitures. The assumptions used to value the stock option grants for this purpose are set forth in Note 12 to our unaudited condensed consolidated interim financial statements included elsewhere in this prospectus.

(2) Annual bonuses earned with respect to fiscal year 2025 have not yet been determined. Such bonuses are expected to be determined in the first quarter of 2026.

(3) All Other Compensation reflects employer paid matching contributions to our 401(k) Plan, as well as employer paid premiums for: Basic Life Insurance, Long Term Disability Insurance, and Accidental Death and Dismemberment Insurance and (i) in the case of Mr. Barton, payment of membership dues for the Chief Executives Organization and (ii) in the case of Ms. Glaser, a cash payment in respect of unused time off, which is a benefit offered to individuals with ten or more years of service with the Company, each as set forth below. In connection with the Recapitalization, as described above, Mr. Barton and Ms. Glaser also received Board of Directors-approved make-whole payments in respect of certain of their stock options, as provided under the terms of the Option Plan, which amounts are not included in this table.

Name	Year	Membership Dues	Vacation Pay - Cash Out	Company Paid Benefits (Basic Life/AD&D/LTD; 401k match)
William Barton *President and CEO*	2025	$ 5,000	—	$ 13,817
Carl Lukach *Chief Financial Officer*	2025	—	—	$ 10,349
Carol Glaser *Chief Merchandising Officer*	2025	—	$ 10,315	$ 12,457
Ramesh Murthy *Chief Operating Officer*	2025	—	—	$ 12,403
Stephen Moeller *Chief Growth Officer*	2025	—	—	$ 2,671

Grants of Plan-Based Awards Table

The following table sets forth information regarding plan-based awards made to each of our named executive officers during fiscal year 2025.

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards[1]						
Name	Grant Date	Threshold ($)	Target ($)	Maximum ($)	All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards: Number of Securities Underlying Options (#)[2]	Exercise or Base Price of Option Awards ($/Sh)[3]	Grant Date Fair Value of Stock and Option Awards ($)[4]
William Barton	—	507,568	1,015,137	2,030,274	—	—	—	—
	11/4/2025	—	—	—	—	61,986	8.10	267,780
Carl Lukach	—	158,371	316,741	475,112	—	—	—	—
	—	—	—	—	—	—	—	—
Carol Glaser	—	168,962	337,924	506,886	—	—	—	—
	2/12/2025	—	—	—	—	40,772	5.64	152,895
Ramesh Murthy	—	163,800	327,600	491,400	—	—	—	—
	—	—	—	—	—	—	—	—
Stephen Moeller	—	153,000	306,000	459,000	—	—	—	—
	—	—	—	—	—	—	—	—

(1) The amounts in the "Estimated Future Payouts Under Non-Equity Incentive Plan Awards" column represent the minimum threshold, target and maximum amounts that our NEOs were eligible to earn pursuant to our Bonus Plan for 2025. Actual amounts paid to each of the NEOs under this program for 2025 performance will be set forth in the Summary Compensation Table once they are determined.
(2) Represents stock option awards granted in 2025 under the Option Plan, as described under "Equity Incentive Compensation" above.
(3) Reflects the exercise price on the Grant Date, prior to the adjustment undertaken in connection with the Recapitalization, as described above.
(4) Represents the grant date fair value of the option awards, as determined in accordance with FASB ASC, Topic 718, excluding the effect of estimated forfeitures. See note (1) to the Summary Compensation Table above.

Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table

Each of Messrs. Barton and Lukach has entered into an employment agreement with the company. The agreements provide the executives with an initial base salary, which has subsequently been increased, an annual bonus target, eligibility to receive severance payments in connection with a qualifying termination and the right to participate in the company's compensation and benefits plans. The agreements also contain certain restrictive covenant obligations, including covenants relating to confidentiality and assignment of developments, as well as covenants not to compete or solicit certain of our service providers, customers and suppliers during employment and for two years after termination of employment.

Outstanding Equity Awards at Fiscal Year-End

The following table sets forth information concerning outstanding equity awards held by each of our named executive officers as of December 31, 2025.

	Option Awards				
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)[11]	Option Expiration Date
William Barton	2,098,735	—	—	2.04	11/4/2030
	—	61,986	—	8.10	11/4/2035 [2]
Carl Lukach	88,778	133,168	—	4.28	6/19/2033 [1]
Carol Glaser	191,613	—	—	2.04	10/8/2028
	11,134	—	—	2.04	4/1/2031
	10,991	3,664	—	2.48	4/1/2032 [3]
	9,188	9,188	—	2.67	4/1/2033 [4]
	9,887	29,662	—	5.05	4/1/2034 [5]
	—	40,772	—	5.64	4/1/2035 [6]
Ramesh Murthy	153,291	102,194	—	2.48	3/21/2032 [7]
	7,960	11,941	—	5.05	12/1/2033 [8]
	1,877	7,510	—	5.05	4/1/2034 [9]
Stephen Moeller	38,894	155,579	—	5.61	10/14/2034 [10]

(1) Represents stock options that vest annually over a five-year period on each anniversary of June 19, 2023, generally subject to continued employment. If Mr. Lukach's employment is terminated by the Company for a reason other than for cause or by him for good reason, he is entitled to continued vesting of his award, as described below.
(2) Represents stock options that vest annually over a four-year period on each anniversary of November 4, 2025, generally subject to continued employment.
(3) Represents stock options that vest annually over a four-year period on each anniversary of April 1, 2022, generally subject to continued employment.
(4) Represents stock options that vest annually over a four-year period on each anniversary of April 1, 2023, generally subject to continued employment.
(5) Represents stock options that vest annually over a four-year period on each anniversary of April 1, 2024, generally subject to continued employment.
(6) Represents stock options that vest annually over a four-year period on each anniversary of February 12, 2025, generally subject to continued employment.
(7) Represents stock options that vest annually over a five-year period on each anniversary of March 21, 2022, generally subject to continued employment.
(8) Represents stock options that vest annually over a five-year period on each anniversary of December 1, 2023, generally subject to continued employment.
(9) Represents stock options that vest annually over a five-year period on each anniversary of April 1, 2024, generally subject to continued employment.
(10) Represents stock options that vest annually over a five-year period on each anniversary of October 14, 2024, generally subject to continued employment.
(11) Reflects the exercise price adjustment undertaken in connection with the Recapitalization, as described above.

Option Exercises and Stock Vested

None of our NEOs exercised stock options, or held stock that became vested, during fiscal year 2025.

Pension Benefits and Nonqualified Deferred Compensation

None of our NEOs participated in or received benefits from a pension plan or from a nonqualified deferred compensation plan during fiscal year 2025 or prior years.

Potential Payments Upon Termination or Change in Control

Messrs. Barton and Lukach are each entitled to severance and other benefits upon a termination of employment in certain circumstances pursuant to their respective employment agreements, as described below. The terms "cause" and "good reason" referred to below are defined in the respective named executive officer's employment agreement. In the event of a termination of employment without cause, our other NEOs would be eligible for severance benefits under the Company's discretionary severance practice based on their years of service with the Company, as described further below.

In addition, in the event of an employee's death, our Bonus Plan provides for a prorated annual bonus payout based on the portion of the calendar year the employee was employed by the Company.

Messrs. Barton and Lukach. Under their respective employment agreements, if the employment of Messrs. Barton or Lukach is terminated by the Company for a reason other than for cause or disability or by the executive for good reason, the executive would be entitled to receive, in addition to any accrued obligations, (i) severance in the form of base salary continuation for a period of 24 months, in the case of Mr. Barton, and 12 months, in the case of Mr. Lukach, (ii) the annual bonus for the year of termination, determined based on actual performance achievement and pro-rated based on the portion of the calendar year the executive was employed by the Company and (iii) reimbursement for the executive's (and his eligible dependents') health care continuation premiums during the 18-month period immediately following termination of employment. The severance benefits are conditioned on the executive executing a release of claims in favor of the Company and continuing to comply with the restrictive covenants set forth in the employment agreement. In addition, under his stock option award agreement, if Mr. Lukach's employment is terminated by the Company for a reason other than for cause or by him for good reason, he is entitled to continued vesting of a prorated portion of his award for the vesting year that includes his termination of employment based on each full month of service Mr. Lukach was employed during such vesting year.

Other NEOs. The Company has a practice of providing severance benefits in the form of base salary continuation and benefits continuation coverage through reimbursement of the employer portion of COBRA premiums to employees who experience a termination of employment other than for cause. For employees at the Vice President level and above, which would include Ms. Glaser and Messrs. Murthy and Moeller, the Company's practice has been to provide two weeks of severance benefits for each year of service, with a minimum cash severance benefit of twenty-six weeks, together with benefits continuation for the duration of the period for which such employee receives cash severance payments.

The following table sets forth aggregate estimated payment obligations to each of the named executive officers assuming a termination of employment or change in control, as applicable, occurred on December 31, 2025:

Name	Benefit Type	Termination due to death ($)[1]	Termination without Cause or for Good Reason ($)[2]	Change in Control ($)[3]
William Barton	Severance	$ 1,015,137	3,065,137	—
	Benefits Continuation	$ —	26,230	—
	Value of Equity Acceleration	$ —	—	—
Carl Lukach	Severance	$ 316,741	844,643	—
	Benefits Continuation	$ —	46,750	—
	Value of Equity Acceleration	—	84,788	508,725
Carol Glaser	Severance	$ 337,924	368,251	
	Benefits Continuation	$	20,369	
	Value of Equity Acceleration			261,292

Ramesh Murthy	Severance	$	327,600	273,000	
	Benefits Continuation	$			
	Value of Equity Acceleration				633,782
Stephen Moeller	Severance	$	306,000	255,000	
	Benefits Continuation	$		15,577	
	Value of Equity Acceleration				387,296

(1) In the event of the NEO's death on or after the last day of the fiscal year, each NEO would be entitled to receive the value of any earned annual bonus under the Bonus Plan for 2025. Target annual bonus amounts are reflected in the table as earned annual bonus amounts are not determinable at this time.

(2) The severance benefits to which Messrs. Barton and Lukach are entitled are described above. None of the other NEOs have a contractual entitlement to severance; the amounts included in the table reflect the estimated severance and benefits continuation (for those NEOs who have elected employer-funded coverage) under the Company's historical severance practice, as described above.

(3) In the event of a Change in Control, as defined in the Option Plan, all unvested stock options become 100% vested if the executive remains employed with the Company through the date of such transaction. The amounts in this column reflect the stock price as of December 31, 2025, as determined by our Board of Directors ($8.10), minus the option exercise price multiplied by the number of shares subject to the unvested portion of the option.

DIRECTOR COMPENSATION

In 2025, our non-employee directors received an annual cash retainer of $100,000 (the Chair of the Audit Committee received an additional retainer of $25,000) and reimbursement for certain business expenses. Annual cash retainers are pro-rated for partial years of service. Prior to this offering, in addition, non-employee directors were eligible to receive a stock option grant in connection with their commencement of service as a non-employee director, which stock option vests over five years generally subject to continued service. Prior to this offering, following the vesting of their initial stock option grants, non-employee directors were also eligible to receive an annual stock option grant that vests over four years, generally subject to continued service. The following table sets forth the compensation awarded to, earned by or paid to our non-employee directors for their services to us during fiscal year 2025.

Name	Fees Earned or Paid in Cash ($)[1]	Option Awards ($)[2][3]	Total ($)
Barbara Carbone	125,000	—	125,000
Mir Aamir	100,000	—	100,000
Soyoung Kang	100,000	—	100,000
Scott Williams	100,000	39,589	139,589
Trevor S. Lang[4]	12,500	91,449	103,949
Robert Kaufman[5]	91,670	—	91,670

(1) Amounts reported in this column reflect cash fees earned in fiscal year 2025. In connection with the Recapitalization, as described above, Mr. Mir Aamir, Ms. Soyoung Kang and Mr. Scott Williams also received Board of Directors-approved make-whole payments in respect of certain of their stock options, as provided under the terms of the Option Plan, which amounts are not included in this table.

(2) The amounts shown in this column represent the grant date fair value of options to purchase shares of our common stock granted to certain of our directors in fiscal year 2025 under the Option Plan computed in accordance with Financial Accounting Standards Board Accounting Standards Codification, or FASB ASC, Topic 718, excluding the effect of estimated forfeitures. The assumptions used to value the stock option grants for this purpose are set forth in Note 12 to our unaudited condensed consolidated interim financial statements included elsewhere in this prospectus.

(3) As of December 28, 2025, Ms. Barbara Carbone (a), Mr. Mir Aamir (b), Ms. Soyoung Kang (c), Mr. Scott Williams (d), and Mr. Trevor Lang (e) hold options to purchase 25,625 (a), 28,742 (b), 28,742 (c), 50,563 (d), and 27,796 (e) shares respectively.

(4) Mr. Lang commenced service on our Board of Directors as of November 13, 2025.

(5) Mr. Kaufman resigned from service on our Board of Directors as of December 1, 2025.

(6) Mr. Edmond English is an executive officer of the Company who does not receive any additional compensation for services provided as a director and therefore has been omitted from this table.

Equity Incentive Plans

In 2014, we established the Option Plan to promote the long-term growth and profitability of the Company by providing certain eligible participants with an opportunity to acquire an ownership interest in the Company. Prior to the completion of this offering, we intend to adopt a new equity incentive plan (the "2026 Equity Plan"), which will be effective upon the completion of this offering, and which will allow our Board of Directors or our people committee to grant long-term equity-based awards to eligible participants. We refer herein to our Option Plan and our 2026 Equity Plan collectively as the equity incentive plans.

Option Plan

The following summary describes the material terms of the Option Plan. This summary is not a complete description of all provisions of the Option Plan and is qualified in its entirety by reference to the Option Plan, which will be filed as an exhibit to the registration statement of which this prospectus is a part.

The Option Plan allows for the grant of options to our directors, officers, employees, consultants and advisors. Our Board of Directors, or its delegate, is responsible for administering the Option Plan and has the full power and authority to, among other items, (i) determine the individuals to whom options may be granted, (ii) set the exercise price of any such options, (iii) establish performance and vesting standards applicable to option awards, (iv) impose such limitations, restrictions and conditions upon option awards as it shall deem appropriate, (v) adopt, amend, and rescind administrative guidelines and other rules and regulations relating to the Option Plan and (vi) make all other determinations and take all other actions necessary or advisable for the implementation and administration of the Option Plan, subject to such limitations as may be imposed by the tax code or other applicable law.

Under the Option Plan, as subsequently amended, no more than 14,099,585 shares of common stock will be reserved for issuance with respect to options. All options granted under the Option Plan will be subject to adjustment by the Board of Directors as follows. In the event of any reorganization, recapitalization (including extraordinary dividends or distributions), stock split, stock dividend, combination of shares, merger, consolidation or other change in the common stock, the Board of Directors shall make such changes in the number and type of shares of common stock covered by outstanding options and the terms thereof as the Board of Directors determines are necessary to prevent dilution or enlargement of rights of participants. In the event of any such transaction, the Board of Directors will have the power to make such changes as it deems appropriate in the number and type of shares covered by outstanding options, the prices specified therein, and the securities or other property to be received upon exercise (which may include providing for cash payment (or no consideration) in exchange for cancellation of outstanding options). If any options expire unexercised or unpaid or are canceled, terminated or forfeited in any manner without the issuance of common stock or payment thereunder, the shares with respect to which such options were granted shall again be available under the Option Plan, subject to the foregoing maximum amounts.

An option granted under the Option Plan is exercisable no later than ten years after the date of grant, subject to earlier expiration as provided under the Option Plan, including following the termination of a participant's employment. At the discretion of the participant, a participant may elect to pay the exercise price otherwise due and owing by directing the Company to withhold shares of common stock having a fair market value equal to the aggregate exercise price. Shares of common stock received upon exercise of an option are subject to repurchase by the Company in the event of a termination of a participant's employment or restrictive covenant breach, as prescribed in the Option Plan; this repurchase right will terminate upon the occurrence of this offering.

All Options shall be 100% vested upon the consummation of a Change in Control, as defined in the Option Plan, if the respective participant is, and has been, continuously employed by or provides services to the Company or any of our subsidiaries through such date, and as otherwise set forth in an award agreement evidencing the option grant.

Our Board of Directors may at any time and from time to time, amend, suspend or terminate the Option Plan as it deems advisable, except that it may not change any of the terms of the Option Plan or an award agreement evidencing an option in a manner materially adverse to a participant without the prior written approval of such participant.

2026 Equity Plan

As noted above, our Board of Directors intends to adopt the 2026 Equity Plan, which will be effective upon the completion of this offering. The following summary describes the material terms of the 2026 Equity Plan. This summary is not a complete description of all provisions of the 2026 Equity Plan and is qualified in its entirety by reference to the 2026 Equity Plan, which will be filed as an exhibit to the registration statement of which this prospectus is a part.

Purpose

The purpose of the 2026 Equity Plan is to advance our interests by providing for the grant to our employees, directors, consultants and advisors of stock and stock-based awards.

Plan administration

The 2026 Equity Plan will be administered by our people committee, except with respect to matters that are not delegated to our people committee by our Board of Directors. Our people committee (or our Board of Directors, as applicable) will have the discretionary authority to interpret the 2026 Equity Plan and any awards granted under it, determine eligibility for and grant awards, determine the exercise price, base value from which appreciation is measured or purchase price, if any, applicable to any award, determine, modify, accelerate and waive the terms and conditions of any award, determine the form of settlement of any award, prescribe forms, rules and procedures relating to the 2026 Equity Plan and awards and otherwise do all things necessary or desirable to carry out the purposes of the 2026 Equity Plan or any award. Our people committee may delegate such of its duties, powers and responsibilities as it may determine to one or more of its members, members of our Board of Directors and, to the extent permitted by law, our officers, and may delegate to employees and other persons such ministerial tasks as it deems appropriate. As used in this summary, the term "Administrator" refers to our people committee and its authorized delegates, as applicable.

Eligibility

Our employees, directors, consultants and advisors are eligible to participate in the 2026 Equity Plan. Eligibility for stock options intended to be incentive stock options, or ISOs, is limited to our employees or employees of certain affiliates. Eligibility for stock options, other than ISOs, and stock appreciation rights, or SARs, is limited to individuals who are providing direct services to us or certain affiliates on the date of grant of the award.

Authorized shares

Subject to adjustment as described below, the maximum number of shares of our common stock that may be delivered in satisfaction of awards under the 2026 Equity Plan is 13,036,706 shares, or the share pool. The share pool will automatically increase on January 1 of each year from 2027 to 2037 by the lesser of (i) 4% of the number of shares of our common stock outstanding as of the close of business on the immediately preceding December 31 and (ii) the number of shares determined by our Board of Directors on or prior to such date for such year. Up to a maximum of 13,036,706 shares may be delivered in satisfaction of ISOs. The number of shares of our common stock delivered in satisfaction of awards under the 2026 Equity Plan is determined (i) by excluding shares withheld by us in payment of the exercise price or purchase price of the award or in satisfaction of tax withholding requirements with respect to the award, (ii) by including only the number of shares delivered in settlement of a SAR that is settled in shares of our common stock and (iii) by excluding any shares underlying awards settled in cash or that expire, become unexercisable, terminate or are forfeited to or repurchased by us without the delivery of shares of our common stock (or retention, in the case of restricted stock or unrestricted stock). The number of shares available for delivery under the 2026 Equity Plan will not be increased by any shares that have been delivered under the 2026 Equity Plan and are subsequently repurchased using proceeds directly attributable to stock option exercises.

Shares that may be delivered under the 2026 Equity Plan may be authorized but unissued shares, treasury shares or previously issued shares acquired by us.

Types of awards

The 2026 Equity Plan provides for the grant of stock options, SARs, restricted and unrestricted stock and stock units, performance awards and other awards that are convertible into or otherwise based on our common stock. Dividend equivalents may also be provided in connection with awards under the 2026 Equity Plan.

- ***Stock options and SARs.*** The Administrator may grant stock options, including ISOs, and SARs. A stock option is a right entitling the holder to acquire shares of our common stock upon payment of the applicable exercise price. A SAR is a right entitling the holder upon exercise to receive an amount (payable in cash or shares of equivalent value) equal to the excess of the fair market value of the shares subject to the right over the base value from which appreciation is measured. The exercise price per share of each stock option, and the base value of each SAR, granted under the 2026 Equity Plan will be no less than 100% of the fair market value of a share on the date of grant (generally defined as the closing price of a share of common stock on the date of grant) (110% in the case of certain ISOs). Other than in connection with certain corporate transactions or changes to our capital structure, stock options and SARs granted under the 2026 Equity Plan may not be repriced, amended, or substituted for with new stock options or SARs having a lower exercise price or base value, nor may any consideration be paid upon the cancellation of any stock options or SARs that have a per share exercise or base price greater than the fair market value of a share on the date of such cancellation, in each case, without stockholder approval. Each stock option and SAR will have a maximum term of not more than ten years from the date of grant (or five years, in the case of certain ISOs).

- ***Restricted and unrestricted stock and stock units.*** The Administrator may grant awards of stock, stock units, restricted stock and restricted stock units. A stock unit is an unfunded and unsecured promise, denominated in shares, to deliver shares or cash measured by the value of shares in the future, and a restricted stock unit is a stock unit that is subject to the satisfaction of specified performance or other vesting conditions. Restricted stock are shares subject to restrictions requiring that they be forfeited, redelivered or offered for sale to us if specified performance or other vesting conditions are not satisfied.

- ***Performance awards.*** The Administrator may grant performance awards, which are awards subject to the achievement of performance criteria.

- ***Other share-based awards.*** The Administrator may grant other awards that are convertible into or otherwise based on shares of our common stock, subject to such terms and conditions as it determines.

- ***Substitute awards.*** The Administrator may grant substitute awards in connection with certain corporate transactions, which may have terms and conditions that are different from the terms and conditions of the 2026 Equity Plan.

Director limits

The aggregate value of all compensation granted or paid to any director with respect to any calendar year, including awards granted under the 2026 Equity Plan and cash fees or other compensation paid by us to such director outside of the 2026 Equity Plan for his or her services as a director during such calendar year (which, for the avoidance of doubt, will not include compensation granted or paid to a director for services other than as a director, including, without limitation, for services as a consultant or adviser to the company), is subject to a limit of $750,000 in the aggregate ($1 million in the aggregate with respect to a director's first year of service on our Board of Directors).

Vesting; terms of awards

The Administrator determines the terms and conditions of all awards granted under the 2026 Equity Plan, including the time or times an award vests or becomes exercisable, the terms and conditions on which an award remains exercisable, and the effect of termination of a participant's employment or service on an award. The Administrator may at any time accelerate the vesting or exercisability of an award (or any portion thereof).

Non-transferability of awards

Except as the Administrator may otherwise determine, awards may not be transferred other than by will or by the laws of descent and distribution.

Adjustments upon certain covered transactions

In the event of certain covered transactions (including the consummation of a consolidation, merger or similar transaction, the sale of all or substantially all of our assets or shares of our common stock, or our dissolution or liquidation), the Administrator may, with respect to outstanding awards, provide for (in each case, on such terms and subject to such conditions as it deems appropriate):

- The assumption, substitution or continuation of some or all awards (or any portion thereof) by the acquiror or surviving entity;
- The acceleration of exercisability or delivery of shares in respect of any award, in full or in part; and/or
- The cash payment in respect of some or all awards (or any portion thereof) equal to the difference between the fair market value of the shares subject to the award and its exercise or base price, if any.

Except as the Administrator may otherwise determine, each award will automatically terminate or be forfeited immediately upon the consummation of the covered transaction, other than awards that are substituted for, assumed, or that continue following the covered transaction.

Adjustments upon changes in capitalization

In the event of certain corporate transactions, including a stock dividend, stock split or combination of shares (including a reverse stock split), recapitalization or other change in our capital structure, the Administrator shall make appropriate adjustments to the maximum number of shares that may be delivered under the 2026 Equity Plan, the number and kind of securities subject to, and, if applicable, the exercise or purchase prices (or base values) of outstanding awards, and any other provisions affected by such event.

Recovery of compensation

The Administrator may provide that any outstanding award, the proceeds of any award or shares acquired thereunder and any other amounts received in respect of any award or shares acquired thereunder will be subject to forfeiture and disgorgement to us, with interest and other related earnings, if the participant to whom the award was granted is not in compliance with any provision of the 2026 Equity Plan or any award, any non-competition, non-solicitation, no-hire, non-disparagement, confidentiality, invention assignment or other restrictive covenant, or any Company policy that relates to trading on non-public information and permitted transactions with respect to shares of our common stock or that provides for forfeiture, disgorgement or clawback, including, to the extent applicable, the Company's Policy for Recoupment of Incentive Compensation or as otherwise required by law.

Amendment and termination

The Administrator may at any time amend the 2026 Equity Plan or any outstanding award and may at any time terminate the 2026 Equity Plan as to future awards. However, except as expressly provided in the 2026 Equity Plan, the Administrator may not alter the terms of an award so as to materially and adversely affect a participant's rights without the participant's consent (unless the Administrator expressly reserved the right to do so in the 2026 Equity Plan or at the time the award was granted). Any amendments to the 2026 Equity Plan will be conditioned on stockholder approval to the extent required by applicable law or stock exchange requirements.

Certain Relationships and Related Party Transactions

The following includes a summary of transactions since January 1, 2022 and any currently proposed transactions, to which we were or are to be a participant, in which (i) the amount involved exceeded or will exceed $120,000; and (ii) any of our directors, executive officers, or holders of more than 5% of our capital stock, or any affiliate or member of the immediate family of the foregoing persons or entities, had or will have a direct or indirect material interest, other than compensation and other arrangements that are described under "*Executive and Director Compensation*."

We believe the terms obtained or consideration that we paid or received, as applicable, in connection with the transactions described below were comparable to terms available or the amounts that we would pay or receive, as applicable, in arm's-length transactions.

The agreements described in this section, or forms of such agreements as they will be in effect at the time of this offering, are filed as exhibits to the registration statement of which this prospectus forms a part, and the following descriptions are qualified by reference thereto.

Advisory Agreement

On February 12, 2014, in connection with Bain Capital's investment in the Company, the Company and certain of its subsidiaries entered into an advisory agreement (the "Advisory Agreement") with an affiliate of Bain Capital (the "Manager"), pursuant to which the Manager provided us with certain business consulting services. In exchange for these services, we pay the Manager a periodic retainer fee in an aggregate amount per year equal 0.150% of the consolidated revenue of the Company and its consolidated subsidiaries for the immediately preceding fiscal year, payable in quarterly installments and not to exceed $2 million per year, plus reimbursement for out of pocket expenses incurred by the Manager or its affiliates in connection with the provision of services pursuant to the Advisory Agreement. In addition, the Manager is entitled to a transaction fee in connection with any financing, acquisition, disposition, recapitalization or change of control transaction. The Company recognized management fees and expense reimbursement to the Managers and their affiliates totaling $2.0 million, $2.3 million, and $2.2 million for fiscal years 2024, 2023, and 2022, respectively, and $1.5 million for both the nine-month fiscal periods ended September 28, 2025 and September 29, 2024, respectively.

The Advisory Agreement includes customary exculpation and indemnification provisions in favor of the Manager and its affiliates. In connection with this offering, we intend to enter into a termination agreement with the Manager, pursuant to which the Advisory Agreement will be terminated upon the consummation of this offering, at which time we will pay the Manager a lump sum amount of $2.0 million in consideration of services rendered by the Manager under the Advisory Agreement, including advisory services to be provided by the Manager in connection with this offering. The indemnification and exculpation provisions in favor of the Manager will survive such termination.

The Company also recognized fees for the outsourcing of customer service assistance to an entity affiliated with Bain Capital totaling $6.5 million, $5.1 million and $3.7 million for fiscal years 2024, 2023, and 2022, respectively, and $5.9 million and $4.8 million in the nine-month fiscal periods ended September 28, 2025 and September 29, 2024, respectively.

Leases

In fiscal years 2024, 2023, and 2022, the Company leased five retail stores from limited liability companies of which Mr. Robert Kaufman, the Company's founder and a member of the Board of Directors during such fiscal years, maintained ownership. The current lease arrangements commenced between 2017 and 2022 with current lease terms ranging from 15 to 20 years with varying number of options for five-year renewals. Total rent expense associated with these related parties was $2.6 million, $2.9 million and $3.0 million for fiscal years 2024, 2023, and 2022, respectively, and $1.9 million for both the nine-month fiscal periods ended September 28, 2025 and September 29, 2024, respectively. One of these stores closed and relocated in October 2023 and is no longer considered a related party transaction. As at December 29, 2024 and September 28, 2025, total lease liabilities associated with the remaining related party leases was $14.3 million and $13.3 million, respectively.

Amended and Restated Stockholders Agreement

On February 12, 2014, in connection with Bain Capital's investment in the Company, we entered into a stockholders agreement (the "Stockholders Agreement") with certain stockholders, including investments funds affiliated with Bain Capital, our directors and officers who hold shares of our common stock and certain other investors relating to rights and obligations with respect to ownership of our common stock. In connection with this offering, we intend to amend and restate the Stockholders Agreement (as so amended and restated, the "Amended and Restated Stockholders Agreement"). Pursuant to the Amended and Restated Stockholders Agreement, Bain Capital and certain other holders will have registration rights whereby, at any time following this offering and the expiration of any related lock-up period, Bain Capital can require us to register under the Securities Act shares of common stock, and our officers and directors, among others will have certain rights to sell their shares in registered offerings initiated by us or Bain Capital.

Pursuant to the Amended and Restated Stockholders Agreement, Bain Capital will have the right to nominate to our Board of Directors: (i) the majority of directors, for so long as Bain Capital beneficially owns more than 50% of the shares held by it as of the effective time of this offering, (ii) 40% of directors, for so long as Bain Capital beneficially owns at least 30%, but less than 50% of the shares held by it as of the effective time of this offering, (iii) 25% of directors, for so long as Bain Capital beneficially owns at least 20%, but less than 30% of the shares held by it as of the effective time of this offering, (iv) 20% of directors, for so long as Bain Capital beneficially owns at least 10%, but less than 20% of the shares held by it as of the effective time of this offering and (v) one director, for so long as Bain Capital beneficially owns at least 3%, but less than 10% of the shares held by it as of the effective time of this offering. In the event that any such nominee ceases to serve as a director for any reason (other than the failure of our stockholders to elect such individual as a director), Bain Capital will be entitled to appoint another nominee to fill the resulting vacancy.

Subject to applicable laws and stock exchange regulations, and subject to requisite independence requirements applicable to such committee, the Amended and Restated Stockholders Agreement will provide that for so long as Bain Capital has the right to nominate at least one director to our Board of Directors, it will have the right to designate a director for appointment to our people committee as well as our nominating and corporate governance committee, so long as the composition of each committee complies with the rules and regulations of the New York Stock Exchange.

In addition, the Amended and Restated Stockholders Agreement will provide that certain holders of our common stock party thereto shall be restricted from directly or indirectly selling, transferring, assigning or otherwise disposing of any interest in our common stock for 270 days from the date of this prospectus, subject to certain exceptions substantially consistent with the exceptions provided for under the lock-up agreements described in more detail under "*Underwriting (Conflicts of Interest)*."

Directed Share Program

At our request, the underwriters have reserved, at the initial offering price, up to 972,500 shares of common stock, or up to 5% of the shares of common stock offered by this prospectus for sale to certain of our directors, officers, employees and related persons through a directed share program. The number of shares of common stock available for sale to the general public will be reduced to the extent these individuals purchase such reserved shares. Any reserved shares that are not so purchased will be offered by the underwriters to the general public on the same basis as the other shares offered by this prospectus. The shares purchased pursuant to the directed share program will not be subject to lock-up agreements with the underwriters, except in the case of shares purchased by any of our directors or executive officers, which will be subject to a 180-day lock-up restriction. Purchases by any related persons participating in the directed share program may individually exceed $120,000. See "*Underwriting (Conflicts of Interest)—Directed Share Program*."

Certain Relationships

From time to time, we collaborate with Bain Capital and/or their affiliates to source and outsource certain goods and services to obtain the best terms available. We believe that all such arrangements have been entered into in the ordinary course of business and have been negotiated on commercially reasonable terms.

Director and Officer Indemnification Agreements

We provide indemnification protection to our directors and officers pursuant to indemnification agreements with each individual which require us to indemnify such persons to the fullest extent permitted by applicable law. Certain members of our Board of Directors serve as designees of Bain Capital and its affiliates.

Related Party Transactions Policy

In connection with this offering, we have adopted a policy with respect to the review, approval and ratification of related party transactions. Under the policy, our audit committee is responsible for reviewing and approving related party transactions. In the course of its review and approval of related party transactions, our audit committee will consider the relevant facts and circumstances to decide whether to approve such transactions. Related party transactions must be approved or ratified by the audit committee based on full information about the proposed transaction and the related party's interest.

Principal and Selling Stockholders

The following table sets forth information relating to the beneficial ownership of our common stock as of January 23, 2026 by:

- each person, or group of affiliated persons, known by us to beneficially own more than 5% of our outstanding shares of common stock;
- each of our current directors;
- the selling stockholder in this offering;
- each of our named executive officers; and
- all of our directors and executive officers as a group.

Beneficial ownership is determined in accordance with the rules and regulations of the SEC, which generally includes any shares over which a person exercises sole or shared voting and/or investment power. A person is also deemed to be a beneficial owner of a security if that person has the right to acquire beneficial ownership of such security within 60 days. Except as otherwise indicated by the footnotes, and subject to applicable community property laws, the persons and entities named in the table below have sole voting and investment power with respect to all shares of common stock held by such person or entity.

The percentage of shares beneficially owned is computed on the basis of 110,917,060 shares of our common stock outstanding as of January 23, 2026 after giving effect to the effectiveness of our second restated certificate of incorporation. Shares of our common stock that a person has the right to acquire within 60 days of January 23, 2026 are deemed outstanding for purposes of computing the percentage ownership of such person's holdings, but are not deemed outstanding for purposes of computing the percentage ownership of any other person, except with respect to the percentage ownership of all directors and executive officers as a group. Unless otherwise indicated below, the address for each beneficial owner listed is c/o Bob's Discount Furniture, Inc., 434 Tolland Turnpike Manchester, CT 06042.

The following table does not reflect any shares that may be purchased pursuant to our directed share program described under "*Underwriting (Conflicts of Interest)—Directed Share Program*."

	Shares of common stock beneficially owned before this offering		Shares offered hereby	Shares beneficially owned after this offering (without option)		Shares beneficially owned after this offering (with option)	
Name and address of beneficial owners	**Number**	**Percent**	**Number**	**Number**	**Percent**	**Number**	**Percent**
Greater than 5% stockholders:							
Entities affiliated with Bain Capital[(1)]	98,288,251	88.6%	—	98,288,251	75.4%	95,370,751	73.2%
Directors and named executive officers:							
William G. ("Bill") Barton[(2)]	2,098,735	1.9%	—	2,098,735	1.9%	2,098,735	1.6%
Carl Lukach[(3)]	88,778	*	—	88,778	*	88,778	*
Carol Glaser[(4)]	481,075	*	—	481,075	*	481,075	*
Ramesh Murthy[(5)]	214,225	*	—	214,225	*	214,225	*
Stephen Moeller[(6)]	38,894	*	—	38,894	*	38,894	*
Edmond J. English[(7)]	3,920,000	3.5%	—	3,920,000	3.0%	3,920,000	3.0%
Mir Aamir[(8)]	28,742	*	—	28,742	*	28,742	*
Joshua Bekenstein[(9)]	—	*	—	—	*	—	*
Barbara Carbone[(10)]	15,375	*	—	15,375	*	15,375	*
Jennifer Davis[(9)]	—	*	—	—	*	—	*

Soyoung Kang[11]	28,742	*	—	28,742	*	28,742	*
John Kilgallon[9]	—	*	—	—	*	—	*
Trevor Lang	—	*	—	—	*	—	*
Philip H. Loughlin[9]	—	*	—	—	*	—	*
Scott Williams[12]	35,463	*	—	35,463	*	35,463	*
All executive officers and directors as a group (19 persons)	7,614,439	6.9%	—	7,614,439	5.8%	7,614,439	5.8%

* Less than 1%

(1) Represents 98,288,251 shares of common stock held by BCPE BDF Investor, LP ("BCPE BDF Investor"). Bain Capital Investors, LLC ("BCI") is the general partner of Bain Capital Beacon Roll SPV X, L.P., which is the sole member of BCPE BDF GP, LLC, which is the general partner of BCPE BDF Investor. As a result, BCI may be deemed to share voting and dispositive power with respect to the shares held by BCPE BDF Investor. Voting and investment decisions with respect to securities held by BCPE BDF Investor are made by the partners of BCI (including Joshua Bekenstein, Jennifer Davis, John Kilgallon and Philip H. Loughlin who serve on our Board of Directors), of whom there are three or more and none of whom individually has the power to direct such decisions. The address of each of the foregoing entities is c/o Bain Capital Private Equity, LP, 200 Clarendon Street, Boston, Massachusetts 02116.

(2) Consists of 2,098,735 shares of common stock issuable pursuant to outstanding stock options that are exercisable within 60 days of January 23, 2026.

(3) Consists of 88,778 shares of common stock issuable pursuant to outstanding stock options that are exercisable within 60 days of January 23, 2026.

(4) Consists of (i) 238,069 shares of common stock and (ii) 243,006 shares of common stock issuable pursuant to outstanding stock options that are exercisable within 60 days of January 23, 2026.

(5) Consists of 214,225 shares of common stock issuable pursuant to outstanding stock options that are exercisable within 60 days of January 23, 2026.

(6) Consists of 38,894 shares of common stock issuable pursuant to outstanding stock options that are exercisable within 60 days of January 23, 2026.

(7) Consists of: (i) 1,736,771 shares of common stock held by the Edmond J English 2022 Irrevocable Family Trust and (ii) 2,183,229 shares of common stock held by the Edmond J English Family Trust. Mr. English is a co-trustee of the Edmond J English Family Trust and may be deemed to have voting and dispositive power over the shares held by each trust.

(8) Consists of 28,742 shares of common stock issuable pursuant to outstanding stock options that are exercisable within 60 days of January 23, 2026.

(9) Does not include shares of common stock beneficially owned by Bain Capital. The address of each of Mr. Bekenstein, Mr. Loughlin, Ms. Davis and Mr. Kilgallon is c/o Bain Capital Private Equity, LP, 200 Clarendon Street, Boston, Massachusetts 02116.

(10) Consists of 15,375 shares of common stock issuable pursuant to outstanding stock options that are exercisable within 60 days of January 23, 2026.

(11) Consists of 28,742 shares of common stock issuable pursuant to outstanding stock options that are exercisable within 60 days of January 23, 2026.

(12) Consists of 35,463 shares of common stock issuable pursuant to outstanding stock options that are exercisable within 60 days of January 23, 2026.

Description of Certain Indebtedness

The following is a summary of certain of our indebtedness that is currently outstanding. The following descriptions do not purport to be complete and are qualified in their entirety by reference to the agreements and related documents referred to herein, copies of which have been filed as exhibits to the registration statement of which this prospectus forms a part, and may be obtained as described under "Where You Can Find More Information" in this prospectus.

Revolving Credit Facility

BDF Acquisition Corp., an indirect wholly-owned subsidiary of the Company (the "Borrower"), and the subsidiary borrowers from time to time parties thereto are party to the ABL Credit Agreement, dated as of February 12, 2014, with Royal Bank of Canada, as administrative agent and collateral agent, the lenders from time to time party thereto and the other parties party thereto providing for the $125.0 million Revolving Credit Facility.

The ABL Credit Agreement provides that the Borrower may at any time, on one or more occasions increase the aggregate amount of the revolving commitments, in an aggregate principal amount not to exceed $15,000,000. As of September 28, 2025, undrawn borrowing availability under the Revolving Credit Facility was $124.4 million.

Interest Rate and Fees

Availability under the Revolving Credit Facility is subject to compliance with a customary borrowing base. Tranche A loans are available in an amount not to exceed the Tranche A Borrowing Base, which is defined as (a) 90% of eligible credit card receivables, plus (b) 90% of the net orderly liquidation value of eligible inventory, less (c) the applicable borrowing base reserves. Tranche A loans bear interest depending on the availability at term SOFR or alternate base rate (as selected by the Borrower) plus an interest rate margin as per the following table:

		Tranche A Loan	
Level	**Average Excess Availability**	**Alternate Base Rate**	**Term SOFR**
I	Greater than 66% of the Line Cap	0.50 %	1.50 %
II	Greater than or equal to 33% of the Line Cap but less than or equal to 66% of the Line Cap	0.75 %	1.75 %
III	Less than 33% of the Line Cap	1.00 %	2.00 %

Tranche B loans are available in an amount not to exceed the Tranche B Borrowing Base, which is defined as the lesser of (a) $6,000,000 and (b) (i) 5% of eligible credit card receivables, plus (ii) 7.5% of the appraised net orderly liquidation value of eligible inventory. Tranche B loans bear interest at a per annum rate equal to (x) term SOFR plus 4.25% for SOFR Loans and (y) the alternate base rate plus 3.25% for ABR Loans.

In addition to paying interest on loans outstanding under the Revolving Credit Facility, we are required to pay a commitment fee of 0.375% per annum on unused commitments under the Revolving Credit Facility. We are also required to pay (i) letter of credit fees on the maximum amount that is available to be drawn and/or which is unreimbursed under all outstanding letters of credit, at a rate equal to the applicable margin for SOFR-based loans under the Revolving Credit Facility on a per annum basis and (ii) customary fronting fees and other customary documentary fees in connection with the issuance of letters of credit.

Mandatory Prepayment

If the Borrower's outstanding borrowings under any revolving credit facility (including any letters of credit) exceed the lesser of (a) the total commitments under the Revolving Credit Facility and (b) the borrowing base (the "Line Cap"), we will be required to prepay the borrowings under the Revolving Credit Facility in an aggregate amount equal to the amount by which such borrowings and letters of credit exceed the Line Cap. Further. After giving effect to such prepayments, if the Borrower's outstanding borrowings (including any letters of credit) under any revolving credit facility still exceeds the Line Cap, the Borrower must provide cash collateral for letters of credit outstanding to the extent of the remaining excess.

Upon the occurrence of certain defaults or when availability falls below a certain set threshold, the Borrowers are required to prepay outstanding loans with 100% of the net cash proceeds received from any sale or disposition of assets that constitute priority collateral for the Revolving Credit Facility, to the extent such proceeds exceed $1,000,000 in any fiscal year (the "Prepayment Trigger"). The Borrowers are not required to make any such prepayment unless and until the aggregate amount of net cash proceeds from all such asset sales in any fiscal year exceeds the Prepayment Trigger, but thereafter must prepay with all such net cash proceeds (excluding amounts below the Prepayment Trigger), subject to customary reinvestment rights and other exceptions.

Voluntary Prepayment

We may voluntarily reduce the unutilized portion of the commitment amount and prepay outstanding loans under the Revolving Credit Facility in whole or in part from time to time without premium or penalty other than customary "breakage" costs.

Final Maturity

All outstanding loans under the Revolving Credit Facility are due and payable in full on July 1, 2029.

Guarantees and Security

All obligations of the Borrower, as borrower under the Revolver are guaranteed by BDF Intermediate, LLC, a direct wholly-owned subsidiary of the Company, as parent guarantor, and, subject to certain customary exceptions, each wholly-owned material domestic restricted subsidiary of the Borrower. Such obligations are also secured, subject to certain exceptions, by a perfected security interest in substantially all of the assets of the Borrower and the guarantors. Lenders under the ABL Credit Agreement have a first priority security interest in cash, accounts receivable in inventory of the Borrower and the guarantors (the "ABL Priority Collateral") and a second priority security interest in substantially all other assets.

Certain Covenants and Events of Default

The ABL Credit Agreement contains a number of restrictive covenants that, subject to certain thresholds, qualifications and exceptions, restrict the ability of the Borrower and its subsidiaries to, among other things:

- incur additional indebtedness or grant liens;
- consummate a sale, transfer, or other disposition of property or assets;
- pay dividends and distributions on, or purchase, redeem, defease, or otherwise acquire or retire for value, capital stock;
- make prepayments or repurchases of any debt above a certain threshold amount that is contractually subordinated in right of payment to the Revolving Credit Facility;
- create negative pledge or other restrictions on the payment of dividends, the making of certain intercompany loan arrangements or transfer assets;
- make investments, acquisitions, loans and advances;
- engage in consolidations, amalgamations, mergers, liquidations or dissolutions;
- engage in certain transactions with affiliates;
- materially alter the character of the business;
- change the fiscal year; and
- modify organizational documents in a manner that is materially adverse to the lenders.

In addition, the ABL Credit Agreement contains a financial covenant under certain conditions requiring the Borrower, if at any time either (a) availability under the Revolving Credit Facility falls below the greater of 10% of the Line Cap or $10.0 million, or (b) any loans in excess of the borrowing base are outstanding (each of the events in clauses (a) and (b), a "Financial Covenant Trigger Event"), to maintain a fixed charge coverage ratio of 1.00:1.00 as of last day of any fiscal quarter, starting with the quarter ended on or immediately before a Financial Covenant Trigger Event.

The ABL Credit Agreement also contains certain customary representations and warranties, affirmative covenants, reporting obligations and a passive holding company covenant with respect to BDF Intermediate, LLC. In addition, the lenders under the ABL Credit Agreement are permitted to accelerate the loans and terminate commitments thereunder or exercise other specified remedies available to secured creditors upon the occurrence of certain events of default, subject to certain grace periods and exceptions, which events of default include, without limitation, payment defaults, breaches of representations and warranties, covenant defaults, cross-defaults to certain material indebtedness, certain events of bankruptcy, certain events under the Employee Retirement Income Security Act of 1974, as amended, material judgments and any change of control.

Letters of Credit

The Borrower has caused letters of credit to be issued on the Borrower's behalf by financial institutions related to the guarantee of future payment on certain lease agreements and collateral on insurance contracts. There were $9.4 million and $1.2 million of outstanding letters of credit at September 28, 2025, and December 29, 2024, respectively.

Term Loan Facility

BDF Acquisition Corp., in its capacity as borrower (the "Borrower"), BDF Intermediate, LLC, in its capacity as holdings ("Holdings") and the other guarantors from time to time parties thereto are party to the Term Loan Credit Agreement, dated as of October 31, 2025, with JPMorgan Chase Bank, N.A., as administrative agent and collateral agent, the lenders from time to time party thereto and the other parties party thereto providing for a $350.0 million initial term loan facility (the "Term Loan Facility").

The Term Loan Credit Agreement provides that the Borrower may, subject to certain conditions, (a) request increases to any existing term loans or add one or more incremental term loan facilities under the Term Loan Credit Agreement in an aggregate amount not to exceed the greater of (i) 100% of LTM Consolidated EBITDA (as defined in the Term Loan Credit Agreement) and (ii) $240 million, plus any unused amounts from the general debt basket and the general restricted payment basket, plus the amount of voluntary prepayments of indebtedness under the Term Loan Credit Agreement and permanent commitment reductions under the ABL Credit Agreement, plus amounts up to specified leverage ratios.

Interest Rate and Fees

The initial term loans bear interest at a per annum rate equal to (x) term SOFR plus 4.00% for SOFR loans and (y) the alternate base rate plus 3.00% for ABR loans. There are no recurring fees under the Term Loan Credit Agreement other than customary administrative agency fees.

Mandatory Prepayment

Subject to certain exceptions, the Borrower is required to prepay outstanding term loans under the Term Loan Facility in a principal amount equivalent to:

- 50% of annual excess cash flow (subject to certain customary deductions), which percentage is subject to (i) a step-down to 25% if our first lien net leverage ratio is less than or equal to 1.25:1.00, but greater than 0.75:1.00 and (ii) a step-down to 0% if our first lien net leverage ratio is less than or equal to 0.75:1.00; provided that such prepayment is required only in the amount (if any) by which such prepayment would exceed the greater of (x) $60 million and (y) 25% of LTM Consolidated EBITDA for the relevant measurement period;

- 100% of the net cash proceeds of any incurrence of indebtedness, subject to customary exceptions;
- 100% of (i) net cash proceeds with respect to certain asset sales and (ii) certain net insurance condemnation proceeds, in each case, only and to the extent the aggregate amount of such proceeds in any fiscal year exceeds the greater of (x) $72 million and (y) 30% of LTM Consolidated EBITDA and subject, in each case, to reinvestment rights and certain other customary exceptions; and
- 100% of the net cash proceeds upon the consummation of a Qualifying IPO (as defined in the Term Loan Credit Agreement).

Voluntary Prepayment

We may voluntarily prepay outstanding loans under the Term Loan Facility in whole or in part from time to time without premium or penalty.

Final Maturity

All outstanding loans under the Term Loan Credit Agreement are due and payable in full on October 31, 2032.

Guarantees and Security

All obligations of the Borrower, as borrower under the Term Loan Facility are guaranteed by Holdings and Bob's Discount Furniture, LLC, a wholly-owned material domestic restricted subsidiary of the Borrower. Such obligations are also secured, subject to certain exceptions and the Intercreditor Agreement, by a perfected security interest in substantially all of the assets of the Borrower and the guarantors. Lenders under the Term Loan Credit Agreement have a first lien security interest in all collateral that is not ABL Priority Collateral and a second priority security interest in the ABL Priority Collateral.

Certain Covenants and Events of Default

The Term Loan Credit Agreement contains a number of restrictive covenants that, subject to certain thresholds, qualifications and exceptions, restrict the ability of the Borrower and its subsidiaries to, among other things:

- incur additional indebtedness or grant liens;
- consummate a sale, transfer, or other disposition of property or assets;
- pay dividends and distributions on, or purchase, redeem, defease, or otherwise acquire or retire for value, capital stock;
- make prepayments or repurchases of any debt above a certain threshold amount that is contractually subordinated in right of payment to the Term Loan Facility;
- create negative pledge or other restrictions on the payment of dividends, the making of certain intercompany loan arrangements or transfer assets;
- make investments, acquisitions, loans and advances;
- engage in consolidations, amalgamations, mergers, liquidations or dissolutions;
- engage in certain transactions with affiliates;
- materially alter the character of the business;
- change the fiscal year; and
- modify organizational documents in a manner that is materially adverse to the lenders.

The Term Loan Credit Agreement does not contain any financial maintenance covenants.

The Term Loan Credit Agreement also contains certain customary representations and warranties, affirmative covenants, reporting obligations and a passive holding company covenant with respect to Holdings. In addition, the lenders under the Term Loan Credit Agreement are permitted to accelerate the loans or exercise other specified remedies available to secured creditors upon the occurrence of certain events of default, subject to certain grace periods and exceptions, which events of default include, without limitation, payment defaults, breaches of representations and warranties, covenant defaults, cross-defaults to certain material indebtedness, certain events of bankruptcy, certain events under the Employee Retirement Income Security Act of 1974, as amended, material judgments and any change of control.

Description of Capital Stock

General

The following descriptions of our capital stock and provisions of our second restated certificate of incorporation, our second amended and restated bylaws and the Amended and Restated Stockholders Agreement are intended as a summary only and are qualified in their entirety by reference to the second restated certificate of incorporation, second amended and restated bylaws and the Amended and Restated Stockholders Agreement to be in effect at the completion of this offering, which are filed as exhibits to the registration statement of which this prospectus forms a part, and to the applicable provisions of Delaware law.

Upon completion of this offering, our authorized capital stock will consist of 445,000,000 shares of common stock, par value $0.0001 per share, and 5,000,000 shares of preferred stock, par value $0.01 per share. After consummation of this offering, we expect to have 130,367,060 shares of our common stock outstanding and zero shares of our preferred stock outstanding. Unless the Board of Directors determines otherwise, we will issue all shares of our capital stock in uncertificated form. We urge you to review our second restated certificate of incorporation, our second amended and restated bylaws and the Amended and Restated Stockholders Agreement.

Common Stock

Dividend rights. Subject to preferences that may apply to shares of preferred stock outstanding at the time, holders of outstanding shares of common stock will be entitled to receive dividends out of assets legally available at the times and in the amounts as the Board of Directors may determine from time to time. See "*Dividend Policy*."

Voting rights. Each outstanding share of common stock will be entitled to one vote on all matters submitted to a vote of stockholders. Holders of shares of our common stock will have no cumulative voting rights.

Except as otherwise required under the DGCL or provided for in our second restated certificate of incorporation, all matters other than the election of directors will be determined by a majority of the votes cast on the matter and all elections of directors will be determined by a plurality of the votes cast. Any director may resign at any time upon notice given in writing, including by electronic transmission, to the Company. Except as otherwise required by law and subject to any rights of the holders of preferred stock, vacancies and newly-created directorships shall be filled exclusively by vote of a majority of the directors then in office, even if less than a quorum, or by a sole remaining director, except that any vacancy created by the removal of a director by the stockholders for cause shall only be filled by the vote of the holders of a majority of the voting power of all then outstanding shares of common stock. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

Preemptive rights. Our common stock will not be entitled to preemptive or other similar subscription rights to purchase any of our securities. There will be no sinking fund provisions applicable to shares of our common stock.

Conversion or redemption rights. Our common stock will be neither convertible nor redeemable.

Liquidation rights. Upon our liquidation, the holders of our common stock will be entitled to receive pro rata our assets that are legally available for distribution, after payment of all debts and other liabilities and subject to the prior rights of any holders of preferred stock then outstanding.

The rights, preferences and privileges of holders of shares of our common stock are subject to and may be adversely affected by the rights of the holders of shares of any series of preferred stock that we may designate and issue in the future.

Preferred Stock

Our second restated certificate of incorporation will authorize the Board of Directors to establish one or more series of preferred stock (including convertible preferred stock). Once effective, the Board of Directors may, without further action by our stockholders, from time to time, direct the issuance of shares of preferred stock in series and may, at the time of issuance, determine the designations, powers, preferences, privileges and relative participating,

optional or special rights, as well as the qualifications, limitations or restrictions thereof, including dividend rights, conversion rights, voting rights, terms of redemption and liquidation preferences, any or all of which may be greater than the rights of the common stock. Satisfaction of any dividend preferences of outstanding shares of preferred stock would reduce the amount of funds available for the payment of dividends on shares of our common stock. Holders of shares of preferred stock may be entitled to receive a preference payment in the event of our liquidation before any payment is made to the holders of shares of our common stock. Under certain circumstances, the issuance of shares of preferred stock may render more difficult or tend to discourage a merger, tender offer or proxy contest, the assumption of control by a holder of a large block of our securities or the removal of incumbent management. Upon the affirmative vote of a majority of the total number of directors then in office, our Board of Directors, without stockholder approval, may issue shares of preferred stock with voting and conversion rights which could adversely affect the holders of shares of our common stock and the market value of our common stock. Upon consummation of this offering, there will be no shares of preferred stock outstanding, and we have no present intention to issue any shares of preferred stock.

Amended and Restated Stockholders Agreement

In connection with this offering, we intend to amend and restate the Stockholders Agreement with certain of our stockholders, including investment entities affiliated with Bain Capital, pursuant to which such parties will have specified board representation rights, governance rights and other rights. See "*Certain Relationships and Related Party Transactions.*"

Anti-Takeover Effects of Our Certificate of Incorporation and Our Bylaws and Certain Provisions of Delaware Law

Certain provisions of Delaware law and our second restated certificate of incorporation and our second amended and restated bylaws contain provisions that are intended to enhance the likelihood of continuity and stability in the composition of the Board of Directors and which may have the effect of delaying, deferring or preventing a future takeover or change in control of the Company unless such takeover or change in control is approved by the Board of Directors.

These provisions include:

Classified Board. Our second restated certificate of incorporation will provide that our Board of Directors will be divided into three classes of directors, with the classes as nearly equal in number as possible. As a result, approximately one-third of our Board of Directors will be elected each year. The classification of directors will have the effect of making it more difficult for stockholders to change the composition of our Board of Directors. The number of directors will be fixed by our Board of Directors, subject to the terms of our second restated certificate of incorporation and second amended and restated bylaws.

Special Meetings of Stockholders. Our second restated certificate of incorporation and second amended and restated bylaws will provide that, except as otherwise required by law, special meetings of the stockholders may be called only (i) by our chairperson of the Board of Directors, (ii) by a resolution adopted by a majority of our Board of Directors, or (iii) by our Secretary at the request of the holders of 50% or more of the outstanding shares of our common stock so long as Bain Capital beneficially owns a majority of the outstanding shares of our common stock.

Removal of Directors. Our second restated certificate of incorporation will provide that our directors may be removed only for cause by the affirmative vote of the holders of a majority of the voting power of all then outstanding shares of capital stock entitled to vote generally in the election of directors, voting together as a single class.

Elimination of Stockholder Action by Written Consent. Our second restated certificate of incorporation will eliminate the right of stockholders to act by written consent without a meeting following the date on which Bain Capital no longer beneficially owns a majority of the outstanding shares of our common stock.

Advance Notice Procedures. Our second amended and restated bylaws will establish an advance notice procedure for stockholder proposals to be brought before an annual meeting of our stockholders, including proposed

nominations of persons for election to the Board of Directors. Stockholders at an annual meeting will only be able to consider proposals or nominations specified in the notice of meeting or brought before the meeting by or at the direction of the Board of Directors or by a stockholder who was a stockholder of record on the record date for the meeting, who is entitled to vote at the meeting and who has given our Secretary timely written notice, in proper form, of the stockholder's intention to bring that business before the meeting. Although the second amended and restated bylaws will not give the Board of Directors the power to approve or disapprove stockholder nominations of candidates or proposals regarding other business to be conducted at a special or annual meeting, the second amended and restated bylaws may have the effect of precluding the conduct of certain business at a meeting if the proper procedures are not followed or may discourage or deter a potential acquiror from conducting a solicitation of proxies to elect its own slate of directors or otherwise attempting to obtain control of the company.

Authorized but Unissued Shares. Our authorized but unissued shares of common stock and preferred stock will be available for future issuance without stockholder approval. These additional shares may be utilized for a variety of corporate purposes, including future public offerings to raise additional capital, corporate acquisitions and employee benefit plans. The existence of authorized but unissued shares of common stock and preferred stock could render more difficult or discourage an attempt to obtain control of a majority of our common stock by means of a proxy contest, tender offer, merger or otherwise.

Business Combinations with Interested Stockholders. We will elect in our second restated certificate of incorporation not to be subject to Section 203 of the DGCL, an antitakeover law. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a business combination, such as a merger, with a person or group owning 15% or more of the Company's voting stock for a period of three years following the date the person became an interested stockholder, unless (with certain exceptions) the business combination or the transaction in which the person became an interested stockholder is approved in a prescribed manner. Accordingly, we are not subject to any anti-takeover effects of Section 203. However, our second restated certificate of incorporation will contain provisions that have the same effect as Section 203, except that they provide that Bain Capital and its respective successors, transferees and affiliates will not be deemed to be "interested stockholders," regardless of the percentage of our voting stock owned by them, and accordingly will not be subject to such restrictions.

Choice of Forum. Our second restated certificate of incorporation will provide that, subject to limited exceptions, the Court of Chancery of the State of Delaware (or, if, and only if, the Court of Chancery of the State of Delaware dismisses a Covered Claim (as defined below) for lack of subject matter jurisdiction, any other state or federal court in the State of Delaware that does have subject matter jurisdiction) will, to the fullest extent permitted by applicable law, be the sole and exclusive forum for the following types of claims: (i) any derivative claim brought in the right of the Company, (ii) any claim asserting a breach of a fiduciary duty to the Company or the Company's stockholders owed by any current or former director, officer or other employee or stockholder of the Company, (iii) any claim against the Company arising pursuant to any provision of the DGCL, our second restated certificate of incorporation or amended and restated bylaws, (iv) any claim to interpret, apply, enforce or determine the validity of our second restated certificate of incorporation or our amended and restated bylaws, (v) any claim against the Company governed by the internal affairs doctrine and (vi) any other claim, not subject to exclusive federal jurisdiction and not asserting a cause of action arising under the Securities Act, as amended, brought in any action asserting one or more of the claims specified in clauses (a)(i) through (v) herein above (each a "Covered Claim"). This provision would not apply to claims brought to enforce a duty or liability created by the Exchange Act.

Our second restated certificate of incorporation will further provide that the federal district courts of the United States of America will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. In addition, our second restated certificate of incorporation will provide that any person or entity purchasing or otherwise acquiring any interest in the shares of capital stock of the Company will be deemed to have notice of and consented to these choice-of-forum provisions and waived any argument relating to the inconvenience of the forums in connection with any Covered Claim.

The choice of forum provisions to be contained in our second restated certificate of incorporation may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or any of our directors, officers, other employees or stockholders, which may discourage lawsuits with respect to such claims, although our stockholders will not be deemed to have waived our compliance with federal securities laws and the

rules and regulations thereunder. While the Delaware courts have determined that such choice of forum provisions are facially valid, it is possible that a court of law in another jurisdiction could rule that the choice of forum provisions to be contained in our second restated certificate of incorporation are inapplicable or unenforceable if they are challenged in a proceeding or otherwise, which could cause us to incur additional costs associated with resolving such action in other jurisdictions. See "*Risk Factors— Risks Related to Ownership of our Common Stock and this Offering—Our second restated certificate of incorporation will contain exclusive forum provisions, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees*."

Amendment of Charter Provisions and Bylaws. The amendment of any of the above provisions, following the date on which Bain Capital no longer beneficially owns a majority of the outstanding shares of our common stock, except for the provision making it possible for our Board of Directors to issue preferred stock, would require the affirmative vote of the holders of at least 75% of the voting power of our outstanding shares of capital stock entitled to vote thereon.

The provisions of Delaware law, our second restated certificate of incorporation and our second amended and restated bylaws could have the effect of discouraging others from attempting hostile takeovers and, as a consequence, they may also inhibit temporary fluctuations in the market price of our common stock that often result from actual or rumored hostile takeover attempts. These provisions may also have the effect of preventing changes in the composition of our Board of Directors and management. It is possible that these provisions could make it more difficult to accomplish transactions that stockholders may otherwise deem to be in their best interests.

Corporate Opportunities

Our second restated certificate of incorporation provides that we renounce any interest or expectancy in the business opportunities of Bain Capital and each of their respective partners, principals, directors, officers, members, managers and/or employees, including any of the foregoing who serve as officers or directors of the Company, and each such party shall not have any obligation to offer us those opportunities, even if such opportunity is in the line of business of the Company.

Limitations on Liability and Indemnification of Directors and Officers

Our second restated certificate of incorporation will limit the liability of our directors to the fullest extent permitted by the DGCL or any other law of the state of Delaware and our second amended and restated bylaws will provide that we may indemnify our directors and our officers that are appointed by the Board of Directors to the fullest extent permitted by applicable law. We expect to enter into indemnification agreements with our current directors and executive officers prior to the completion of this offering and expect to enter into similar agreements with any new directors or executive officers. We expect to increase our directors' and officers' liability insurance coverage prior to the completion of this offering.

Transfer Agent and Registrar

Upon the completion of this offering, the transfer agent and registrar for our common stock will be Equiniti Trust Company, LLC. The transfer agent's address is 28 Liberty Street, 53rd Floor, New York, NY 10005.

Listing

We have applied to list our common stock on the New York Stock Exchange under the symbol "BOBS."

Shares Eligible For Future Sale

Immediately prior to this offering, there was no public market for our common stock, and we cannot predict the effect, if any, that market sales of our common stock or the availability of our common stock for sale will have on the market price of our common stock prevailing from time to time. Future sales of our common stock in the public market, or the availability of such shares for sale in the public market, could adversely affect market prices prevailing from time to time. As described below, only a limited number of shares currently outstanding will be available for sale immediately after this offering due to contractual and legal restrictions on resale. Nevertheless, future sales of substantial amounts of our common stock, including shares issued upon the exercise of outstanding options or warrants, in the public market after this offering, or the perception that those sales may occur, could cause the prevailing market price for our common stock to fall or impair our ability to raise capital through sales of our equity securities.

Upon consummation of this offering, we expect to have outstanding an aggregate of 130,367,060 shares of our common stock outstanding.

All of the shares to be issued in this offering, including shares sold by the selling stockholder if the underwriters exercise their option to purchase additional shares in this offering, will be freely tradable without restriction under the Securities Act unless purchased by our "affiliates," as that term is defined in Rule 144 under the Securities Act. Shares purchased by our affiliates may not be resold except pursuant to an effective registration statement or an exemption from registration, including the safe harbor under Rule 144 of the Securities Act described below. In addition, following this offering, we expect 7,542,309 shares of common stock issuable pursuant to awards granted under our 2014 Option Plan, plus 13,036,706 shares of common stock reserved for issuance under the 2026 Equity Plan to be covered by a registration statement on Form S-8 will eventually become freely tradable in the public market, subject to certain contractual and legal restrictions described below.

All of the remaining 107,999,560 shares of our common stock that were outstanding prior to this offering (assuming the underwriters exercise their option to purchase additional shares in full) will be "restricted securities," as that term is defined in Rule 144 of the Securities Act, and we expect that substantially all of these restricted securities will be subject to the lock-up agreements described below. These restricted securities may be sold in the public market only if the sale is registered or pursuant to an exemption from registration, such as the safe harbors provided by Rule 144 or Rule 701 of the Securities Act, which are summarized below.

Lock-Up and Market Standoff Restrictions

In connection with this offering, we, the selling stockholder and all of our directors, officers, and the holders of 207,276,436 shares of our outstanding common stock have agreed that, without the prior written consent of certain of the underwriters, we and they will not, subject to limited exceptions, directly or indirectly sell or dispose of any shares of common stock or any securities convertible into or exchangeable or exercisable for shares of common stock for a period of 180 days after the date of this prospectus.

As a result of the foregoing, substantially all of our outstanding shares of common stock and securities directly or indirectly convertible into or exchangeable or exercisable for our common stock are subject to a lock-up agreement or the transfer restrictions contained in the Amended and Restated Stockholders Agreement during the restricted period. Subject to certain exceptions, the transfer restrictions in the Amended and Restated Stockholders Agreement may not be waived during the 180 days after the date of this prospectus without the prior consent of any two of the four representatives of the underwriters.

The lock-up and market standoff restrictions and specified exceptions are described in more detail under "*Underwriting (Conflicts of Interest)*."

Amended and Restated Stockholders Agreement

On February 12, 2014, in connection with Bain Capital's investment in the Company, we entered into the Stockholders Agreement with certain stockholders, including investments funds affiliated with Bain Capital, our directors and officers who hold shares of our common stock and certain other investors relating to rights and

obligations with respect to ownership of our common stock. In connection with this offering, we intend to amend and restate the Stockholders Agreement. Pursuant to the Amended and Restated Stockholders Agreement, Bain Capital and certain other holders will have registration rights whereby, at any time following this offering and the expiration of any related lock-up period, Bain Capital can require us to register under the Securities Act shares of common stock, and our officers and directors, among others will have certain rights to sell their shares in registered offerings initiated by us or Bain Capital.

In addition, the Amended and Restated Stockholders Agreement will provide that certain holders of our common stock party thereto shall be restricted from directly or indirectly selling, transferring, assigning or otherwise disposing of any interest in our common stock for 270 days from the date of this prospectus, subject to certain exceptions substantially consistent with the exceptions provided for under the lock-up agreements described in more detail under "*Underwriting (Conflicts of Interest)*."

Rule 144

In general, under Rule 144, as currently in effect, beginning 90 days after we become subject to the public company reporting requirements of the Exchange Act, any person who is not our affiliate and who has held their shares for at least six months, including the holding period of any prior owner other than one of our affiliates, may sell shares without restriction, subject to the availability of current public information about us. In addition, under Rule 144, any person who is not our affiliate and has not been our affiliate at any time during the preceding three months and who has held their shares for at least one year, including the holding period of any prior owner other than one of our affiliates, would be entitled to sell an unlimited number of shares immediately upon the closing of this offering without regard to whether current public information about us is available.

Beginning 90 days after we become subject to the public company reporting requirements of the Exchange Act, a person who is our affiliate or who was our affiliate at any time during the preceding three months and who has beneficially owned restricted securities for at least six months, including the holding period of any prior owner other than one of our affiliates, is entitled to sell a number of shares within any three-month period that does not exceed the greater of: (i) 1% of the number of shares of our common stock outstanding, which will equal approximately 1,366,644 shares immediately after this offering; and (ii) the average weekly trading volume of our common stock on the New York Stock Exchange during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale.

Sales under Rule 144 by our affiliates are also subject to certain manner of sale provisions, notice requirements and the availability of current public information about us.

Rule 701

In general, under Rule 701 under the Securities Act, beginning 90 days after we become subject to the public company reporting requirements of the Exchange Act, any of our employees, directors, officers, consultants or advisors who acquired shares of common stock from us in connection with a written compensatory stock or option plan or other written agreement in compliance with Rule 701 is entitled to sell such shares in reliance on Rule 144 but without compliance with certain of the requirements contained in Rule 144. Accordingly, subject to any applicable lock-up or market standoff restrictions, beginning 90 days after we become subject to the public company reporting requirements of the Exchange Act, under Rule 701 persons who are not our affiliates may resell those shares without complying with the minimum holding period or public information requirements of Rule 144, and persons who are our affiliates may resell those shares without compliance with minimum holding period requirements of Rule 144.

Equity Incentive Plans

Following this offering, we intend to file with the SEC a registration statement on Form S-8 under the Securities Act covering the 7,542,309 shares of common stock issuable pursuant to awards granted under our 2014 Option Plan, and the 13,036,706 shares of common stock reserved for issuance under the 2026 Equity Plan. Shares covered by such registration statement will be available for sale in the open market following its effective date, subject to certain Rule 144 limitations applicable to affiliates and the terms of lock-up or market standoff restrictions

applicable to those shares. See the section titled "*Executive and Director Compensation—Equity Incentive Plans and Other Benefit Plans*" for a description of our equity incentive plans.

Registration Rights

Subject to the lock-up and market standoff restrictions described above, following this offering, Bain Capital may demand that we register the sale of their shares under the Securities Act or, if we file another registration statement under the Securities Act other than a Form S-8 covering securities issuable under our equity plans or on Form S-4, may elect to include their shares of common stock in such registration. Following such registered sales, the shares will be freely tradable without restriction under the Securities Act, unless held by our affiliates. See "*Certain Relationships and Related Party Transactions—Amended and Restated Stockholders Agreement*."

Material U.S. Federal Income Tax Considerations for Non-U.S. Holders

The following is a summary of the material U.S. federal income tax considerations relating to the purchase, ownership and disposition of our common stock by Non-U.S. Holders (defined below). This summary does not purport to be a complete analysis of all the potential tax considerations relevant to Non-U.S. Holders of our common stock. This summary is based upon the Internal Revenue Code of 1986, as amended (the "Code"), the Treasury regulations promulgated or proposed thereunder and administrative and judicial interpretations thereof, all as of the date hereof and all of which are subject to change at any time, possibly on a retroactive basis.

This discussion is limited to Non-U.S. Holders that hold our common stock as a "capital asset" within the meaning of Section 1221 of the Code (generally, property held for investment). For purposes of this summary, a "Non-U.S. Holder" means a beneficial owner of common stock that for U.S. federal income tax purposes is not classified as a partnership and is not:

- an individual who is a citizen or resident of the United States;
- a corporation or any other organization taxable as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate, the income of which is included in gross income for U.S. federal income tax purposes regardless of its source; or
- a trust if (1) a U.S. court is able to exercise primary supervision over the trust's administration and one or more U.S. persons have the authority to control all of the trust's substantial decisions or (2) the trust has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

This discussion does not address all U.S. federal income tax consequences relevant to a Non-U.S. Holder's particular circumstances, including the impact of any alternative minimum tax or the Medicare contribution tax on net investment income. In addition, it does not address consequences relevant to Non-U.S. Holders subject to special rules, including, without limitation:

- U.S. expatriates and former citizens or long-term residents of the United States;
- persons holding our common stock as part of a hedge, straddle or other risk reduction strategy or as part of a conversion transaction or other integrated investment;
- banks, insurance companies and other financial institutions;
- brokers, dealers or traders in securities;
- "controlled foreign corporations," "passive foreign investment companies," and corporations that accumulate earnings to avoid U.S. federal income tax;
- partnerships or other entities or arrangements treated as partnerships or other pass-through entities for U.S. federal income tax purposes (and investors therein);
- tax-exempt organizations or governmental organizations;
- persons deemed to sell our common stock under the constructive sale provisions of the Code;
- persons who hold or receive our common stock pursuant to the exercise of any employee stock option or otherwise as compensation;
- tax-qualified retirement plans;
- persons who hold common stock that constitutes "qualified small business stock" under Section 1202 of the Code, or "Section 1244 stock" under Section 1244 of the Code;

- persons who acquired our common stock in a transaction subject to the gain rollover provisions of the Code (including Section 1045 of the Code);
- persons that acquired our common stock pursuant to the exercise of warrants or conversion rights under convertible instruments;
- persons who have elected to mark securities to market;
- persons that own, or have owned, actually or constructively, more than 5% of our common stock;
- "qualified foreign pension funds" as defined in Section 897(l)(2) of the Code and entities all of the interests of which are held by qualified foreign pension funds; and
- persons subject to special tax accounting rules as a result of any item of gross income with respect to our common stock being taken into account in an applicable financial statement.

If an entity that is classified as a partnership for U.S. federal income tax purposes holds our common stock, the tax treatment of persons treated as its partners for U.S. federal income tax purposes will generally depend upon the status of the partner and the activities of the partnership. Partnerships and other entities that are classified as partnerships for U.S. federal income tax purposes and persons holding our common stock through a partnership or other entity classified as a partnership for U.S. federal income tax purposes are urged to consult their own tax advisors.

There can be no assurance that the U.S. Internal Revenue Service (the "IRS") will not challenge one or more of the tax consequences described herein, and we have not obtained, nor do we intend to obtain a ruling from the IRS with respect to the U.S. federal income tax consequences to a Non-U.S. Holder of the purchase, ownership or disposition of our common stock.

THIS SUMMARY IS FOR GENERAL INFORMATION ONLY AND IS NOT INTENDED TO BE TAX ADVICE. NON-U.S. HOLDERS ARE URGED TO CONSULT THEIR TAX ADVISORS CONCERNING THE U.S. FEDERAL INCOME TAXATION, STATE, LOCAL AND NON-U.S. TAXATION AND OTHER TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR COMMON STOCK.

Distributions on Our Common Stock

If we make a distribution of cash or property with respect to our common stock, any such distributions generally will constitute dividends for U.S. federal income tax purposes to the extent of our current and accumulated earnings and profits, if any, as determined under U.S. federal income tax principles. If a distribution exceeds our current and accumulated earnings and profits, the excess will constitute a return of capital and will first reduce the holder's adjusted tax basis in our common stock, but not below zero. Any remaining excess will be treated as capital gain, subject to the tax treatment described below in "*—Gain on Sale, Exchange or Other Taxable Disposition of Our Common Stock*." Any such distribution would also be subject to the discussion below under the section titled "*—Additional Withholding and Reporting Requirements*."

Dividends paid to a Non-U.S. Holder generally will be subject to a 30% U.S. federal withholding tax unless such Non-U.S. Holder provides us or our agent, as the case may be, with an appropriate IRS Form W-8 establishing a reduction or exemption, such as:

- IRS Form W-8BEN or W-8BEN-E (or successor form) certifying, under penalties of perjury, a reduction in withholding under an applicable income tax treaty, or
- IRS Form W-8ECI (or successor form) certifying that a dividend paid on our common stock is not subject to withholding tax because it is effectively connected with a trade or business in the United States of the Non-U.S. Holder (in which case such dividend generally will be subject to regular graduated U.S. tax rates as described below).

The certification requirement described above must be provided to us or our agent prior to the payment of dividends and must be updated periodically. The certification also may require a Non-U.S. Holder that provides an IRS form or that claims treaty benefits to provide its U.S. taxpayer identification number. Special certification and other requirements apply in the case of certain Non-U.S. Holders that hold shares of our common stock through intermediaries or are pass-through entities for U.S. federal income tax purposes.

Each Non-U.S. Holder is urged to consult its own tax advisor about the specific methods for satisfying these requirements. A claim for exemption will not be valid if the person receiving the applicable form has actual knowledge or reason to know that the statements on the form are false.

If dividends are effectively connected with a trade or business in the United States of a Non-U.S. Holder (and, if required by an applicable income tax treaty, are attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States), the Non-U.S. Holder, although exempt from the withholding tax described above (provided that the certification requirements described above is satisfied), generally will be subject to U.S. federal income tax on such dividends on a net income basis in the same manner as if it were a resident of the United States. In addition, if a Non-U.S. Holder is treated as a corporation for U.S. federal income tax purposes, the Non-U.S. Holder may be subject to an additional "branch profits tax" equal to 30% (unless reduced by an applicable income treaty) of its earnings and profits in respect of such effectively connected dividend income.

Non-U.S. Holders that do not timely provide us or our agent with the required certification, but which are eligible for a reduced rate of U.S. federal withholding tax pursuant to an income tax treaty, may obtain a refund or credit of any excess amount withheld by timely filing an appropriate claim for refund with the IRS.

Gain on Sale, Exchange or Other Taxable Disposition of Our Common Stock

Subject to the discussion below under the section titled "*—Additional Withholding and Reporting Requirements,*" in general, a Non-U.S. Holder will not be subject to U.S. federal income tax or withholding tax on gain realized upon such holder's sale, exchange or other taxable disposition of shares of our common stock, unless (1) such Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of disposition, and certain other conditions are met, (2) we are or have been a "United States real property holding corporation," as defined in the Code (a "USRPHC"), at any time within the shorter of the five-year period preceding the disposition and the Non-U.S. Holder's holding period in the shares of our common stock, and certain other requirements are met, or (3) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business in the United States (and, if required by an applicable income tax treaty, is attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States).

If the first exception described above applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30% (or at a reduced rate under an applicable income tax treaty) on the amount by which such Non-U.S. Holder's capital gains allocable to U.S. sources exceed capital losses allocable to U.S. sources during the taxable year of the disposition. If the third exception described above applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax with respect to such gain on a net income basis in the same manner as if it were a resident of the United States and a Non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to any earnings and profits attributable to such gain at a rate of 30% (or at a reduced rate under an applicable income tax treaty).

With respect to the second exception described above, generally, a corporation is a USRPHC only if the fair market value of its U.S. real property interests (as defined in the Code) equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests plus its other assets used or held for use in a trade or business. We believe that we are not, and do not anticipate becoming, a USRPHC. Even if we became a USRPHC, a Non-U.S. Holder would not be subject to U.S. federal income tax on a sale, exchange or other taxable disposition of our common stock by reason of our status as USRPHC so long as our common stock is regularly traded on an established securities market at any time during the calendar year in which the disposition occurs and the Non-U.S. Holder does not own and is not deemed to own (directly, indirectly or constructively) more than 5% of our common stock at any time during the shorter of the five year period ending on the date of disposition and the holder's holding period.

Additional Withholding and Reporting Requirements

The Foreign Account Tax Compliance Act, Sections 1471 through 1474 of the Code, and related Treasury regulations, together with other U.S. Treasury Department and IRS guidance issued thereunder and intergovernmental agreements, legislation, rules and other official guidance adopted pursuant to such intergovernmental agreements (commonly referred to as "FATCA") impose a U.S. federal withholding tax of 30% on certain payments, including dividends paid on our common stock, paid to (1) a "foreign financial institution" (as defined under FATCA) unless such institution furnishes proper documentation (typically on IRS Form W-8BEN-E) evidencing either (i) an exemption from FATCA withholding, (ii) its compliance (or deemed compliance) with specified due diligence, reporting, withholding and certification obligations under FATCA or (iii) residence in a jurisdiction that has entered into an intergovernmental agreement with the United States relating to FATCA and compliance with the diligence and reporting requirements of the intergovernmental agreement and local implementing rules; or (2) a "non-financial foreign entity" (as defined under FATCA) that does not furnish proper documentation, typically on IRS Form W-8BEN-E, evidencing either (i) an exemption from FATCA or (ii) adequate information regarding substantial United States beneficial owners of such entity (if any). An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements.

The IRS and the U.S. Department of Treasury have issued proposed regulations on which taxpayers may rely providing that these withholding rules will not apply to the gross proceeds of a sale or other disposition of shares of our common stock. Prospective investors should consult their own tax advisors regarding the effect of FATCA on their ownership and disposition of our common stock.

Backup Withholding and Information Reporting

We must report annually to the IRS and to each Non-U.S. Holder the gross amount of the distributions on our common stock paid to the holder and the tax withheld, if any, with respect to the distributions. Non-U.S. Holders may have to comply with specific certification procedures (such as the provision of a properly completed IRS Form W-8BEN or IRS Form W-8BEN-E) to establish that the holder is not a United States person (as defined in the Code) in order to avoid backup withholding at the applicable rate, currently 24%, with respect to dividends on our common stock. Dividends paid to Non-U.S. Holders subject to the U.S. withholding tax, as described above under the section titled "*—Distributions on Our Common Stock,*" generally will be exempt from U.S. backup withholding.

Information reporting and backup withholding will generally apply to the proceeds of a disposition of our common stock by a Non-U.S. Holder effected by or through the U.S. office of any broker, U.S. or foreign, unless the holder certifies its status as a Non-U.S. Holder and satisfies certain other requirements, or otherwise establishes an exemption. Generally, information reporting and backup withholding will not apply to a payment of disposition proceeds to a Non-U.S. Holder where the transaction is effected outside the United States through a non-U.S. office of a broker. However, for information reporting purposes, dispositions effected through a non-U.S. office of a broker with substantial U.S. ownership or operations generally will be treated in a manner similar to dispositions effected through a U.S. office of a broker. Prospective investors should consult their own tax advisors regarding the application of the information reporting and backup withholding rules to them, including the availability of and procedure for obtaining an exemption from backup withholding.

Copies of information returns may be made available to the tax authorities of the country in which the Non-U.S. Holder resides or, in which the Non-U.S. Holder is incorporated, under the provisions of a specific treaty or agreement.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a Non-U.S. Holder can be refunded or credited against the Non-U.S. Holder's U.S. federal income tax liability, if any, provided that an appropriate claim is timely filed with the IRS.

Underwriting (Conflicts of Interest)

We are offering the shares of our common stock described in this prospectus through a number of underwriters. J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC, RBC Capital Markets, LLC and UBS Securities LLC are acting as joint book-running managers of the offering and as representatives of the underwriters. We and the selling stockholder have entered into an underwriting agreement with the underwriters. Subject to the terms and conditions of the underwriting agreement, we and the selling stockholder have agreed to sell to the underwriters, and each underwriter has severally agreed to purchase, at the public offering price less the underwriting discounts and commissions set forth on the cover page of this prospectus, the number of shares of our common stock listed next to its name in the following table:

Name	Number of Shares
J.P. Morgan Securities LLC	
Morgan Stanley & Co. LLC	
RBC Capital Markets, LLC	
UBS Securities LLC	
BofA Securities, Inc.	
Evercore Group L.L.C.	
Goldman Sachs & Co. LLC	
Robert W. Baird & Co. Incorporated	
KeyBanc Capital Markets Inc.	
Raymond James & Associates, Inc.	
AmeriVet Securities, Inc.	
Loop Capital Markets LLC	
R. Seelaus & Co., LLC	
Samuel A. Ramirez & Company, Inc.	
Total	19,450,000

The underwriters are committed to purchase the shares of common stock offered by us if they purchase any shares. The underwriting agreement also provides that if an underwriter defaults, the purchase commitments of non-defaulting underwriters may also be increased or the offering may be terminated.

The underwriters propose to offer the shares of common stock directly to the public at the initial public offering price set forth on the cover page of this prospectus and to certain dealers at that price less a concession not in excess of $ per share. After the initial offering of the shares to the public, if all of the shares of common stock are not sold at the initial public offering price, the underwriters may change the offering price and the other selling terms. Sales of any shares made outside of the United States may be made by affiliates of the underwriters.

The selling stockholder has granted the underwriters an option to buy up to 2,917,500 additional shares of our common stock from the selling stockholder to cover sales of shares by the underwriters which exceed the number of shares specified in the table above. The underwriters have 30 days from the date of this prospectus to exercise this option to purchase additional shares. If any shares are purchased with this option to purchase additional shares, the underwriters will purchase shares in approximately the same proportion as shown in the table above. If any additional shares of our common stock are purchased, the underwriters will offer the additional shares on the same terms as those on which the shares are being offered.

The underwriting fee is equal to the public offering price per share of common stock less the amount paid by the underwriters to us per share of common stock. The underwriting fee is $ per share. The following table shows

the per share and total underwriting discounts and commissions to be paid to the underwriters assuming both no exercise and full exercise of the underwriters' option to purchase additional shares.

	Without option to purchase additional shares exercise	With full option to purchase additional shares exercise
Per Share	$	$
Total	$	$

We estimate that the total expenses of this offering, including registration, filing and listing fees, printing fees and legal and accounting expenses, but excluding the underwriting discounts and commissions, will be approximately $7.6 million. We and the selling stockholder have also agreed to reimburse the underwriters for certain of their expenses in an amount up to $55,000. The underwriters have agreed to reimburse us for certain expenses in connection with this offering.

A prospectus in electronic format may be made available on the web sites maintained by one or more underwriters, or selling group members, if any, participating in the offering. The underwriters may agree to allocate a number of shares to underwriters and selling group members for sale to their online brokerage account holders. Internet distributions will be allocated by the representatives to underwriters and selling group members that may make Internet distributions on the same basis as other allocations.

We have agreed that we will not (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, or submit to, or file with, the SEC a registration statement under the Securities Act relating to, any shares of our common stock or securities convertible into or exercisable or exchangeable for any shares of our common stock, or publicly disclose the intention to make any offer, sale, pledge, loan, disposition or filing, or (ii) enter into any swap or other arrangement that transfers all or a portion of the economic consequences associated with the ownership of any shares of common stock or any such other securities (regardless of whether any of these transactions are to be settled by the delivery of shares of common stock or such other securities, in cash or otherwise), in each case without the prior written consent of any two of J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC, RBC Capital Markets, LLC and UBS Securities LLC for a period of 180 days after the date of this prospectus, other than the shares of our common stock to be sold in this offering.

The restrictions on our actions, as described above, do not apply to certain transactions, including (i) the issuance of shares of our common stock or securities convertible into or exercisable for shares of our common stock pursuant to the conversion or exchange of convertible or exchangeable securities or the exercise of warrants or options (including net exercise) or the settlement of restricted stock units ("RSUs") (including net settlement), in each case outstanding on the date of the underwriting agreement and described in this prospectus; (ii) grants of stock options, stock awards, restricted stock, RSUs, or other equity awards and the issuance of shares of our common stock or securities convertible into or exercisable or exchangeable for shares of our common stock (whether upon the exercise of stock options or otherwise) to our employees, officers, directors, advisors, or consultants pursuant to the terms of an equity compensation plan in effect as of the closing of this offering and described in this prospectus, provided that such recipients enter into a lock-up agreement with the underwriters; (iii) the issuance of up to 5% of the outstanding shares of our common stock, or securities convertible into, exercisable for, or which are otherwise exchangeable for, our common stock, immediately following the closing of this offering, in acquisitions or other similar strategic transactions, provided that such recipients enter into a lock-up agreement with the underwriters; or (iv) our filing of any registration statement on Form S-8 relating to securities granted or to be granted pursuant to any plan in effect on the date of the underwriting agreement and described in this prospectus or any assumed benefit plan pursuant to an acquisition or similar strategic transaction.

Our directors and executive officers, and holders of substantially all of our common stock, including the selling stockholder (such persons, the "lock-up parties"), have entered into lock-up agreements with the underwriters prior to the commencement of this offering pursuant to which each lock-up party, with limited exceptions, for a period of 180 days after the date of this prospectus (such period, the "restricted period"), may not (and may not cause any of

their direct or indirect affiliates to), without the prior written consent of any two of J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC, RBC Capital Markets, LLC and UBS Securities LLC, (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares of our common stock or any securities convertible into or exercisable or exchangeable for our common stock (including, without limitation, common stock or such other securities which may be deemed to be beneficially owned by such lock-up parties in accordance with the rules and regulations of the SEC and securities which may be issued upon exercise of a stock option or warrant (collectively with the common stock, the "lock-up securities")), (2) enter into any hedging, swap or other agreement or transaction that transfers, in whole or in part, any of the economic consequences of ownership of the lock-up securities, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of lock-up securities, in cash or otherwise, (3) make any demand for, or exercise any right with respect to, the registration of any lock-up securities, or (4) publicly disclose the intention to do any of the foregoing. Such persons or entities have further acknowledged that these undertakings preclude them from engaging in any hedging or other transactions or arrangements (including, without limitation, any short sale or the purchase or sale of, or entry into, any put or call option, or combination thereof, forward, swap or any other derivative transaction or instrument, however described or defined) designed or intended, or which could reasonably be expected to lead to or result in, a sale or disposition or transfer (by any person or entity, whether or not a signatory to such agreement) of any economic consequences of ownership, in whole or in part, directly or indirectly, of any lock-up securities, whether any such transaction or arrangement (or instrument provided for thereunder) would be settled by delivery of lock-up securities, in cash or otherwise.

The restrictions described in the immediately preceding paragraph and contained in the lock-up agreements between the underwriters and the lock-up parties do not apply, subject in certain cases to various conditions, to certain transactions, including (a) transfers of lock-up securities: (i) as bona fide gifts, or for bona fide estate planning purposes, (ii) by will, testamentary document or intestacy, (iii) to any immediate family member or to any trust for the direct or indirect benefit of the lock-up party or any immediate family member, (iv) to a corporation, trust, partnership, limited liability company or other entity of which the lock-up party and its immediate family members are the legal and beneficial owner of all of the outstanding equity securities or similar interests, (v) to a nominee or custodian of a person or entity to whom a disposition or transfer would be permissible under clauses (i) through (iv), (vi) in the case of a corporation, partnership, limited liability company, trust or other business entity, (A) to another corporation, partnership, limited liability company, trust or other business entity that is an affiliate of the lock-up party, or to any investment fund or other entity controlling, controlled by, managing or managed by or under common control with the lock-up party or its affiliates or (B) as part of a distribution to members or stockholders of the lock-up party; (vii) by operation of law, (viii) to us from an employee upon death, disability or termination of employment of such employee, (ix) as part of a sale of lock-up securities acquired in open market transactions after the completion of this offering, (x) to us in connection with the vesting, settlement or exercise of restricted stock units, options, warrants or other rights to purchase shares of our common stock (including "net" or "cashless" exercise), including for the payment of exercise price and tax and remittance payments, (xi) in connection with any pledge, charge, hypothecation or other granting of a security interest in lock-up securities held by BCPE BDF Investor, LP or its affiliates, including entities controlled by or affiliated with Bain Capital, L.P. (collectively, the "Bain Funds") to one or more banks, financial or other lending institutions ("Lenders") as collateral or security for or in connection with any margin loan or other loans, advances or extensions of credit entered into by the lock-up party or any of its direct or indirect subsidiaries and any transfers of such lock-up securities or such other securities to the applicable Lender(s) or other third parties upon or following foreclosure upon or enforcement of such lock-up securities or such securities in accordance with the terms of the documentation governing any margin loan or other loan, advance, or extension of credit (including, without limitation, pursuant to any agreement or arrangement existing as of the date hereof); provided that with respect to any pledge, charge, hypothecation or other granting of a security interest set forth above after the execution of this agreement, the applicable Lender(s) is informed of the existence and contents of this agreement before entering into any margin loan or other loans, advances or extensions of credit, (xii) by the Bain Funds as bona fide gifts, either directly or indirectly (including through any related distributions or dividends to the direct or indirect equity holders of the Bain Funds or to managing directors of Bain Capital Investors, LLC, in each case as necessary to facilitate any such bona fide gifts), or (xiii) pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction approved by our Board of Directors and made to all stockholders involving a change in control, provided that if such transaction is not completed, all

such lock-up securities would remain subject to the restrictions in the immediately preceding paragraph; (b) exercise of the options, settlement of RSUs or other equity awards, or the exercise of warrants granted pursuant to plans described in this prospectus, provided that any lock-up securities received upon such exercise, vesting or settlement would be subject to restrictions similar to those in the immediately preceding paragraph; (c) the conversion of outstanding preferred stock, warrants to acquire preferred stock, or convertible securities into shares of our common stock or warrants to acquire shares of our common stock, provided that any common stock or warrant received upon such conversion would be subject to restrictions similar to those in the immediately preceding paragraph; and (d) the establishment by lock-up parties of trading plans under Rule 10b5-1 under the Exchange Act, provided that such plan does not provide for the transfer of lock-up securities during the restricted period.

Any two of J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC, RBC Capital Markets, LLC and UBS Securities LLC, may release the securities subject to any of the lock-up agreements with the underwriters described above, in whole or in part at any time.

As a result of the foregoing, substantially all of our outstanding shares of common stock and securities directly or indirectly convertible into or exchangeable or exercisable for our common stock are subject to a lock-up agreement or the transfer restrictions contained in the Amended and Restated Stockholders Agreement. Subject to certain exceptions, the transfer restrictions in the Amended and Restated Stockholders Agreement may not be waived during the restricted period without the prior consent of any two of J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC, RBC Capital Markets, LLC and UBS Securities LLC.

We and the selling stockholder have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act.

We have applied to list our common stock on the New York Stock Exchange under the symbol “BOBS.”

In connection with this offering, the underwriters may engage in stabilizing transactions, which involves making bids for, purchasing and selling shares of our common stock in the open market for the purpose of preventing or retarding a decline in the market price of the common stock while this offering is in progress. These stabilizing transactions may include making short sales of common stock, which involves the sale by the underwriters of a greater number of shares of our common stock than they are required to purchase in this offering, and purchasing shares of our common stock on the open market to cover positions created by short sales. Short sales may be “covered” shorts, which are short positions in an amount not greater than the underwriters’ option to purchase additional shares referred to above, or may be “naked” shorts, which are short positions in excess of that amount.

The underwriters may close out any covered short position either by exercising their option to purchase additional shares, in whole or in part, or by purchasing shares in the open market. In making this determination, the underwriters will consider, among other things, the price of shares available for purchase in the open market compared to the price at which the underwriters may purchase shares through the option to purchase additional shares. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common stock in the open market that could adversely affect investors who purchase in this offering. To the extent that the underwriters create a naked short position, they will purchase shares in the open market to cover the position.

The underwriters have advised us that, pursuant to Regulation M of the Securities Act, they may also engage in other activities that stabilize, maintain or otherwise affect the price of the common stock, including the imposition of penalty bids. This means that if the representatives of the underwriters purchase common stock in the open market in stabilizing transactions or to cover short sales, the representatives can require the underwriters that sold those shares as part of this offering to repay the underwriting discount received by them.

These activities may have the effect of raising or maintaining the market price of the common stock or preventing or retarding a decline in the market price of the common stock, and, as a result, the price of the common stock may be higher than the price that otherwise might exist in the open market. If the underwriters commence these activities, they may discontinue them at any time. The underwriters may carry out these transactions on the New York Stock Exchange, in the over-the-counter market or otherwise.

Prior to this offering, there has been no public market for our common stock. The initial public offering price will be determined by negotiations between us and the representatives of the underwriters. In determining the initial public offering price, we and the representatives of the underwriters expect to consider a number of factors including:

- the information set forth in this prospectus and otherwise available to the representatives;
- our prospects and the history and prospects for the industry in which we compete;
- an assessment of our management;
- our prospects for future earnings;
- the general condition of the securities markets at the time of this offering;
- the recent market prices of, and demand for, publicly traded common stock of generally comparable companies; and
- other factors deemed relevant by the underwriters and us.

Neither we nor the underwriters can assure investors that an active trading market will develop for our common stock, or that the shares of our common stock will trade in the public market at or above the initial public offering price.

Other Relationships

An affiliate of each of J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC, RBC Capital Markets, LLC and UBS Securities LLC is a lender under our Term Loan Facility. As described in "*Use of Proceeds*," net proceeds from this offering will be used to repay outstanding borrowings under our Term Loan Facility, and an affiliate of each of J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC, RBC Capital Markets, LLC and UBS Securities LLC will receive 5% or more of the net proceeds of this offering due to the repayment of borrowings under the Term Loan Facility. Therefore, each of J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC, RBC Capital Markets, LLC and UBS Securities LLC is deemed to have a "conflict of interest" under FINRA Rule 5121. Accordingly, this offering is being conducted in compliance with the requirements of Rule 5121, which requires, among other things, that a "qualified independent underwriter" participate in the preparation of, and exercise the usual standards of "due diligence" with respect to, the registration statement and this prospectus. Evercore Group L.L.C. has agreed to act as a qualified independent underwriter for this offering and to undertake the legal responsibilities and liabilities of an underwriter under the Securities Act, specifically including those inherent in Section 11 thereof. Evercore Group L.L.C. will not receive any additional fees for serving as a qualified independent underwriter in connection with this offering. We have agreed to indemnify Evercore Group L.L.C. against liabilities incurred in connection with acting as a qualified independent underwriter, including liabilities under the Securities Act. Each of J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC, RBC Capital Markets, LLC and UBS Securities LLC will not confirm any sales to any account over which it exercises discretionary authority without the specific written approval of the account holder. See "*Use of Proceeds*" for additional information.

Certain of the underwriters and their affiliates have provided in the past to us and our affiliates and may provide from time to time in the future certain commercial banking, financial advisory, investment banking and other services for us and such affiliates in the ordinary course of their business, for which they have received and may continue to receive customary fees and commissions. In addition, from time to time, certain of the underwriters and their affiliates may effect transactions for their own account or the account of customers, and hold on behalf of themselves or their customers, long or short positions in our debt or equity securities or loans, and may do so in the future.

Directed Share Program

At our request, the underwriters have reserved, at the initial public offering price, up to 972,500 shares of common stock, or up to 5% of the shares of common stock offered by this prospectus, for sale to certain of our

directors, officers, employees and related persons through a directed share program. The shares purchased pursuant to the directed share program will not be subject to lock-up agreements with the underwriters, except in the case of shares purchased by any of our directors or executive officers, which will be subject to a 180-day lock-up restriction as described above. The underwriters will receive the same underwriting discount on any shares purchased pursuant to this program as they will on any other shares sold to the public in this offering. The number of shares available for sale to the general public will be reduced to the extent these individuals purchase such reserved shares. Any reserved shares that are not so purchased will be offered by the underwriters to the general public on the same basis as the other shares offered by this prospectus. The directed share program will be administered by Morgan Stanley & Co. LLC. We have agreed to indemnify Morgan Stanley & Co. LLC against certain liabilities and expenses in connection with sales of the shares reserved for the directed share program, including liabilities under the Securities Act.

Selling Restrictions

Other than in the United States, no action has been taken by us or the underwriters that would permit a public offering of the securities offered by this prospectus in any jurisdiction where action for that purpose is required. The securities offered by this prospectus may not be offered or sold, directly or indirectly, nor may this prospectus or any other offering material or advertisements in connection with the offer and sale of any such securities be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this prospectus comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this prospectus. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities offered by this prospectus in any jurisdiction in which such an offer or a solicitation is unlawful.

Notice to Prospective Investors in Canada

The shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Notice to Prospective Investors in the European Economic Area

In relation to each Member State of the European Economic Area (each a "Relevant State"), no shares have been offered or will be offered pursuant to the offering to the public in that Relevant State prior to the publication of a prospectus in relation to the shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that offers of shares may be made to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of the underwriters; or

(c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of shares shall require us or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation. and each person who initially acquires any shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with each of the underwriters and to us that it is a "qualified investor" within the meaning of Article 2(e) of the Prospectus Regulation. In the case of any shares being offered to a financial intermediary as that term is used in the Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the shares acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any shares to the public other than their offer or resale in a Relevant State to qualified investors as so defined or in circumstances in which the prior consent of the underwriters have been obtained to each such proposed offer or resale.

For the purposes of this provision, the expression an "offer to the public" in relation to shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase or subscribe for any shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

Notice to Prospective Investors in the United Kingdom

No shares have been offered or will be offered pursuant to the offering to the public in the United Kingdom prior to the publication of a prospectus in relation to the shares which (i) has been approved by the Financial Conduct Authority or (ii) is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus Amendment etc (EU Exit) Regulations 2019/1234, except that the shares may be offered to the public in the United Kingdom at any time:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of underwriters for any such offer; or

(c) in any other circumstances falling within Section 86 of the Financial Services and Markets Act 2000, as amended (the "FSMA").

provided that no such offer of the shares shall require us or any underwriter to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase or subscribe for any shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

In addition, in the United Kingdom, this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are "qualified investors" (as defined in the Prospectus Regulation) (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") and/or (ii) who are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons") or otherwise in circumstances which have not resulted and will not result in an offer to the public of the shares in the United Kingdom within the meaning of the Financial Services and Markets Act 2000.

Any person in the United Kingdom that is not a relevant person should not act or rely on the information included in this document or use it as basis for taking any action. In the United Kingdom, any investment or investment activity that this document relates to may be made or taken exclusively by relevant persons.

Notice to Prospective Investors in Switzerland

This prospectus does not constitute an offer to the public or a solicitation to purchase or invest in any shares. No shares have been offered or will be offered to the public in Switzerland, except that offers of shares may be made to the public in Switzerland at any time under the following exemptions under the Swiss Financial Services Act ("FinSA"):

(a) to any person which is a professional client as defined under the FinSA;

(b) to fewer than 500 persons (other than professional clients as defined under the FinSA), subject to obtaining the prior consent of the representatives of the underwriters for any such offer; or

(c) in any other circumstances falling within Article 36 FinSA in connection with Article 44 of the Swiss Financial Services Ordinance,

provided that no such offer of shares shall require the Company or any investment bank to publish a prospectus pursuant to Article 35 FinSA.

The shares have not been and will not be listed or admitted to trading on a trading venue in Switzerland.

Neither this document nor any other offering or marketing material relating to the shares constitutes a prospectus as such term is understood pursuant to the FinSA and neither this document nor any other offering or marketing material relating to the shares may be publicly distributed or otherwise made publicly available in Switzerland.

Notice to Prospective Investors in Australia

This prospectus:

- does not constitute a disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act 2001 (Cth) (the "Corporations Act");
- has not been, and will not be, lodged with the Australian Securities and Investments Commission ("ASIC"), as a disclosure document for the purposes of the Corporations Act and does not purport to include the information required of a disclosure document for the purposes of the Corporations Act; and
- may only be provided in Australia to select investors who are able to demonstrate that they fall within one or more of the categories of investors, available under section 708 of the Corporations Act ("Exempt Investors").

The shares may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for or buy the shares may be issued, and no draft or definitive offering memorandum, advertisement or other offering material relating to any shares may be distributed in Australia, except where disclosure to investors is not required under Chapter 6D of the Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the shares, you represent and warrant to us that you are an Exempt Investor.

As any offer of shares of our common stock under this prospectus will be made without disclosure in Australia under Chapter 6D.2 of the Corporations Act, the offer of those securities for resale in Australia within 12 months may, under section 707 of the Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in section 708 applies to that resale. By applying for the shares of our common stock you undertake to us that you will not, for a period of 12 months from the date of issue of the shares, offer, transfer, assign or otherwise alienate those shares of our common stock to investors in Australia except in circumstances where

disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

Notice to Prospective Investors in Japan

The shares have not been and will not be registered pursuant to Article 4, Paragraph 1 of the Financial Instruments and Exchange Act. Accordingly, none of the shares nor any interest therein may be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any "resident" of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to or for the benefit of a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan in effect at the relevant time.

Notice to Prospective Investors in Hong Kong

The shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO") of Hong Kong and any rules made thereunder; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "CO") or which do not constitute an offer to the public within the meaning of the CO. No advertisement, invitation or document relating to the shares has been or may be issued or has been or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made thereunder.

Notice to Prospective Investors in Singapore

Each underwriter has acknowledged that this prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each underwriter has represented and agreed that it has not offered or sold any shares or caused the shares to be made the subject of an invitation for subscription or purchase and will not offer or sell any shares or cause the shares to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares, whether directly or indirectly, to any person in Singapore other than:

(a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA;

(a) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or

(b) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the shares pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "CMP Regulations 2018"), unless otherwise specified before an offer of shares, we have determined, and hereby notify all relevant persons (as defined in Section 309A(1) of the SFA), that the shares are "prescribed capital markets products" (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Notice to Prospective Investors in China

This prospectus will not be circulated or distributed in the People's Republic of China (the "PRC") and the shares will not be offered or sold, and will not be offered or sold to any person for re-offering or resale directly or indirectly to any residents of the PRC (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except pursuant to any applicable laws and regulations of the PRC. Neither this prospectus nor any advertisement or other offering material may be distributed or published in the PRC, except under circumstances that will result in compliance with applicable laws and regulations.

Notice to Prospective Investors in Korea

The shares have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder (the "FSCMA"), and the shares have been and will be offered in Korea as a private placement under the FSCMA. None of the shares may be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the "FETL"). Furthermore, the purchaser of the shares shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the shares. By the purchase of the shares, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the shares pursuant to the applicable laws and regulations of Korea.

Notice to Prospective Investors in Malaysia

No prospectus or other offering material or document in connection with the offer and sale of the shares has been or will be registered with the Securities Commission of Malaysia ("Commission") for the Commission's approval pursuant to the Capital Markets and Services Act 2007. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia other than (i) a closed end fund approved by the Commission; (ii) a holder of a Capital Markets Services Licence; (iii) a person who acquires the shares, as principal, if the offer is on terms that the shares may only be acquired at a consideration of not less than RM250,000 (or its equivalent in foreign currencies) for each transaction; (iv) an individual whose total net personal

assets or total net joint assets with his or her spouse exceeds RM3 million (or its equivalent in foreign currencies), excluding the value of the primary residence of the individual; (v) an individual who has a gross annual income exceeding RM300,000 (or its equivalent in foreign currencies) per annum in the preceding twelve months; (vi) an individual who, jointly with his or her spouse, has a gross annual income of RM400,000 (or its equivalent in foreign currencies), per annum in the preceding twelve months; (vii) a corporation with total net assets exceeding RM10 million (or its equivalent in a foreign currencies) based on the last audited accounts; (viii) a partnership with total net assets exceeding RM10 million (or its equivalent in foreign currencies); (ix) a bank licensee or insurance licensee as defined in the Labuan Financial Services and Securities Act 2010; (x) an Islamic bank licensee or takaful licensee as defined in the Labuan Financial Services and Securities Act 2010; and (xi) any other person as may be specified by the Commission; provided that, in the each of the preceding categories (i) to (xi), the distribution of the shares is made by a holder of a Capital Markets Services Licence who carries on the business of dealing in securities. The distribution in Malaysia of this prospectus is subject to Malaysian laws. This prospectus does not constitute and may not be used for the purpose of public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Commission under the Capital Markets and Services Act 2007.

Notice to Prospective Investors in Taiwan

The shares have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorised to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the shares in Taiwan.

Notice to Prospective Investors in Saudi Arabia

This document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations Regulations as issued by the board of the Saudi Arabian Capital Market Authority ("CMA") pursuant to resolution number 3-123-2017 dated 27 December 2017, as amended. The CMA does not make any representation as to the accuracy or completeness of this document and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document, you should consult an authorized financial adviser.

Notice to Prospective Investors in the Dubai International Financial Centre ("DIFC")

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Notice to Prospective Investors in the British Virgin Islands

The shares are not being, and may not be offered to the public or to any person in the British Virgin Islands for purchase or subscription by or on behalf of us. The shares may be offered to companies incorporated under the BVI Business Companies Act, 2004 (British Virgin Islands) ("BVI Companies"), but only where the offer will be made to, and received by, the relevant BVI Company entirely outside of the British Virgin Islands.

Notice to Prospective Investors in South Africa

Due to restrictions under the securities laws of South Africa, no "*offer to the public*" (as such term is defined in the South African Companies Act, No. 71 of 2008 (as amended or re-enacted) (the "South African Companies Act")) is being made in connection with the issue of the shares in South Africa. Accordingly, this document does not, nor is it intended to, constitute a "*registered prospectus*" (as that term is defined in the South African Companies Act) prepared and registered under the South African Companies Act and has not been approved by, and/or filed with, the South African Companies and Intellectual Property Commission or any other regulatory authority in South Africa. The shares are not offered, and the offer shall not be transferred, sold, renounced or delivered, in South Africa or to a person with an address in South Africa, unless one or other of the following exemptions stipulated in section 96 (1) applies:

Section 96 (1) (a)	the offer, transfer, sale, renunciation or delivery is to: (i) persons whose ordinary business, or part of whose ordinary business, is to deal in securities, as principal or agent; (ii) the South African Public Investment Corporation; (iii) persons or entities regulated by the Reserve Bank of South Africa; (iv) authorised financial service providers under South African law; (v) financial institutions recognised as such under South African law; (vi) a wholly-owned subsidiary of any person or entity contemplated in (c), (d) or (e), acting as agent in the capacity of an authorised portfolio manager for a pension fund, or as manager for a collective investment scheme (in each case duly registered as such under South African law); or (vii) any combination of the person in (i) to (vi); or
Section 96 (1) (b)	the total contemplated acquisition cost of the securities, for any single addressee acting as principal is equal to or greater than ZAR1,000,000 or such higher amount as may be promulgated by notice in the Government Gazette of South Africa pursuant to section 96(2)(a) of the South African Companies Act.

Information made available in this prospectus should not be considered as "*advice*" as defined in the South African Financial Advisory and Intermediary Services Act, 2002.

Legal Matters

The validity of the shares of our common stock offered in this prospectus will be passed upon for us by Ropes & Gray LLP, Boston, MA. Ropes & Gray LLP and some of its attorneys are limited partners of RGIP, LP, which is an investor in certain investment funds advised by Bain Capital and often a co-investor with such funds. Upon the consummation of the offering, RGIP, LP will directly or indirectly own less than 1% of the outstanding shares of our common stock. Certain legal matters in connection with this offering will be passed upon for the underwriters by Latham & Watkins LLP, New York, NY.

Experts

The financial statements as of December 29, 2024 and December 31, 2023 and for each of the three years in the period ended December 29, 2024 included in this prospectus have been so included in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

Where You Can Find More Information

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the shares of common stock offered hereby. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement or the exhibits filed therewith. For further information with respect to us and the common stock offered hereby, please refer to the registration statement and the exhibits filed therewith. Statements contained in this prospectus regarding the contents of any contract or any other document that is filed as an exhibit to the registration statement are not necessarily complete, and each such statement is qualified in all respects by reference to the full text of such contract or other document filed as an exhibit to the registration statement. The SEC maintains a website that contains reports, proxy and information statements, and other information regarding registrants that file electronically with the SEC. The SEC's website is www.sec.gov.

Upon completion of this offering, we will become subject to the information and periodic reporting requirements of the Exchange Act and, in accordance therewith, we will file periodic reports, proxy statements and other information with the SEC. Such periodic reports, proxy statements and other information will be available for inspection at the website of the SEC referred to above.

We also maintain a website at www.mybobs.com. Upon completion of this offering, you may access these materials free of charge as soon as reasonably practicable after they are electronically filed with, or furnished to, the SEC. Information contained on, or that can be accessed through, our website does not constitute a part of this prospectus or the registration statement of which this prospectus forms a part, and is not incorporated by reference herein. We have included our website address in this prospectus solely for informational purposes and you should not consider any information contained on, or that can be accessed through, our website as part of this prospectus or in deciding whether to purchase shares of our common stock.

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Bob's Discount Furniture, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Bob's Discount Furniture, Inc. (formerly known as BDF Holding Corp.) and its subsidiaries (the "Company") as of December 29, 2024 and December 31, 2023, and the related consolidated statements of operations and comprehensive income, of changes in stockholders' equity and of cash flows for each of the three years in the period ended December 29, 2024, including the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 29, 2024 and December 31, 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 29, 2024 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these consolidated financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Revenue Recognition – Merchandise Sales, Delivery Revenue, and Protection Plan Revenue

As described in Note 2 to the consolidated financial statements, the Company's merchandise sales, delivery revenue and protection plan revenue make up a significant portion of total net revenues of $2,028.1 million for the year ended December 29, 2024. The Company recognizes revenue when control of the promised product or service is transferred to customers at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for the products or services. Revenue from the sale of the Company's merchandise is recognized at a point in time which can occur when merchandise is purchased and picked up at a retail store or distribution center or when merchandise is delivered to and accepted by the customer. Delivery revenue is recognized at a point in time when the related merchandise is delivered and accepted by the customer. Product protection plan revenue is recognized at the time of delivery of the related merchandise to the customer. Customer deposits represent payments

made by customers at the time an order is placed, but before the Company has delivered merchandise to the customer, resulting in contract liabilities.

The principal consideration for our determination that performing procedures relating to revenue recognition for merchandise sales, delivery revenue and protection plan revenue is a critical audit matter is a high degree of auditor effort in performing procedures related to the Company's revenue recognition.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included, among others, (i) testing revenue recognized for a sample of revenue transactions by obtaining and inspecting source documents, such as invoices and proof of delivery or pickup; (ii) testing the timing of revenue recognized before and after December 29, 2024 for a sample of revenue transactions by obtaining and inspecting source documents, such as invoices and proof of delivery or pickup; and (iii) confirming a sample of outstanding third-party financing and credit card company balances as of December 29, 2024 and, for confirmations not returned, obtaining and inspecting source documents such as third-party funding statements. The procedures performed also included (i) testing a sample of customer deposit transactions during the year ended December 29, 2024 by obtaining and inspecting source documents, such as cash receipts; (ii) confirming customer deposit transactions during the period with a sample of third-party financing and credit card companies and, for confirmations not returned, obtaining and inspecting source documents such as third-party funding statements; (iii) testing a sample of customer refund transactions by obtaining and inspecting source documents, such as the customer order, customer deposit and subsequent cash disbursements; (iv) testing the sales and use tax activity during the period by developing an independent estimate and comparing to actual sales and use tax activity; and (v) testing a sample of revenue transactions from the customer deposit transaction detail by obtaining and inspecting source documents, such as invoices and proof of delivery or pickup.

/s/ PricewaterhouseCoopers LLP

Hartford, Connecticut
September 19, 2025, except for the effects of the reverse stock split discussed in Note 2 to the consolidated financial statements, as to which the date is January 26, 2026

We have served as the Company's auditor since 2010.

Bob's Discount Furniture, Inc.
Consolidated Balance Sheets

(In thousands, except share and per share amounts)

	December 29, 2024	December 31, 2023
Assets		
Current assets		
Cash and cash equivalents	$ 80,558	$ 103,097
Accounts receivable	17,223	16,782
Inventories	303,930	227,486
Prepaids and other current assets	46,208	38,510
Total current assets	447,919	385,875
Property and equipment, net	280,391	247,458
Operating lease right-of-use assets	533,690	490,403
Intangible assets	179,100	179,100
Goodwill	181,699	181,699
Other assets	2,265	5,162
Total assets	$ 1,625,064	$ 1,489,697
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable	$ 279,389	$ 197,598
Self-insurance reserves	26,831	26,557
Accrued expenses	61,136	60,688
Customer deposits	66,606	62,413
Current portion of long-term debt	-	1,502
Finance lease liabilities, current portion	9,926	8,646
Operating lease liabilities, current portion	88,891	77,655
Total current liabilities	532,779	435,059
Long-term debt	-	78,850
Finance lease liabilities, noncurrent portion	30,211	28,714
Operating lease liabilities, noncurrent portion	562,069	517,883
Deferred income taxes	34,928	39,236
Other long-term liabilities	847	690
Total long-term liabilities	628,055	665,373
Total liabilities	1,160,834	1,100,432
Commitments and Contingencies (Note 11)		
Stockholders' Equity		
Preferred stock, $0.01 par value, 50,000 shares authorized; no shares issued or outstanding at December 29, 2024 and December 31, 2023	-	-
Common stock, $0.0001 par value, 300,000,000 shares authorized; 118,703,566 shares issued and 109,872,523 outstanding at December 29, 2024; 115,716,486 shares issued and 109,174,434 outstanding at December 31, 2023	11	11
Additional paid-in capital	225,886	215,098
Treasury stock shares, at cost, 8,831,043 and 6,542,052 shares at December 29, 2024 and December 31, 2023, respectively	(63,351)	(42,633)
Accumulated other comprehensive income	-	3,038
Retained earnings	301,684	213,751
Total stockholders' equity	464,230	389,265
Total liabilities and stockholders' equity	$ 1,625,064	$ 1,489,697

The accompanying notes are an integral part of these consolidated financial statements.

Bob's Discount Furniture, Inc.
Consolidated Statements of Operations and Comprehensive Income

(In thousands, except per share amounts)

	Fiscal Year Ended		
	December 29, 2024	December 31, 2023	January 1, 2023
Net revenues	$ 2,028,143	$ 2,008,082	$ 2,105,508
Cost of sales	1,079,703	1,073,355	1,252,072
Gross profit	948,440	934,727	853,436
Operating expenses			
Selling, general, and administrative expenses	813,302	806,938	793,887
Pre-opening expenses	15,326	4,662	9,565
Loss on disposal of fixed assets	17	2,226	28
Impairment of long-lived assets	2,061	1,322	-
Restructuring charges	-	1,760	-
Total operating expenses	830,706	816,908	803,480
Operating income	117,734	117,819	49,956
Other (income) expense			
Interest expense	10,538	19,872	24,343
Interest income	(2,450)	(1,006)	(638)
Other income, net	(3,778)	(3,665)	(8,488)
Total other expense, net	4,310	15,201	15,217
Income before taxes	113,424	102,618	34,739
Income tax expense	25,491	24,519	7,091
Net income	$ 87,933	$ 78,099	$ 27,648
Other comprehensive (loss) income			
Change in unrealized interest rate hedging, net of tax expense (benefit) of $1,160, $1,810, and $(2,366), respectively	(3,038)	(4,770)	6,183
Total other comprehensive (loss) income	(3,038)	(4,770)	6,183
Total comprehensive income	$ 84,895	$ 73,329	$ 33,831
Basic net income per share	$ 0.80	$ 0.72	$ 0.26
Diluted net income per share	$ 0.78	$ 0.69	$ 0.25

See accompanying notes to consolidated financial statements.

Bob's Discount Furniture, Inc.
Consolidated Statements of Changes in Stockholders' Equity

(In thousands, except share amounts)

	Common Stock		Additional Paid-in Capital	Treasury Stock		Accumulated Other Comprehensive Income / (Loss)	Retained Earnings	Total Stockholders' Equity
	Shares	Amount		Shares	Amount			
Balances at January 2, 2022	106,278,503	$ 11	$ 185,882	4,028,112	$ (23,269)	$ 1,625	$ 108,004	$ 272,252
Common stock issued under management incentive plan	441,672	-	1,449	-	-	-	-	1,449
Issuance of common stock	2,100,298	-	13,252	-	-	-	-	13,253
Repurchases of common stock	(389,977)	-	-	389,977	(2,461)	-	-	(2,461)
Stock-based compensation expense	-	-	3,431	-	-	-	-	3,431
Other comprehensive income	-	-	-	-	-	6,183	-	6,183
Net income	-	-	-	-	-	-	27,648	27,648
Balances at January 1, 2023	108,430,496	$ 11	$ 204,014	4,418,089	$ (25,730)	$ 7,808	$ 135,652	$ 321,755
Common stock issued under management incentive plan	2,867,901	-	7,161	-	-	-	-	7,161
Repurchases of common stock	(2,123,963)	-	-	2,123,963	(16,903)	-	-	(16,903)
Stock-based compensation expense	-	-	3,923	-	-	-	-	3,923
Other comprehensive loss	-	-	-	-	-	(4,770)	-	(4,770)
Net income	-	-	-	-	-	-	78,099	78,099
Balances at December 31, 2023	109,174,434	$ 11	$ 215,098	6,542,052	$ (42,633)	$ 3,038	$ 213,751	$ 389,265
Common stock issued under management incentive plan	2,987,079	-	7,140	-	-	-	-	7,140
Repurchases of common stock	(2,288,990)	-	-	2,288,991	(20,718)	-	-	(20,718)
Stock-based compensation expense	-	-	3,648	-	-	-	-	3,648
Other comprehensive loss	-	-	-	-	-	(3,038)	-	(3,038)
Net income	-	-	-	-	-	-	87,933	87,933
Balances at December 29, 2024	109,872,523	$ 11	$ 225,886	8,831,043	$ (63,351)	$ -	$ 301,684	$ 464,230

See accompanying notes to consolidated financial statements.

Bob's Discount Furniture, Inc.
Consolidated Statements of Cash Flows

(In thousands)

	Fiscal Year Ended		
	December 29, 2024	**December 31, 2023**	**January 1, 2023**
Cash flows from operating activities			
Net income	$ 87,933	$ 78,099	$ 27,648
Adjustments to reconcile net income to net cash provided by operating activities			
Stock-based compensation expense	3,648	3,923	3,431
Transaction losses	4,890	4,304	4,118
Depreciation and amortization	65,194	62,876	60,707
Non-cash interest expense	2,973	4,728	3,778
Impairment and loss on disposal of fixed assets	743	2,698	28
Impairment of operating lease right-of-use assets	1,335	850	—
Non-cash lease costs	68,496	60,948	55,067
Deferred income taxes	(3,133)	(2,344)	3,121
Change in reserve for product warranties	857	127	(141)
Changes in operating assets and liabilities			
Accounts receivable	(5,331)	(1,036)	(8,770)
Inventories	(76,444)	43,996	(34,467)
Prepaids and other current assets	(10,054)	(3,987)	2,500
Other assets	649	(5,824)	(2,845)
Accounts payable	72,877	12,587	33,189
Accrued expenses	23	889	13,020
Customer deposits	4,193	(4,118)	(56,880)
Operating leases	(57,695)	(61,544)	(51,456)
Other long-term liabilities	—	—	(55)
Net cash provided by operating activities	161,154	197,172	51,993
Cash flows from investing activities			
Purchase of property and equipment	(78,224)	(29,770)	(51,427)
Proceeds from reduction in interest rate cap	—	6,997	1,694
Net cash used in investing activities	(78,224)	(22,773)	(49,733)
Cash flows from financing activities			
Principal payments on First Lien Note	(82,936)	(66,502)	(97,292)
Proceeds from Line of Credit	30,000	67,000	20,000
Principal payments on Line of Credit	(30,000)	(77,000)	(10,000)
Debt issuance costs	—	—	(7,509)
Principal payments on financing lease obligations	(8,955)	(8,282)	(7,188)
Proceeds from the issuance of common stock	—	—	13,252
Payments related to exercise of employee stock options	(7,604)	(5,757)	(398)
Payments for the acquisition of treasury stock	(5,974)	(3,986)	(614)
Net cash used in financing activities	(105,469)	(94,527)	(89,749)
Net (decrease) increase in cash and cash equivalents	(22,539)	79,872	(87,489)
Cash and cash equivalents, beginning of period	103,097	23,225	110,714
Cash and cash equivalents, end of period	$ 80,558	$ 103,097	$ 23,225
Supplemental disclosure of cash flow data			
Cash paid for			
Interest	$ 6,129	$ 13,335	$ 17,784
Supplemental disclosure of noncash investing and financing activities			
Assets acquired under financing leases	$ 11,467	$ 56	$ 9,716
Purchase of property and equipment included in accounts payable and accrued expenses	13,508	4,595	3,949
Employees cashless exercising of stock options	14,744	12,917	1,847

See accompanying notes to consolidated financial statements.

1. Nature of Business

Effective October 13, 2025, we changed our legal name from BDF Holding Corp. to Bob's Discount Furniture, Inc.

Bob's Discount Furniture, Inc., is a Delaware corporation owned by funds controlled by Bain Capital and is an omni-channel retailer of quality home furnishings offering a wide variety of merchandise assortments across several categories including living rooms, bedrooms, mattresses, dining rooms, occasional tables, lamps, outdoors, and accessories. This assortment of merchandise can be purchased through both retail and eCommerce sales channels. As used in these annual financial statements and footnotes, "the Company" refers to Bob's Discount Furniture, Inc. (f/k/a BDF Holding Corp.) and its subsidiaries. At December 29, 2024, the Company operated in 189 stores in 24 states across the United States.

2. Summary of Significant Accounting Policies

Basis of Presentation

These consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States ("U.S. GAAP") and include the accounts and those of the Company's wholly owned subsidiaries. Accordingly, all intercompany balances and transactions have been eliminated in consolidation. Certain amounts in prior year financial statements and notes thereto have been reclassified to conform to current year presentation.

The Company's fiscal year ends on the Sunday closest to December 31 and consists of 52 weeks with the exception that approximately every six years, the Company has a fiscal year with 53 weeks. The fiscal years ended December 29, 2024 ("fiscal year 2024"), December 31, 2023 ("fiscal year 2023"), and January 1, 2023 ("fiscal year 2022") each consisted of 52 weeks.

Reverse Stock Split

On January 22, 2026, the Company effected a reverse stock split so that each approximately 1.56565 shares of common stock was reduced to one share of common stock ("Reverse Stock Split") of its issued and outstanding shares of common stock and treasury stock. The number of authorized shares and par value per share of the shares of common stock and preferred stock were not adjusted as a result of the Reverse Stock Split. Accordingly, all share and per share amounts, treasury stock, and options to purchase shares of common stock for all periods presented in the accompanying consolidated financial statements and notes thereto have been adjusted retroactively, where applicable, to reflect the Reverse Stock Split.

Segment Reporting

The Company's Chief Operating Decision Maker ("CODM"), its President and Chief Executive Officer, reviews asset and financial information on a consolidated basis for the purpose of allocating resources and evaluating financial performance, resulting in one operating and reportable segment.

The CODM assesses performance at the consolidated level and allocates resources based on net income, which is reported on the consolidated statements of operations and comprehensive income as net income.

Estimates and Assumptions

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Areas in which significant estimates have been made include, but are not limited to leased assets and the Company's evaluation of retail stores for impairment. Actual results could differ from the estimates made and such differences could be material to the consolidated financial statements.

Cash and Cash Equivalents

Cash and short-term highly liquid investments with original maturities of three months or less, including money market funds, are considered cash and cash equivalents and are reported at fair value. The Company maintains cash and cash equivalents in both interest and non-interest-bearing bank deposit accounts in high-quality financial institutions and are in amounts which exceed the federal insurance limits. Management performs ongoing evaluations of these institutions to limit the Company's concentration of credit risk.

Amounts in transit from banks for customer credit card, debit card, and electronic transactions that are processed in less than seven days from year-end are classified as cash equivalents. At December 29, 2024, and December 31, 2023, amounts due from banks for these transactions totaled $13.7 million and $11.4 million, respectively.

Derivatives

The Company uses derivative financial instruments in the form of interest rate caps to manage interest rate risk. Derivative financial instruments are not used for trading or speculative purposes. The Company records all derivative financial instruments in its consolidated balance sheets as either assets or liabilities at fair value. The accounting for changes in the fair value of derivatives depends on the intended use of the derivative, whether management has elected to designate a derivative as a hedging relationship and apply hedge accounting, and whether the hedging relationship has satisfied the criteria necessary to apply hedge accounting. The Company may enter into derivative contracts that are intended to economically hedge certain risk, even though hedge accounting does not apply, or management elects not to apply hedge accounting. For derivatives that are not designated as a hedge, changes in fair value are reported directly to other income, net on the Company's consolidated statements of operations and comprehensive income.

For derivatives that are designated and that do qualify as cash flow hedges of interest rate risk, the changes in fair value are reported in accumulated other comprehensive income ("AOCI") and subsequently reclassified into interest expense in the same period(s) during which the hedged transaction affects earnings. Gains and losses on the derivative representing hedge components excluded from the assessment of effectiveness are recognized currently in earnings in interest expense in the Company's consolidated statements of operations and comprehensive income and are recognized over the life of the hedge on a systematic and rational basis. Amounts reported in AOCI in the Company's consolidated balance sheets related to derivatives are recognized as interest expense in the Company's consolidated statements of operations and comprehensive income as interest payments are made on its variable-rate debt.

Fair Value Measurements

The Company's non-derivative financial instruments consist of cash and cash equivalents, trade receivables, accounts payable, other current assets and liabilities, long-term debt, and letters of credit. Due to the short-term nature of its financial instruments, the Company believes that the carrying values approximate fair value. With regard to long-term debt, the Company believes that the carrying value approximates its fair value as the terms and interest rate approximate market rates given its floating rate basis. The Company records its non-derivative financial instruments at fair value.

The financial assets and liabilities are measured at fair value, which is defined as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the use of various valuation methodologies, including market, income, and cost approaches is permissible. The Company considers the principal or most advantageous market in which it would transact and assumptions that market participants would use when pricing the asset and liability.

The accounting guidance for fair value measurements establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. There are three levels of inputs that may be used to measure fair value based on the reliability of inputs. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect their placement within the fair value hierarchy levels.

The Company has categorized its cash equivalents and investments within the fair value hierarchy as follows:

- Level 1 — applies to financial assets and liabilities for which there are quoted market prices for identical assets and liabilities in an active market.
- Level 2 — applies to financial assets and liabilities for which there are inputs other than quoted market prices for identical assets or liabilities in an active market such as quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets or liabilities in a market with insufficient volume or infrequent transactions.
- Level 3 — applies to financial assets and liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the asset or liability.

The accounting guidance for fair value measurements requires the Company to use observable market data when available and to minimize the use of unobservable inputs when determining fair value. When inputs used to measure fair value fall within various levels of the hierarchy, the Company categorizes the fair value measurement as being in the lowest level that is significant to the measurement. The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period in which they occur.

Accounts Receivable

Accounts receivable consists primarily of amounts due to us from third-party finance partners and arise from the sale of products on trade credit terms and is presented net of allowance for expected credit losses. The allowance for expected credit losses represents management's estimate of expected credit losses based on the length of time trade accounts receivable are past due, previous loss history, the client's current ability to pay its obligations, and the current and future condition of the general economy and industry as a whole. Accounts receivable are written off against the allowance account when the receivable is deemed to be uncollectible, and any payments subsequently received on such receivables are credits to the allowance for expected credit losses. On December 29, 2024, and December 31, 2023, the Company had no allowance for expected credit losses as all receivables were determined to be fully collectible.

Inventories

Inventories consist entirely of finished goods and are carried at the lower of average cost or net realizable value, with cost determined on a weighted average cost basis. Average cost is determined based on charges incurred in the acquisition of inventories based on the actual cost of an item when it is received in the warehouse including vendor costs, freight costs, tariffs and overhead costs to bring inventory to a ready for sale position which is combined with total cost of inventory on hand for that item. Vendor costs are determined based on the actual cost to procure the item from vendors while freight costs are determined using standard freight costs, which are updated on a regular basis, and which approximate actual costs. Inventories on hand are marked down to net realizable value based on estimated selling prices.

Inventory reserves are recorded for excess quantities, obsolete inventory and shrinkage. Reserves for excess quantities and obsolete inventory are estimated based on specific identification and historical write-offs, considering customer demand and market conditions, the selling environment, historical results, and current inventory trends. Reserves for shrinkage are estimated and recorded throughout the year based on historical shrinkage results and current inventory levels. Actual shrinkage is recorded throughout the year based on periodic physical inventory counts. On December 29, 2024, and December 31, 2023, the Company's inventory reserves were $10.0 million and $9.4 million, respectively.

Property and Equipment

Property and equipment is recorded at cost, less accumulated depreciation and amortization. Major renewals and betterments which improve or extend the useful life of the property and equipment are capitalized while replacements, maintenance, and repairs that do not improve or extend the life of the respective assets are expensed as incurred. Retirement, sales or dispositions of long-lived assets are recorded based on carrying value and proceeds received. Any resulting gains or losses are recorded as a component of operating expenses.

Capitalized Software

Computer software purchased or developed for internal use is capitalized. Computer software and mobile application development costs incurred in the preliminary project stage for software to be used for internal use are expensed as incurred until the preliminary project stage is complete. Capitalized costs related to internal-use software under development are treated as construction-in-progress until the program, feature or functionality is ready for its intended use, at which time depreciation commences.

Software licenses purchased from third parties are capitalized at cost if the license agreement provides the Company an ownership interest in the computer software and the license allows use of the software for a period exceeding 24 months.

Certain costs incurred in cloud computing hosting arrangements, which are service contracts that include an internal-use software license, are capitalized. In these instances, implementation costs are capitalized dependent on the nature of the costs and the project stage in which they are incurred, including certain costs after the planning stage from development until the site is fully designed and is operational. The capitalized costs are amortized over the useful life of the internal-use software license.

Depreciation and Amortization

Depreciation of property and equipment and software and amortization of leasehold improvements is calculated using the straight-line method using the following useful lives:

	Years
Vehicles	5
Furniture and fixtures	5-10
Machinery, computer, office equipment, and software	3-10
Distribution center expansions	20

Leasehold improvements are amortized over the shorter of the applicable remaining lease term or estimated useful life of ten to twenty years.

Leases

The Company determines if an arrangement contains a lease at the inception of the agreement based on the right to control the use of an identified asset and the right to obtain substantially all of the economic benefits from the use of that identified asset. The Company determines lease classification at the commencement of an arrangement when it is determined that a lease exists. Right-of-use ("ROU") assets and lease liabilities are recognized at the lease commencement date based on the present value of the remaining future minimum lease payments during the lease term. The Company has elected not to apply the recognition requirements of ASC 842, *Leases,* to short-term leases (leases that, at the commencement date, have a lease term of twelve months or less and do not include an option to purchase the underlying asset that the lessee is reasonably certain to exercise) as permissible under the standard. For short-term leases, the Company recognizes lease payments on a straight-line basis and variable payments in the period in which the obligation for those payments is incurred.

Lease Term

The lease commencement date is the earlier of the date the Company becomes legally obligated to make rent payments or the date the Company has the right to control the property. Certain operating leases have renewal and

termination options. These options are assessed to determine if the Company is reasonably certain of exercising these options based on all relevant economic and financial factors. Any options that meet these criteria are included in the lease term at lease commencement.

Incremental Borrowing Rate

The Company uses the rate implicit in the lease agreement if readily determinable. If the implicit rate is not readily determinable in the lease agreement, the Company uses its incremental borrowing rate based on the estimated rate of interest for collateralized borrowing over a similar term of the lease payments at commencement date. The incremental borrowing rate is subsequently reassessed upon a modification to the lease agreement.

Balance Sheet

The Company accounts for lease and non-lease components separately. Fixed payments, including stated rent escalations, are included in the measurement of ROU assets and lease liabilities upon lease commencement. The operating lease ROU assets also include lease payments made before lease commencement and impacts of lease incentives and are recorded net of impairment. Standard tenant allowances received from landlords, typically those received under operating lease agreements, are recorded as cash and cash equivalents with an offset recorded in lease ROU assets in the Company's consolidated balance sheets. Tenant allowances that are reasonably certain to be received after lease commencement are reflected as a reduction of both the lease liabilities and ROU assets in the consolidated balance sheets at the commencement date. Tenant allowances received from landlords during the construction phase of a leased asset and prior to lease commencement are recorded as cash and cash equivalents with an offset recorded in other assets (to the extent the Company has incurred related capital expenditures for construction costs) or in accrued expenses (to the extent that payments are received prior to capital construction expenditures by us) in the Company's consolidated balance sheets. The land portion of the leases involving land and building are not accounted for separately.

Operating leases are included in operating lease ROU assets, operating lease liabilities, current portion and operating lease liabilities, non-current portion in the Company's consolidated balance sheets. Finance leases are recognized within property and equipment, net and as finance lease liabilities, current portion and finance lease liabilities, noncurrent portion in the Company's consolidated balance sheet.

Statement of Operations

Lease expense is classified as either cost of sales or selling, general and administrative ("SG&A") in the Company's consolidated statements of operations and comprehensive income, depending on the nature of the leased property. Amortization of ROU assets is recognized on a straight-line basis over the lease term. Variable lease payment amounts that cannot be determined at the commencement of the lease such as increases in lease payments based on changes in index rates, usage or sales volume, are not included in the ROU assets or lease liabilities. These are expensed as incurred.

Impairment of Long-Lived Assets

The Company evaluates the carrying value of its long-lived assets, which includes its ROU assets, for impairment whenever events and circumstances indicate that the assets' carrying value may not be recoverable. The assessment of recoverability is based on best estimates using either quoted market prices or an analysis of the undiscounted projected future cash flows by asset group to determine if there is any indicator of impairment requiring the Company to further assess the fair value of its long-lived assets. If the undiscounted cash flows estimated to be generated by those assets are less than the carrying amount of those assets, an impairment loss is recognized equal to the difference between the carrying value and fair value of the assets, usually determined by the estimated discounted cash flow of the assets. The asset group is defined as the lowest level for which identifiable cash flows are available and largely independent of the cash flows of other asset groups, which the Company has determined to be its retail stores. Cash flow estimates are based on store level historical results, current and expected future trends, and operating cash flow projections. Estimates are subject to uncertainty and may be affected by several factors outside the Company's control, including general economic conditions and the competitive environment.

In fiscal years 2024 and 2023, the Company considered updated forecasted cash flows which indicated the forecasted cash flows for certain stores were lower than amounts previously forecasted. In fiscal year 2024, the Company recognized an impairment loss for one store on its operating lease ROU assets of $1.3 million and property and equipment of $0.7 million. In fiscal year 2023, the Company recognized an impairment loss for a separate store on its operating lease ROU assets of $0.8 million and property and equipment of $0.5 million. These impairments were recognized in impairment of long-lived assets on the Company's consolidated statements of operations and comprehensive income. No impairments were incurred during fiscal year 2022.

Goodwill and Indefinite-Lived Intangible Assets

The Company's goodwill and indefinite-lived intangible assets are comprised of goodwill and the Bob's Discount Furniture trade name and related trademarks that were recognized in connection with the acquisition of the Company by Bain Capital in 2014. Goodwill represents the costs in excess of the fair value of net assets acquired. Indefinite-lived intangible assets represent the fair value of the Bob's Discount Furniture trade name and related trademarks which were determined to have an indefinite useful life.

Goodwill and intangible assets with indefinite useful lives are not amortized but are evaluated for impairment at least annually, during the fourth quarter, and more frequently if indicators of impairment are present. Conditions that may indicate impairment include, but are not limited to, a significant adverse change in customer demand or business climate that could affect the value of an asset, or an adverse action or assessment by a government agency or regulator. The Company evaluates annually whether its trademarks continue to have an indefinite life.

Under U.S. GAAP, the Company can elect to first assess qualitative factors in order to determine if it is more likely than not that the fair value of the reporting unit is greater than its carrying value. In performing a qualitative assessment, management considers such factors as macro-economic conditions, industry, and market conditions in which the Company operates including the competitive environment and significant changes in demand. If the qualitative analysis indicates that it is more likely than not that the fair value of the reporting unit or indefinite-lived intangible asset is less than its carrying amount or if the Company does not elect to perform a qualitative analysis, a quantitative analysis is performed to determine if an impairment exists. The quantitative impairment analysis is used to identify potential impairment by comparing the fair value of the reporting unit and the indefinite-lived intangible asset with its carrying value using an income approach, along with other relevant market information, derived from a discounted cash flow model to estimate the fair value of the reporting unit. An impairment charge is recognized for the amount by which the carrying amount exceeds the reporting unit's fair value.

The Company performed a qualitative analysis for fiscal years 2024 and 2022 and a quantitative analysis for fiscal year 2023. Based on these analyses, there were no indications of impairments; therefore, no impairment to goodwill or indefinite-lived intangible assets was recognized in fiscal years 2024, 2023, or 2022. As a result, during the years ended December 29, 2024, December 31, 2023, and January 1, 2023, there were no changes to the carrying value of goodwill or indefinite-lived intangible assets.

Self-Insurance Reserves

The Company is insured by a high-deductible workers' compensation insurance policy issued by a third-party and self-insures workers' compensation, general liability, automobile liability, and medical liability occurrences. The self-insured retention varies for each program and program year.

Costs for claims filed, as well as claims incurred but not reported, are accrued based on estimates using information received from plan administrators, a third-party actuary, historical claims, and other relevant data. The total discounted liability for all the Company's self-insurance reserves was included in self-insurance reserves in the Company's consolidated balance sheets.

Customer Deposits

Customer deposits represent payments made by customers at the time an order is placed, but before the Company has delivered merchandise to the customer, resulting in contract liabilities. The Company expects that substantially all customer deposits received as of December 29, 2024 will be recognized as revenue within the next

twelve months as the performance obligations are satisfied. See *Note 14, Revenue and Segment Information* for further information on customer deposit balances and breakage recognized.

Product Warranties

The Company's furniture products, excluding mattresses, carry an explicit warranty that they will be free from factory defects for one year from the date of delivery or pickup. A provision for estimated warranty and related costs is recognized at the time of sale based on historical warranty loss experience and the Company makes periodic adjustments to those provisions to reflect actual experience. The warranty obligations are recorded within accrued expenses and other long-term liabilities in the Company's consolidated balance sheets. Costs to provide this warranty are included in cost of sales in the consolidated statements of operations and comprehensive income. The Company has no product warranty liability associated with mattresses as these warranties are covered by the manufacturers. Refer to *Note 8, Accrued Expenses and Other Long-Term Liabilities* for further information on product warranties.

Debt Issuance Costs

Debt issuance costs paid to the lender and third-party fees are capitalized as a reduction to the carrying value of the associated debt on the Company's consolidated balance sheets. These costs are amortized using the effective interest method over the term of the agreement and recorded in interest expense in the Company's consolidated statements of operations and comprehensive income. There were no debt issuance costs recorded net of long-term debt at December 29, 2024. Debt issuance costs of $2.6 million were recorded net of long-term debt on the Company's consolidated balance sheets at December 31, 2023.

Revenue Recognition

The Company recognizes revenue when control of the promised product or service is transferred to customers at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for the goods or services. The Company generates revenue from two sales channels, retail and eCommerce sales, each of which include revenue generated from the sale of merchandise, delivery, and protection plan activities.

Merchandise

Revenue from the sale of the Company's merchandise is recognized at a point in time when control of merchandise is transferred to the customer. This can occur when merchandise is purchased and picked up at a retail store or distribution center or when merchandise is delivered to and accepted by the customer.

Delivery

The Company offers its customers the option for delivery of their merchandise. Delivery revenue represents revenue generated by the Company's shipping and handling activities that are undertaken in connection with fulfilling the promise to transfer merchandise to customers. Delivery revenue is recognized at a point in time when the related merchandise is delivered and accepted by the customer.

Protection Plan

The Company offers its customers the option to purchase a product protection plan ("Goof Proof") covering accidental damage for five years from the date the one-year product warranty expires. The Company has no performance obligations under this relationship once Goof Proof is sold to customers and acts as a sales agent for this optional product protection plan. Goof Proof is managed by a third-party protection company and, as such, customer requests for coverage under this protection plan are directed to and are the financial responsibility of the third-party protection company. The revenue from the sale of Goof Proof, net of third-party protection company costs, is recognized at the time of the delivery of the related merchandise to the customer.

Vendor Rebates

The Company receives volume vendor rebates from third-party partners who provide customers with lease-to-own options on merchandise sold by the Company. Vendor rebates are recognized at a point in time when the related merchandise is delivered and accepted by the customer. Vendor rebates recognized as revenue for fiscal years 2024, 2023, and 2022 were $5.1 million, $3.5 million, and $3.5 million, respectively.

Gift Cards

The Company sells gift cards to customers in its retail stores. Such gift cards do not have expiration dates. The Company recognizes a gift card liability when a gift card is sold or donated and records revenue when a gift card is redeemed for merchandise. Gift card breakage is recognized over time proportional to historical gift card redemption rates and such breakage is recorded within net revenues in the Company's consolidated statements of operations and comprehensive income. See *Note 8, Accrued Expenses and Other Long-Term Liabilities* for further information on the unredeemed gift card balances and *Note 14, Revenue and Segment Information* for further information on gift card breakage recognized.

Customer Deposits

The Company recognizes customer deposit breakage over time proportional to historical customer deposit redemption rate. See *Note 14, Revenue and Segment Information* for further information on customer deposit breakage recognized.

Sales Tax

The Company excludes from the measurement of the transaction price all taxes imposed on and concurrent with a specific revenue-producing transaction and collected by the entity from a customer, including sales, use, excise, value-added, and franchise taxes (collectively referred to as "sales taxes"). Sales tax collected from customers is included in accounts payable in the Company's consolidated balance sheets until it is ultimately remitted to governmental authorities.

Returns

The allowance for sales returns is recorded based on estimated returns which are based on historical sales returns. Merchandise exchanges of similar product, price, and condition are not considered merchandise returns and, therefore, are excluded when calculating the sales returns reserve. The allowance for sales returns is presented within accrued expenses in the Company's consolidated balance sheets and the estimated value of the right of return asset for merchandise is reported within prepaids and other current assets in the Company's consolidated balance sheets.

Cost of Sales

Cost of sales consists of actual product cost, the cost of transportation between warehouses, suppliers, depots and retail stores and to deliver to customers' homes, warranty costs, the cost of warehousing, inventory reserves and write-downs.

Shipping and Handling Delivery Fees and Costs

Costs incurred for shipping and handling are classified as cost of sales in the Company's consolidated statements of operations and comprehensive income. In instances where revenue is recognized for the related direct-to-consumer merchandise upon shipment but prior to delivery to customers, the related costs of shipping and handling activities will be accrued in the same period.

Selling, General, and Administrative Expenses

SG&A expenses include the costs of selling the Company's products and other general and administrative costs. Selling expenses consist primarily of advertising costs, commissions, transaction losses due to fraudulent

transactions, bank charges net of certain financing volume rebates, compensation and benefits of employees performing various sales functions, and the occupancy costs of retail stores. For commissions, the Company uses the practical expedient to recognize these costs as incurred as the amortization period is less than one year. Other general and administrative expenses included in SG&A are comprised primarily of compensation and benefit costs for administrative employees, stock-based compensation, and other administrative costs. SG&A expenses exclude non-capital costs associated with the opening of a new store or relocating an existing store.

Pre-opening expenses

Pre-opening expenses include non-capital costs related to the opening of a new store or distribution center or relocating an existing store or distribution center and are recognized when incurred. Pre-opening expenses begin, on average, three months to one year in advance of a store or distribution center opening or relocation due to, among other things, the amount of time it takes to prepare a store for its grand opening or prepare a distribution center for operations. Pre-opening expenses primarily include rent, advertising, training, staff recruiting, utilities, personnel, equipment rental and certain legal fees. A location is considered to be relocated if it is closed temporarily and re-opened within the same primary area.

Advertising costs

Advertising costs primarily represent the costs associated with digital marketing, direct mailings, television and on-air radio spots, and other media. These amounts include advertising media expenses, outside and inside agency expenses, certain website related fees, and photo and video production. Advertising costs from direct mailers are expensed when printed and provided to the carrier for distribution. Website and other advertising expenses, which include eCommerce advertising, web creative content, television, and direct marketing activities such as print media and radio, are expensed as incurred when the advertising is aired or printed. Total advertising costs were $127.7 million, $121.1 million and $103.0 million in fiscal years 2024, 2023, and 2022, respectively, of which $5.1 million, $1.1 million and $2.6 million were included in pre-opening expenses, respectively, and the remaining amounts were included in SG&A expenses on the Company's consolidated statements of operations and comprehensive income.

Stock-based Compensation

Stock-based compensation relates to the cost associated with granting options to purchase shares to independent directors and key employees of the Company. The Company accounts for stock-based compensation in accordance with ASC 718, *Compensation – Stock Compensation*, which requires measurement of compensation cost for all stock awards at fair value on the date of grant and recognition of compensation, net of forfeitures, straight-line over the requisite service period, generally the vesting period for awards expected to vest. Stock-based compensation expense is included within SG&A expenses in the consolidated statements of operations and comprehensive income.

The Company estimates, as of the date of grant, the fair value of stock options awarded using the Black-Scholes option pricing model. Use of a valuation model requires management to make certain assumptions and judgments including anticipated volatility in the underlying stock price and option exercise activity. The Company historically has been a private company and lacks company-specific historical and implied volatility information. Therefore, it estimates its expected stock volatility based on the historical volatility of a publicly traded set of peer companies and expects to continue to do so until such time as it has adequate historical data regarding the volatility of its own traded stock price. Expected volatility is determined using the average stock price volatility of peer group public companies with similar attributes to the Company. The risk-free rate of return is based on the United States Treasury bill rate extrapolated to the term matching the expected life of the share grant. The expected life of stock options granted, which represents the period of time that the options are expected to be outstanding, is based primarily on historical data together with expectations of future behavior of the stock option holder. The expected dividend yield is based upon the fact that the Company has never paid cash dividends on common stock and does not expect to pay any cash dividends in the foreseeable future.

As stock-based compensation expense recognized is based on awards ultimately expected to vest, it has been reduced for estimated forfeitures. Forfeitures are recognized at the actual time of the forfeiture of the options.

Tax benefits associated with stock-based compensation arrangements are included within income tax expense in the consolidated statements of operations and comprehensive income. Windfall tax benefits, defined as tax deductions that exceed recorded stock-based compensation, are classified as cash inflows from operating activities in the Company's consolidated statements of cash flows.

Interest Expense and Income

Interest expense arises primarily from borrowings under the Company's long-term debt together with the amortization of deferred financing fees and interest related to finance leases. Interest income represents interest on the Company's highly liquid investments with original maturities of three months or less.

Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities for the expected future tax consequences of events have been recognized in the financial statements. Deferred tax assets and liabilities are determined based on the differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to be recovered or settled. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

The Company recognizes deferred tax assets to the extent that management believes these assets are more likely than not to be realized. In making such a determination, all available positive and negative evidence is considered, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. A valuation allowance is established for deferred tax assets when it is more likely than not that the assets will not be realized.

The tax benefit from an uncertain tax position is recognized only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The unrecognized tax benefits, if recognized, would be recognized as a benefit to income tax expense in the Company's consolidated statements of operations and comprehensive income. The liability associated with an unrecognized tax benefit is classified as a long-term liability in the Company's consolidated balance sheets except for the amount for which a cash payment is expected to be made or tax positions settled within one year, which is classified as a short-term liability. Interest and penalties related to income tax matters are recognized as a component of income tax expense in the Company's statement of operations and comprehensive income.

Treasury Stock

Treasury stock arises from the repurchase of common stock that has been purchased in connection with the exercise of share-based options under the share-based compensation program and is recognized in the Company's consolidated balance sheets at cost as a separate component of stockholders' equity.

Comprehensive Income

Comprehensive income is comprised of net income and other gains and losses affecting equity that are excluded from net income. The components of other comprehensive income consist of net gains (losses) on derivative securities that have been designated as hedging transactions, presented net of tax. Gains and losses will be recognized in net income in periods in which the hedged cash flow changes, in an amount necessary to reflect constant net cash flow for the hedged item.

Net Income per Share

Basic net income per share is computed as net income divided by the weighted-average number of common shares outstanding for the period. Diluted net income per share is computed as net income divided by the weighted-average number of common shares outstanding for the period and common share equivalents under the Company's incentive stock-option plan using the treasury stock method. Potential dilutive shares are excluded from the computation of diluted net income per share if their effect is anti-dilutive.

Recently Issued Accounting Standards

Recent Accounting Standards Adopted

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standard Update ("ASU") 2023-09, *Improvements to Income Tax Disclosures* (Topic 740). The standard update requires enhanced disclosures specifically related to effective tax rate reconciliation and income taxes paid. The new requirements are effective for fiscal years beginning after December 15, 2025, on a prospective basis. The Company has elected to early adopt and apply the standard retrospectively as permitted. See *Note 16, Income Taxes* for the enhanced disclosures incorporated in the Company's consolidated financial statements as a result of adopting this standard update.

In November 2023, the FASB issued ASU 2023-07, *Improvements to Reportable Segment Disclosures* (Topic 280). The standard update was designed to improve segment disclosures, primarily by requiring enhanced disclosures about segment expenses. The adoption of ASU 2023-07 did not have a material impact on our accounting policies, financial position, or results of operations but did require additional disclosures. See *Note 14, Revenue and Segment Information* for the enhanced disclosures incorporated in the Company's consolidated financial statements as a result of adopting this standard update.

Recent Accounting Standards Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, *Disaggregation of Income Statement Expenses*. The standard update requires disclosure of additional information about specific expense categories to provide investors with a better understanding of an entity's cost structure and forecasting cash flows. The new requirements will be effective for fiscal years beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. The amendments in the standard can be applied either prospectively or retrospectively. The Company is currently evaluating the impact on its disclosures from adopting this new accounting standard.

3. Property and Equipment, Net

Property and equipment are summarized as follows:

(in thousands)	December 29, 2024	December 31, 2023
Leasehold improvements and distribution center expansions	$ 407,792	$ 356,147
Machinery, computer and office equipment	145,647	129,280
Software	136,515	124,702
Vehicles	2,512	2,502
Furniture and fixtures	18,022	13,413
Construction in progress	17,400	7,293
Property and equipment, gross	727,888	633,337
Less: Accumulated depreciation	(447,497)	(385,879)
Property and equipment, net	$ 280,391	$ 247,458

Refer to *Note 10, Leases* for further information on leased assets.

The Company recognized total depreciation expense related to property and equipment of $65.2 million, $62.9 million, and $60.7 million in fiscal years 2024, 2023 and 2022, respectively. Included within these amounts was depreciation expense associated with capitalized software of $18.0 million, $17.4 million, and $14.9 million in fiscal years 2024, 2023 and 2022, respectively.

The difference between the gross carrying value and accumulated depreciation of disposed property and equipment is recognized in loss on disposal of fixed assets in the Company's consolidated statements of operations and comprehensive income. During fiscal year 2023, the Company disposed of capitalized software with a gross carrying value of $4.6 million and accumulated depreciation of $2.4 million. The loss on disposal of fixed assets was not material in fiscal years 2024 and 2022.

4. Long-Term Debt

Long-term debt obligations are summarized as follows:

(in thousands)	December 29, 2024	December 31, 2023
First Lien Note	$ —	$ 82,936
Revolving Credit Facility	—	—
Total long-term debt at par value	—	82,936
Less: Current portion of long-term debt	—	(1,502)
Less: Unamortized original issue discount	—	(2,584)
Total long-term debt	$ —	$ 78,850

At December 29, 2024, there was no long-term debt outstanding; therefore, there were no remaining principal payments on the Company's long-term debt obligations and the weighted average interest rate was 0%. The weighted average interest rate on long-term debt outstanding at December 31, 2023 was 12.6%.

First Lien Note

On February 12, 2014, the Company entered into a First Lien Note ("the Note") having a maturity date of August 12, 2023, and bearing interest of 5.25% plus the Long Inter-Bank Offered Rate ("LIBOR"), with a LIBOR floor of 1.00%. On August 24, 2022, the Company amended its credit agreement resulting in an extension of the term loan maturity date to February 12, 2026, and modification of the annual interest rate to 7.25% plus the Secured Overnight Financing Rate ("SOFR"), with a SOFR floor of 1.00%. The Company performed a lender-by-lender assessment of the August 24, 2022 amendment and determined that this amendment was a debt modification as the conditions for extinguishment accounting were not met. Upon amendment, the Company had $218.9 million in outstanding debt. In November 2022, the Company made a voluntary prepayment of $68.5 million, the entire remaining principal amount of the Note under the original credit terms. In fiscal years 2024 and 2023, the Company made voluntary principal prepayments on the Note of $82.2 million and $65.0 million, respectively, which, in addition to the scheduled principal payments, resulted in the complete pay down of the Note in fiscal year 2024.

Debt Issuance Costs

In connection with the amendment, the Company incurred $7.5 million of financing costs, which were deferred as a reduction to the carrying value of the long-term debt obligation. The amounts deferred were being amortized over the life of the agreement using the effective interest method. Amortization of debt issuance costs associated with the Note, which is recognized in interest expense in the Company's consolidated statements of operations and comprehensive income, was $2.9 million, $4.7 million, and $3.8 million for fiscal years 2024, 2023, and 2022, respectively. Included within the amortization for fiscal years 2024 and 2023 was the acceleration of $2.1 million and $2.7 million of amortization in connection with the voluntary prepayments on the Note, respectively.

Asset Based Revolving Credit Facility

The Company's Asset Based Revolving Credit Facility ("the Credit Facility") consists of three components: a revolving Line of Credit (the "Line of Credit"), standby letters of credit, and Swingline loans. The availability of credit at any given time is constrained by the terms and conditions of the facility, including the amount of collateral available and a borrowing base formula based on several factors including the value of eligible accounts receivable and inventory. In July 2024, the Company amended its Credit Facility (the "Amendment") to (i) extend the maturity date to July 1, 2029; (ii) reduce the aggregate amount of revolving commitments from $150.0 million to $125.0 million; (iii) modify the borrowing base formula to permit a higher percentage of inventory to be used in the calculation of availability under the Credit Facility; and (iv) to provide for certain other modifications. Additionally, on June 2, 2023, the Company amended its Credit Facility to modify the interest rate to SOFR plus a 0.1% Credit Spread Adjustment plus 1.50% to 2.00% depending on the average amount borrowed as a percent of its availability. Prior to this June 2, 2023 amendment, the interest rate was LIBOR plus 1.5%.

Third-party fees associated with the amendments in fiscal years 2024 and 2023 were not material. Amortization of debt issuance costs associated with the Credit Facility was not material for fiscal years 2024, 2023, and 2022. Borrowing capacity under the Credit Facility was $121.0 million and $74.6 million at December 29, 2024, and December 31, 2023, respectively. The Company had no amounts borrowed under its Credit Facility at December 29, 2024 and December 31, 2023.

Letters of Credit

The Company has entered into letters of credit issued on the Company's behalf by financial institutions related to the guarantee of future payment on certain lease agreements and self-insurance policies. There were $1.2 million and $0.6 million of outstanding letters of credit at December 29, 2024, and December 31, 2023, respectively.

Covenants

The Note and Credit Facility are subject to certain financial and nonfinancial covenants including a fixed charge ratio covenant which is only measured when the Company's available line of credit drops below thresholds as set forth in the agreement. Each of the Note and Credit Facility is collateralized by company assets and is guaranteed by certain of the Company's subsidiaries. Loans under each of these facilities may become immediately due and payable upon certain events of default, including failure to comply with loan covenants, as set forth in the facility agreements. There are no compensating balances required by the lenders.

5. Derivatives and Hedging Activities

Risk Management Objective of Using Derivatives

The Company is exposed to certain risks arising from both its business operations and economic conditions. While the Company principally manages its exposures to a wide variety of business and operational risks through management of its core business activities, it manages economic risks, including interest rate, liquidity, and credit risk primarily by managing the amount, sources, and duration of its assets and liabilities and through derivative financial instruments.

Cash Flow Hedge of Interest Rate Risk

The Company's objective in using an interest rate derivative is to add stability to interest expense and to manage its exposure to interest rate movements. To accomplish this objective, the Company primarily uses an interest rate cap as part of its interest rate risk management strategy. Interest rate caps that are designated as cash flow hedges involve the receipt of variable amounts from a counterparty if interest rates rise above the strike rate on the contract in exchange for a premium. During fiscal years 2024 and 2023, the Company used an interest rate cap to hedge the variable cash flows associated with existing variable-rate borrowings under its long-term debt obligations. The Company's interest rate cap matured on July 31, 2025.

During fiscal year 2022, to correspond with the underlying index of the floating rate Note, the Company amended the floating rate index of the derivative from 1-month USD LIBOR to 1-month USD SOFR. No other economic changes to the terms of the derivative were made.

At inception, in fiscal year 2020, the Company designated all of the $216.8 million notional value of its interest rate cap as a cash flow hedge against the variable-rate interest payments on its floating rate Note. In fiscal years 2023 and 2022, the Company concluded that a portion of the forecasted hedge transaction was no longer probable of occurring, resulting in $145.7 million and $71.1 million of the derivative notional value being de-designated as a cash flow hedge, respectively. In connection with the de-designations, $4.3 million and $4.2 million was recognized to other income, net in the Company's consolidated statements of operations and comprehensive income in fiscal years 2023 and 2022, respectively. At December 29, 2024 and December 31, 2023, none of the derivative notional value was designated as a cash flow hedge. The derivative continued to serve as an economic hedge against the Company's interest rate risk. In the forthcoming twelve months, no amounts are expected to reduce AOCI.

Non-designated Hedge

Any derivative that is not designated as a hedge is not speculative and is used to manage the Company's exposure to interest rate movements and other identified risks but do not meet the strict hedge accounting requirements or the Company has not elected to apply hedge accounting.

In fiscal years 2023 and 2022, the Company reduced the notional value of the de-designated derivative by $112.5 million and $21.0 million, respectively, realizing $7.0 million and $1.7 million in cash proceeds, respectively. No other economic changes to the terms of the derivative were made.

The following table summarizes the fair value of the derivative financial instruments as well as their notional value and classification in the Company's consolidated balance sheets at December 29, 2024 and December 31, 2023.

(in thousands)		Asset Derivative	
Derivative Position as of December 29, 2024	**Notional Balance**	**Prepaid and Other Current Assets**	**Other Assets**
Derivatives not designated as hedging instruments			
Interest rate products	$ 83,312	$ 1,459	$ —

		Asset Derivative	
Derivative Position as of December 31, 2023	**Notional Balance**	**Prepaid and Other Current Assets**	**Other Assets**
Derivatives not designated as hedging instruments			
Interest rate products	$ 83,312	$ 2,848	$ 1,097

The following table summarizes the effect of the cash flow hedges in the Company's consolidated statements of operations and comprehensive income during fiscal years 2024, 2023, and 2022.

		(Gain) or Loss on Effective Portion Reclassified from AOCI to Earnings		
		For fiscal year ended		
(in thousands)	**Classification**	**December 29, 2024**	**December 31, 2023**	**January 1, 2023**
Interest rate products	Interest expense	$ (1,147)	$ (6,177)	$ (1,637)
	Other income, net	$ (3,067)	$ (4,250)	$ (4,244)

		Gain or (Loss) on Effective Portion Recognized in AOCI		
		For fiscal year ended		
(in thousands)	**Classification**	**December 29, 2024**	**December 31, 2023**	**January 1, 2023**
Interest rate products	AOCI	$ 29	$ (520)	$ 10,427

The following table summarizes the effect of the derivative financial instrument that is not designated as hedging instruments in the Company's consolidated statements of operations and comprehensive income during fiscal years 2024, 2023, and 2022.

		Amount of (Gain) or Loss Recognized in Income on Derivative		
		For fiscal year ended		
(in thousands)	**Classification**	**December 29 2024**	**December 31 2023**	**January 1 2023**
Interest rate products	Other income, net	$ (858)	$ 144	$ (1,490)

6. Fair Value Measurements

The following table summarizes, by level within the fair value hierarchy, the financial assets and liabilities that are accounted for at fair value on a recurring basis at December 29, 2024, and December 31, 2023.

(in thousands)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Quoted Prices in Active Markets for Similar Assets (Level 2)	Unobservable inputs for which little or no market data exists (Level 3)	Total
Asset (liability)				
Money market funds	$ 63,440	$ —	$ —	$ 63,440
Interest rate cap[(1)]	—	1,459	—	1,459
Balance at December 29, 2024	$ 63,440	$ 1,459	$ —	$ 64,899
Asset (liability)				
Money market funds	$ 88,782	$ —	$ —	$ 88,782
Interest rate cap[(1)]	—	3,945	—	3,945
Balance at December 31, 2023	$ 88,782	$ 3,945	$ —	$ 92,727

(1) As described in Note 5, Derivatives and Hedging Activities, the Company utilizes an interest rate cap as part of its interest rate risk management strategy. The primary input used to estimate the interest rate cap's Level 2 fair value is the 1-month USD SOFR. This input determines the value of the derivative instrument based upon its likelihood to become an effective hedge over its life as the market interest rates fluctuate.

There were no Level 3-classified assets at either December 29, 2024 or December 31, 2023.

The Company did not record any other-than-temporary impairments on assets required to be measured at fair value on a non-recurring basis during fiscal years 2024, 2023, or 2022.

7. Related Party Transactions

Leases

In fiscal years 2024, 2023, and 2022, the Company leased five retail stores from limited liability companies of which Mr. Bob Kaufman, the Company's founder and a current member of the Board of Directors, maintained ownership. The lease arrangements were entered into between 2017 and 2022 with lease terms ranging from 15 to 20 years with varying number of options for five-year renewals. Total rent expense associated with these related parties was $2.6 million, $2.9 million and $3.0 million for fiscal years 2024, 2023, and 2022, respectively, and was classified in SG&A in the Company's consolidated statements of operations and comprehensive income. One of these stores closed and relocated in October 2023 and is no longer considered a related party transaction. At December 29, 2024, total lease liabilities associated with the remaining related party leases was $14.3 million.

Management Fees

The Company recognized management fees and expense reimbursement to entities affiliated with Bain Capital in connection with an advisory agreement totaling $2.0 million, $2.3 million, and $2.2 million for fiscal years 2024, 2023, and 2022, respectively. Management fees are classified as SG&A in the Company's consolidated statements of operations and comprehensive income. The advisory agreement with Bain Capital will terminate upon consummation of the Company's initial public offering.

Customer Service Fees

The Company recognized fees for the outsourcing of customer service assistance to an entity affiliated with Bain Capital totaling $6.5 million, $5.1 million and $3.7 million for fiscal years 2024, 2023, and 2022, respectively. These fees are classified as SG&A in the Company's consolidated statements of operations and comprehensive income.

Issuance of Common Stock

In August 2022, the Company issued 2,100,298 shares at $0.0001 par value per share in exchange for an additional equity investment made by investment funds affiliated with Bain Capital and certain other current stockholders, including members of management and the Board of Directors, totaling $13.3 million.

8. Accrued Expenses and Other Long-Term Liabilities

The following table summarizes the nature of the amounts within accrued expenses on the Company's consolidated balance sheets:

(in thousands)	December 29, 2024	December 31, 2023
Incentive compensation	$ 20,977	$ 19,418
Payroll and related taxes	20,316	19,330
Unredeemed gift cards	7,531	7,893
Product warranties	5,936	5,236
Other	6,376	8,811
Total accrued expenses	$ 61,136	$ 60,688

Product Warranties

The following table summarizes the Company's activity for product warranty obligations:

(in thousands)	December 29, 2024	December 31, 2023
Product warranties beginning balance	$ 5,926	$ 5,799
Accruals for warranties issued	18,724	20,227
Settlements (in cash or in-kind)	(18,239)	(22,151)
Change in reserve estimate	372	2,051
Product warranties ending balance	6,783	5,926
Less: Current portion of warranties	(5,936)	(5,236)
Total long-term warranties	$ 847	$ 690

9. Benefit Plans

401(k) Retirement Savings Plan

The Company maintains a 401(k) Retirement Savings Plan that is open to all employees who have completed one full calendar quarter of service. Employee participants may contribute a percentage of their compensation up to the maximum allowed by the Internal Revenue Code. The Company makes discretionary matching contributions as a percentage of eligible employee participant contributions, which totaled $6.3 million, $6.3 million, and $6.6 million for fiscal years 2024, 2023, and 2022, respectively. Discretionary matching contributions vest over five years of employment.

Benefits Fund for Union Employees

The Company makes contributions to the United Food and Commercial Workers ("UFCW") Local 888 Health Fund ("Benefits Fund") for the benefit of union employees at five company operated stores under the terms of a collective bargaining agreement that expired on June 30, 2024. On June 20, 2025, the Company entered into a successor collective bargaining agreement effective July 1, 2024. The terms of the successor collective bargaining agreement are not expected to have a material impact to the Company. The Benefits Fund provides medical, dental, pharmacy, vision, and other ancillary benefits to active employees at these stores. Contributions are derived from the

enrollment of active employees only. Payments into the Benefits Fund were $1.2 million, $1.3 million, and $1.3 million for the fiscal years 2024, 2023, and 2022, respectively.

10. Leases

The Company recognizes leases in its consolidated balance sheets as a ROU asset and a lease liability. The Company has operating leases for its retail stores, distribution centers, corporate headquarters, and certain equipment under operating and finance leases that expire at various dates through 2037. Some of the leases include options to extend the lease term for up to twenty years. The Company's leases do not have any residual value guarantees or any restrictions or covenants imposed by leases.

During fiscal year 2024, the Company entered 18 non-cancellable leases for retail stores that had not commenced as of December 29, 2024. The initial terms of these leases are approximately ten years, with options to extend for up to an additional twenty years. Upon lease commencement, the ROU asset and lease liability will be determined and recognized in the Company's consolidated balance sheets. Lease liabilities at December 29, 2024 exclude undiscounted future lease payments of approximately $164.4 million associated with these leases.

The following table summarizes finance and operating lease assets and liabilities recognized in the Company's consolidated balance sheets at December 29, 2024, and December 31, 2023:

(in thousands)	Classification	December 29, 2024	December 31, 2023
Assets			
Finance leases	Property and equipment, net	$ 29,557	$ 27,247
Operating leases	Operating lease right-of-use assets	533,690	490,403
Total lease assets		$ 563,247	$ 517,650
Liabilities			
Current			
Finance leases	Finance lease liabilities, current portion	$ 9,926	$ 8,646
Operating leases	Operating lease liabilities, current portion	88,891	77,655
Noncurrent			
Finance leases	Finance lease liabilities, noncurrent portion	30,211	28,714
Operating leases	Operating lease liabilities, noncurrent portion	562,069	517,883
Total lease liabilities		$ 691,097	$ 632,898

The following table summarizes lease expense recognized in the Company's consolidated statements of operations and comprehensive income for fiscal years 2024, 2023, and 2022:

	Fiscal Year Ended		
(in thousands)	December 29, 2024	December 31, 2023	January 1, 2023
Operating lease cost			
Fixed	$ 126,656	$ 117,636	$ 114,556
Variable	91	638	519
Finance lease cost			
Amortization of assets	9,422	8,581	7,788
Interest on lease liabilities	2,556	2,832	3,003
Short-term lease cost	444	440	473
Total lease expense	$ 139,169	$ 130,127	$ 126,339

Supplemental cash flow information related to leases is as follows:

	Fiscal Year Ended		
(in thousands)	December 29, 2024	December 31, 2023	January 1, 2023
Cash paid for amounts included in the measurement of lease liabilities			
Operating cash flows from operating leases	$ 135,012	$ 127,173	$ 121,200
Operating cash flows from finance leases	2,556	2,809	3,003
Financing cash flows from finance leases	8,955	8,282	7,188
Right-of-use assets obtained in exchange for lease obligations			
Finance leases	11,467	56	9,716
Operating leases	109,771	53,045	48,749

The weighted average remaining lease term and weighted average discount rate for finance and operating leases at December 29, 2024, and December 31, 2023, were:

	December 29, 2024	December 31, 2023
Weighted average remaining lease term (in years)		
Finance leases	4.2	3.8
Operating leases	6.9	7.0
Weighted average discount rate		
Finance leases	5.8%	6.6%
Operating leases	9.0%	9.6%

The following table summarizes the undiscounted future minimum lease payments (displayed by year and in the aggregate) under non-cancellable leases with terms of more than one year that are recognized in the Company's consolidated balance sheet at December 29, 2024:

	Operating Leases			
(in thousands)	Related Party Leases	Other Leases	Total Operating Leases	Finance Leases
2025	$ 2,620	$ 140,924	$ 143,544	$ 12,135
2026	2,620	135,734	138,354	12,294
2027	2,627	127,176	129,803	6,689
2028	2,678	117,216	119,894	3,613
2029	2,119	98,710	100,829	2,631
Thereafter	7,342	242,021	249,363	8,066
Total undiscounted future minimum	$ 20,006	$ 861,781	$ 881,787	$ 45,428
Less: Amount representing interest			230,827	5,291
Total present value of lease obligations			$ 650,960	$ 40,137

11. Commitments and Contingencies

Contingencies

The Company is a defendant in lawsuits arising in the ordinary course of business. Such matters are subject to many uncertainties and the outcomes of individual litigated matters are not predictable with assurance. While the Company is unable to predict the outcome, based on information currently available, the Company does not believe that resolution of any of these matters, individually or in aggregate, will have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows.

Government Grants

In conjunction with the construction of its corporate headquarters, the Company negotiated an agreement with the State of Connecticut Department of Economic and Community Development ("DECD") that provides for various government grants and subsidies. These grants and subsidies are contingent on the Company making certain minimum investments in Connecticut including $50.0 million in total construction costs, including costs incurred by the developer of the headquarters building, and achieving and maintaining certain headcount requirements within the State of Connecticut within a timeframe set forth in the grant agreement. The Company has met the requirement to invest $50.0 million in Connecticut and expects to meet the minimum headcount requirements during the allotted timeframe. The grants and subsidies were spent on the buildout of the corporate headquarters and on further buildout and enhancement of its existing Connecticut distribution center. The subsidies, which total approximately $20.7 million, include the following:

DECD Direct Assistance/Loan Forgiveness Program

Under an agreement dated December 14, 2016, as amended on February 28, 2023, the DECD provided a $1.7 million grant for employee training that has been received and completed. The DECD also provided a direct forgivable loan of $7.0 million which bears interest at an annual rate of 2%. Monthly interest-only payments commenced at the time the loan was granted with principal payments deferred until January 1, 2028. The final payment of principal and interest is due on September 1, 2029, if not sooner paid or forgiven. The funds were specifically designated for use in the purchase of leasehold improvements, machinery and equipment, and furniture and fixtures. The Company will be eligible for loan forgiveness based on maintaining the 326 full-time jobs that existed within Connecticut as of the date the original agreement was signed and creating and maintaining for a twenty-four-month period ending on or prior to October 31, 2027 an average of 125 additional full-time jobs in Connecticut with an average salary of at least $80,000. As the Company believes it will meet all requirements for loan forgiveness, the proceeds from the loan offset the carrying cost of the $7.9 million of tenant improvements on the Company's consolidated balance sheets.

Sales & Use Tax Exemption

The State of Connecticut provided an exemption to relieve the Company from the State's 6.35% sales tax on qualifying capital equipment or construction materials. The Company received this benefit in the form of reduced prices from vendors that exclude normal Connecticut sales & use tax. The benefit is thereby reflected as a reduction in the related fixed asset costs.

Urban and Industrial Sites Reinvestment Act ("URA") Tax Credits

The State of Connecticut is also providing the Company with up to $11.0 million of income tax credits under its URA program (the "Tax Credits"). The program allows for a dollar-for-dollar corporate tax credit for eligible projects with a minimum investment of $5.0 million in targeted investment or urban distressed areas and $50.0 million in all areas of the State, which the Company has met. Beginning in 2017, the credits can be used over ten years according to the following schedule: Years 2017-2019: 0%; Years 2020-2023: 10%; 2024-2026: 20%. The credits can be sold or transferred to another taxpayer. Given its projected state tax liabilities over the next ten years, the Company may sell or transfer the credits to third parties to realize the associated economic benefit. The credits are recognized as a reduction in Connecticut state income tax expense if the Company intends to utilize the credit as a reduction to state income tax or as other income if the Company elects to sell or transfer the credits to third parties. The Company sold $0.2 million and $3.3 million in credits to a third party in fiscal years 2023 and 2022, respectively, realizing $0.2 million and $2.9 million in fiscal years 2023 and 2022, respectively, which was included in other income, net in the Company's consolidated statements of operations and comprehensive income. The Company did not sell any credits to third parties in fiscal year 2024.

Generally, the subsidies require the following: that the expenditures are made; that the appropriate paperwork is submitted to the granting agency; that the corporate headquarters is maintained in Connecticut for a period of time; and certain levels of job creation and employment are achieved. The Company believes that it is reasonably assured of achieving each of the requirements.

The Company will assess the likelihood of the conditions attached to the various subsidies, to the extent they exist, each reporting period. If at any time after receiving the $7.0 million forgivable loan, the Company determines that it is no longer probable it will meet the conditions outlined in the DECD agreement, the change will be accounted for as a change in estimate.

The Company provided separate guarantees to each of the two departments of the State of Connecticut. The first guarantee relates to the obligation to repay a grant if it fails to meet the criteria described above. The second guarantee relates to the obligation to repay sales and use tax exemptions if the Company fails to meet those criteria. On December 29, 2024, and December 31, 2023, there was no potential amount of repayment for these guarantees because the Company was in compliance with all requirements of the grants.

12. Stockholders' Equity

Dividends

In accordance with the Amended and Restated Bylaws of Bob's Discount Furniture, Inc. dated February 11, 2014, dividends may be approved and distributed to stockholders at the discretion of the Board of Directors. Any dividends shall be paid to the stockholders in proportion to their number of shares. Upon a capital event (defined as a direct or indirect sale of all or substantially all of the assets of the Company), the net proceeds of the capital event shall be distributed to stockholders in proportion to their shares, with preferred shares getting first priority and common shares getting second priority of net proceeds.

Stock Repurchase Program

The Company's 2014 Stock Option Plan allows the Company the option, but not the obligation, to repurchase outstanding shares held by participants who are no longer employed by or providing services to the Company. The repurchase option provides for the repurchase at current fair value and will terminate in the event of an Initial Public Offering. Repurchases of stock from former employees are recorded as treasury stock in the Company's consolidated statements of changes in stockholders' equity. At December 29, 2024, there were 69,166 shares available for repurchase.

13. Net Income Per Share

Basic and diluted net income per share were as follows:

	Fiscal Year Ended		
(in thousands, except share and per share amounts)	December 29, 2024	December 31, 2023	January 1, 2023
Net income	$ 87,933	$ 78,099	$ 27,648
Weighted-Average Shares Outstanding			
Weighted-average number of shares outstanding	109,996,455	108,681,478	107,075,749
Dilutive effect of stock options	2,727,616	4,874,478	4,464,557
Diluted weighted-average number of shares outstanding	112,724,071	113,555,956	111,540,306
Net Income Per Share			
Basic net income per share	$ 0.80	$ 0.72	$ 0.26
Diluted net income per share	$ 0.78	$ 0.69	$ 0.25

In the fiscal years 2024, 2023, and 2022, 1,618,560, 1,693,267 and 4,275,952 stock-based awards, respectively, were excluded from the diluted net income per share calculation because their inclusion would have been anti-dilutive.

14. Revenue and Segment Information

The following table details revenue by source and significant segment expenses for the Company's one reportable segment:

	Fiscal Year Ended		
(in thousands)	December 29, 2024	December 31, 2023	January 1, 2023
Retail	$ 1,741,888	$ 1,737,033	$ 1,828,437
eCommerce	286,255	271,049	277,071
Net revenues	2,028,143	2,008,082	2,105,508
Less: Significant and other segment expenses			
Cost of sales[1]	1,065,918	1,060,518	1,240,414
Depreciation and amortization	65,194	62,876	60,707
Store and corporate expenses	629,385	622,745	634,768
Advertising expenses	128,693	121,945	103,835
Pre-opening expenses[2]	9,708	3,424	6,775
Other segment items[3]	11,511	18,755	9,053
Interest expense	10,538	19,872	24,343
Interest income	(2,450)	(1,006)	(638)
Other income, net	(3,778)	(3,665)	(8,488)
Income tax expense	25,491	24,519	7,091
Net income	$ 87,933	$ 78,099	$ 27,648

(1) Cost of sales excludes depreciation and amortization of $13.8 million, $12.8 million, and $11.7 million for fiscal years 2024, 2023, and 2022, respectively.
(2) Pre-opening expenses exclude advertising expenses of $5.6 million, $1.2 million, and $2.8 million for fiscal years 2024, 2023, and 2022, respectively.
(3) Other segment items include loss on disposal of fixed assets, impairment of long-lived assets, restructuring charges, stock-based compensation expense, and other items.

Contract Liabilities

The Company defers revenue when cash payments are received in advance of performance for unsatisfied gift cards and customer deposit obligations. Gift card liabilities included in accrued expenses in the Company's consolidated balance sheets were $7.5 million and $7.9 million on December 29, 2024, and December 31, 2023, respectively. Customer deposit liabilities were $66.6 million and $62.4 million on December 29, 2024, and December 31, 2023, respectively. We expect that substantially all of the contract liabilities as of December 29, 2024 will be recognized within the next year as the performance obligations are satisfied.

The Company recognizes gift card and customer deposit breakage proportional to historical gift card and customer deposit redemption rates. Gift card and customer deposit breakage recognized as revenue for fiscal years 2024, 2023, and 2022 were $1.4 million, $1.3 million, and $2.0 million, respectively.

15. Stock-based Compensation

Management Incentive Plan

The Company's Management Incentive Plan (the "Plan") is a service-based plan that provides for awards of stock options which can be exercised into common shares of the Company. The Plan has a limitation of 22,075,000 shares authorized, which are issued out of common stock when exercised. The options expire ten years after the grant date and vest over either four or five years or upon a change of control transaction. The Plan requires that common shares held upon exercise of stock options be held for a minimum of six months plus one day post

purchase, and allows the Company the option, but not the obligation, to repurchase the outstanding shares at fair value for a period of 180 days beginning after the minimum holding period.

Stock Compensation Expense

For fiscal years 2024, 2023, and 2022, the Company recognized share-based compensation expense of $3.6 million, $3.9 million, and $3.4 million, respectively. The tax benefit for stock compensation recognized during fiscal years 2024, 2023, and 2022 was $1.0 million, $1.1 million, and $0.8 million, respectively. On December 29, 2024, the total unrecognized compensation cost related to non-vested service-based stock awards granted under the Plan was $8.2 million, which will be recognized over a weighted average period of 2.6 years.

Stock Options Outstanding

The following table summarizes the stock option activity under the Management Incentive Plan for fiscal year 2024:

	Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (in thousands)
Outstanding at December 31, 2023	11,070,915	4.78		
Granted	860,692	9.18		
Forfeited or expired	(417,638)	6.82		
Exercised	(2,986,920)	2.40		
Outstanding at December 29, 2024	8,527,049	5.95	5.7	$ 29,979
Exercisable at December 29, 2024	5,744,222	5.31	4.7	$ 23,718
Options expected to vest at December 29, 2024	2,782,827	7.27	7.8	$ 6,261

The aggregate intrinsic value of stock options vested during fiscal years 2024, 2023, and 2022 was $3.9 million, $4.4 million and $1.0 million, respectively. The aggregate intrinsic value of the options is calculated as the difference between the exercise price of the stock options and the fair value of the Company's common stock for those options that had exercise prices lower than the fair value of the Company's common stock. The tax benefit for stock option exercises recognized during fiscal years 2024, 2023, and 2022 was $5.4 million, $4.4 million, and $0.3 million, respectively.

Fair Value

The following table summarizes the assumptions that were used in determining the grant date fair value of each award granted:

	December 29, 2024	December 31, 2023	January 1, 2023
Weighted-average grant date fair value per share of underlying common stock	$ 4.17	$ 4.37	$ 2.67
Risk-free interest rate	3.69% - 4.28%	3.39% - 4.26%	1.65% - 3.39%
Expected stock price volatility	45.00% - 50.00%	50.00% - 60.00%	45.00% - 65.00%
Average expected life (in years)	4.8 - 6.5	3.9 - 4.8	3.7 - 4.3
Dividend yield	— %	— %	— %

16. Income Taxes

The following table summarizes the provision for income taxes:

	For fiscal year ended		
(in thousands)	December 29, 2024	December 31, 2023	January 1, 2023
Income before taxes			
US	$ 113,424	$ 102,618	$ 34,739
Current income tax expense			
US federal	20,775	18,539	509
US state and local	7,849	8,324	3,461
Total current income tax expense	28,624	26,863	3,970
Deferred income tax expense (benefit)			
US federal	(1,557)	(1,610)	3,588
US state and local	(1,576)	(734)	(467)
Total deferred income tax (benefit) expense	(3,133)	(2,344)	3,121
Total income tax expense	$ 25,491	$ 24,519	$ 7,091

The following table reconciles the effective income tax rate to the federal statutory income tax rate:

	For fiscal year ended					
(in thousands, except percentages)	December 29, 2024		December 31, 2023		January 1, 2023	
US federal statutory income tax rate	$ 23,819	21.0 %	$ 21,550	21.0 %	$ 7,295	21.0 %
Tax credits						
Work opportunity tax credit	(227)	(0.2)%	(656)	(0.6)%	(937)	(2.7)%
Other	(3)	— %	69	0.1 %	(8)	— %
Non taxable and nondeductible items						
Excess tax benefits on share-based payments	(3,522)	(3.1)%	(2,710)	(2.7)%	(172)	(0.5)%
Other	193	0.2 %	190	0.2 %	128	0.4 %
Changes in valuation allowances	—	— %	—	— %	(1,741)	(5.0)%
Changes in prior year unrecognized tax benefits	—	— %	—	— %	(37)	(0.1)%
Other reconciling items	521	0.4 %	203	0.2 %	184	0.5 %
State income taxes, net of federal effect	4,710	4.2 %	5,873	5.7 %	2,379	6.8 %
Income tax expense and corresponding effective tax rate	$ 25,491	22.5 %	$ 24,519	23.9 %	$ 7,091	20.4 %

In fiscal year 2024, state and local income taxes in California, Pennsylvania, New Jersey, New York and New York City comprised the majority of the state and local income taxes, net of federal effect. In fiscal year 2023, state and local income taxes in New Jersey, New York and California comprised the majority of the state and local income taxes, net of federal effect. In fiscal year 2022, state and local income taxes in New York and Connecticut comprised the majority of the state and local income taxes, net of federal effect.

The following table summarizes income taxes paid, net of refunds received:

	For fiscal year ended		
(in thousands)	December 29, 2024	December 31, 2023	January 1, 2023
US federal	$ 8,000	$ 16,605	$ (153)
US state and local			
Arizona	*	*	33
California	*	*	38
Indiana	*	*	35
Kentucky	*	*	34
Maryland	*	*	(110)
Michigan	*	*	80
New Hampshire	*	*	65
New York	*	2,492	*
New York City	*	*	(47)
New Jersey	*	1,626	*
Pennsylvania	*	*	90
Philadelphia, PA	*	*	53
Other	3,751	6,403	346
Total US state and local	3,751	10,521	617
Total income taxes paid, net of refunds received	$ 11,751	$ 27,126	$ 464

* The amount of income taxes paid during the year does not meet the 5% disaggregation threshold.

The following table summarizes the Company's deferred income taxes on December 29, 2024, and December 31, 2023:

(in thousands)	December 29, 2024	December 31, 2023
Deferred tax assets		
Net operating losses	$ 199	$ 558
Tax credits	1,827	2,507
Deferred revenue	2,392	3,031
Employee benefits	7,623	7,170
Reserves	3,920	3,906
Inventory	2,713	2,609
Stock options	3,987	3,821
State bonus depreciation	7,296	7,098
Lease liability	182,540	170,752
Operating lease	8,501	—
Capitalized research and development	11,094	—
Inventory capitalization	786	601
Accrued interest	169	32
Transaction costs	225	1,228
Total deferred tax assets	233,272	203,313
Deferred tax liabilities		
Operating lease	—	(3,419)
Prepaid insurance	(555)	(350)
Fixed assets	(59,346)	(39,316)
Intangible assets	(44,932)	(44,482)
Goodwill	(10,976)	(10,537)
Customer deposits	(2,032)	(1,803)
Right-of-use assets	(149,554)	(140,506)
Unrealized gains or losses	(607)	(375)
Interest rate products	—	(1,176)
Total deferred tax liabilities	(268,002)	(241,964)
Valuation allowance	(198)	(585)
Total deferred tax assets (liabilities)	$ (34,928)	$ (39,236)

For fiscal years 2024, 2023, and 2022, the Company recorded no unrecognized tax benefits. The total amount of interest and penalties recognized in the consolidated statements of operations and comprehensive income for fiscal years 2024, 2023, and 2022 was not material.

U.S. federal and certain state income tax returns remain open for periods from 2019 forward.

On December 29, 2024, the Company had state net operating loss carryforwards of $2.6 million which will begin to expire in 2031. The Company also had state tax credit carryforwards of $2.3 million that will begin to expire in 2026. Of this amount, a valuation allowance of $0.3 million was recorded related to certain state tax credits that the Company anticipates will expire unutilized.

17. Restructuring

During fiscal year 2023, the Company recognized restructuring costs totaling $1.8 million for restructuring actions that were initiated in January 2023. These 2023 actions related primarily to workforce reductions at the

corporate headquarters and were recognized in restructuring charges in the Company's consolidated statements of operations and comprehensive income. All actions initiated in fiscal year 2023 were completed, and the Company does not expect any costs attributable to these actions in subsequent fiscal years. At December 31, 2023, the Company had $0.2 million accrued on the Company's consolidated balance sheets related to these actions, all of which was paid in fiscal year 2024. No significant restructuring actions were initiated in fiscal year 2024 or 2022.

18. Condensed Financial Information of Registrant (Parent Company Only)

Bob's Discount Furniture, Inc.
(Parent Company Only)
Condensed Balance Sheets

(in thousands, except share amounts)	December 29, 2024	December 31, 2023
Assets		
Investment in subsidiary	$ 454,881	$ 380,520
Prepaid and other current assets	9,349	8,745
Total assets	$ 464,230	$ 389,265
Stockholders' Equity		
Common stock, $0.0001 par value, 300,000,000 shares authorized; 118,703,566 shares issued and 109,872,523 outstanding at December 29, 2024; 115,716,486 shares issued and 109,174,434 outstanding at December 31, 2023	$ 11	$ 11
Additional paid-in capital	225,886	215,098
Treasury stock shares, at cost, 8,831,043 and 6,542,052 shares at December 29, 2024 and December 31, 2023, respectively	(63,351)	(42,633)
Accumulated other comprehensive income	—	3,038
Retained earnings	301,684	213,751
Total stockholders' equity	$ 464,230	$ 389,265

Bob's Discount Furniture, Inc.
(Parent Company Only)
Consolidated Statements of Operations and Comprehensive Income

	Fiscal Year Ended		
(in thousands, except per share amounts)	December 29, 2024	December 31, 2023	January 1, 2023
Equity in net income of subsidiaries	$ 87,933	$ 78,099	$ 27,648
Net income	$ 87,933	$ 78,099	$ 27,648
Basic net income per share	$ 0.80	$ 0.72	$ 0.26
Diluted net income per share	$ 0.78	$ 0.69	$ 0.25

A statement of cash flows has not been presented as Bob's Discount Furniture, Inc. did not have any cash as of, or for the years ended December 29, 2024, December 31, 2023, and January 1, 2023.

Basis of Presentation

These condensed parent company-only financial statements have been prepared in accordance with Rule 12-04, Schedule I of Regulation S-X, as the restricted net assets (as defined in Rule 4-08(e)(3) of Regulation S-X) of the subsidiaries of Bob's Discount Furniture, Inc. exceed 25% of the consolidated net assets of the Company. The ability of Bob's Discount Furniture, Inc.'s operating subsidiaries to pay dividends may be restricted due to the terms of the Credit Facility, as defined in Note 4. For example, the covenants of the Eighth Amendment to the Revolving

Credit Agreement restrict the payment of dividends to, among certain exceptions i) the greater of $15 million or 30% of Consolidated EBITDA as defined in the agreement and ii) following this offering, a basket for 6% per annum of the net cash proceeds received from such qualified IPO that are contributed to the borrower in cash. At December 29, 2024, the amount of net income free of such restrictions and available for payment by Bob's Discount Furniture, Inc. as dividends was $61.3 million, and the total amount of restricted net assets of consolidated subsidiaries of Bob's Discount Furniture, Inc. was $402.9 million.

These condensed parent company financial statements have been prepared using the same accounting principles and policies described in the notes to the consolidated financial statements, with the only exception being that the parent company accounts for its subsidiaries using the equity method.

19. Subsequent Events

The Company has evaluated subsequent events through September 19, 2025, which is the date the financial statements were available to be issued. Other than below, no material subsequent events were identified that require disclosure.

In early 2025, the U.S. Government began imposing significant new or increased tariffs on goods imported into the U.S. from numerous countries from which the Company sources merchandise. While some trade deals have been reached, trade negotiations are ongoing, and overall, the global trade environment remains fluid and highly uncertain. The Company will continue to evaluate the impact of tariffs on our financial statements and make appropriate sourcing and pricing decisions to minimize the impact of these tariffs on our financial condition and results of operations.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was signed into U.S. law, which contains broad tax reform language impacting businesses that apply beginning in 2025. While the Company continues to evaluate the legislation, we do not expect that the OBBBA will have a material impact on our financial condition, results of operations, and on our related cash flows.

Events subsequent to original issuance of consolidated financial statements (unaudited)

In connection with the reissuance of the financial statements, the Company has evaluated subsequent events through January 26, 2026, the date the financial statements were available to be reissued.

Debt

On October 31, 2025, the Company entered a $350.0 million Term Loan (the "Term Loan") having a maturity date of October 31, 2032 and bearing interest of 4.00% plus the Secured Overnight Financing Rate ("SOFR"), with a SOFR floor of 0%. The Term Loan is subject to certain non-financial covenants, is collateralized by substantially all of the Company's assets, and is guaranteed by certain of the Company's subsidiaries. The Term Loan may become immediately due and payable upon certain events of default, including failure to comply with loan covenants, as set forth in the facility agreements. Contracted payments are 1% of the Term Loan annually, with 0.25% paid quarterly beginning in June 2026. The Company is required to prepay the Term Loan with any proceeds received from an Initial Public Offering (the "Offering") of the Company's common shares.

In connection with the amendment, the Company incurred approximately $11.0 million of financing costs, which were deferred as a reduction to the carrying value of the long-term debt obligation. The amounts deferred will be amortized over the life of the Term Loan using the effective interest method and will be recognized as interest expense in the Company's consolidated statements of operations and comprehensive income.

Dividend

On October 31, 2025, the Company's Board of Directors declared a dividend of $2.45 per share on all outstanding shares of common stock (or an aggregate of approximately $423.3 million), which is payable on or before November 14, 2025, to stockholders of record on October 31, 2025. Pursuant to the Company's Management Incentive Plan, in the event of an extraordinary dividend or distribution, the Company is required to adjust the exercise price of outstanding vested and unvested options or take other good faith actions to be equitable to reflect

such dividend or distribution. In connection with the dividend payment, the Board of Directors adjusted the exercise price of vested and unvested options outstanding under the Management Incentive Plan and approved a compensatory make-whole payment in an aggregate amount of $2.6 million to the holders of certain such options. The Company is currently evaluating the impact that these actions will have on the Company's consolidated financial statements.

DECD Direct Assistance/Loan Forgiveness Program

On December 3, 2025, the Company entered into an amendment to its agreement with the State of Connecticut DECD. Under the amended agreement, the Company: (1) will be entitled to prorated loan forgiveness so long as the Company has achieved at least 50% of its full-time Connecticut jobs creation requirement for twenty-four consecutive months, (2) is allowed to choose the twenty-four consecutive months with the highest average full-time employment in Connecticut during the period from December 14, 2016, through October 31, 2027, and (3) has agreed (i) to extend the existing non-relocation period for its Manchester, Connecticut corporate headquarters through December 14, 2038 and (ii) to create a new non-relocation obligation for its Norwich, Connecticut distribution center operations through December 3, 2035. The Company believes it will meet all the requirements for loan forgiveness and accordingly has not recognized the Forgivable Loan in the Company's consolidated balance sheets.

Treasury Share Retirement

On January 20, 2026, the Company's Board of Directors approved the retirement of its shares of common stock that were being held as treasury stock shares. The retired treasury stock shares will be returned back to authorized and unissued shares of common stock. The retirement of these treasury stock shares has no effect on previously reported net income, total assets or stockholders' equity.

Share Authorization

On January 23, 2026, the Company's Board of Directors approved increases in the number of authorized shares of preferred stock to 5,000,000 shares and the number of authorized shares of common stock to 445,000,000 shares. This increase will be effective upon filing the second restated certificate of incorporation upon completion of an initial public offering.

Management Incentive Plan

On January 23, 2026, the Company's Board of Directors approved the 2026 Equity Incentive Plan (the "2026 Equity Plan"), which will be effective upon the completion of an initial public offering. The 2026 Equity Plan will allow our Board of Directors or our People Committee to grant long-term equity-based awards to eligible participants. Upon effectiveness, the 2026 Equity Plan, subject to adjustment as described below, allows for a maximum of 13,036,706 shares of common stock to be granted under the 2026 Equity Plan (the "Share Pool"). The Share Pool will automatically increase on January 1 of each year from 2027 to 2037 by the lesser of (i) 4% of the number of shares of common stock outstanding as of the close of business on the immediately preceding December 31 and (ii) the number of shares determined by our Board of Directors on or prior to such date for such year. Up to a maximum of 13,036,706 shares of common stock may be delivered in satisfaction of incentive stock options. The 2026 Equity Plan supersedes the Company's current management incentive plan.

Bob's Discount Furniture, Inc.
Condensed Consolidated Balance Sheets

(In thousands, except share and per share amounts)
(Unaudited)

	September 28, 2025	December 29, 2024
Assets		
Current assets		
Cash and cash equivalents	$ 123,379	$ 80,558
Restricted cash	9,368	—
Accounts receivable	19,068	17,223
Inventories	341,276	303,930
Prepaids and other current assets	51,789	46,208
Total current assets	544,880	447,919
Property and equipment, net	311,512	280,391
Operating lease right-of-use assets	630,105	533,690
Intangible assets	179,100	179,100
Goodwill	181,699	181,699
Deferred offering costs	1,538	—
Other assets	1,806	2,265
Total assets	$ 1,850,640	$ 1,625,064
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable	$ 271,596	$ 279,389
Self-insurance reserves	28,203	26,831
Accrued expenses	58,519	61,136
Customer deposits	79,087	66,606
Finance lease liabilities, current portion	15,166	9,926
Operating lease liabilities, current portion	96,013	88,891
Total current liabilities	548,584	532,779
Finance lease liabilities, noncurrent portion	42,052	30,211
Operating lease liabilities, noncurrent portion	671,459	562,069
Deferred income taxes	39,806	34,928
Other long-term liabilities	939	847
Total long-term liabilities	754,256	628,055
Total liabilities	1,302,840	1,160,834
Commitments and Contingencies (Note 9)		
Stockholders' Equity		
Preferred stock, $0.01 par value, 50,000 shares authorized; no shares issued or outstanding at September 28, 2025 and December 29, 2024	—	—
Common stock, $0.0001 par value, 300,000,000 shares authorized; 119,521,674 shares issued and 110,308,690 shares outstanding at September 28, 2025; 118,703,566 shares issued and 109,872,523 shares outstanding at December 29, 2024	11	11
Additional paid-in capital	232,419	225,886
Treasury stock shares, at cost, 9,212,984 and 8,831,043 shares at September 28, 2025 and December 29, 2024, respectively	(67,011)	(63,351)
Retained earnings	382,381	301,684
Total stockholders' equity	547,800	464,230
Total liabilities and stockholders' equity	$ 1,850,640	$ 1,625,064

Bob's Discount Furniture, Inc.
Condensed Consolidated Statements of Operations and Comprehensive Income

(In thousands, except per share amounts)
(Unaudited)

	Nine-Month Fiscal Period Ended	
	September 28, 2025	September 29, 2024
Net revenues	$ 1,719,212	$ 1,428,382
Cost of sales	934,401	752,981
Gross profit	784,811	675,401
Operating expenses (income)		
Selling, general, and administrative	662,968	596,365
Pre-opening expenses	15,157	13,562
(Gain) loss on disposal of fixed assets	(134)	10
Restructuring charges	292	—
Insurance recoveries	(4,497)	—
Total operating expenses	673,786	609,937
Operating income	111,025	65,464
Other (income) expense		
Interest expense	3,201	9,644
Interest income	(1,502)	(2,039)
Other income, net	(653)	(3,332)
Total other expense, net	1,046	4,273
Income before taxes	109,979	61,191
Income tax expense	29,282	11,879
Net income	$ 80,697	$ 49,312
Other comprehensive (loss) income		
Change in unrealized interest rate hedging, net of tax expense of $0 and $1,176, respectively	—	(3,038)
Total other comprehensive loss	—	(3,038)
Total comprehensive income	$ 80,697	$ 46,274
Basic net income per share	$ 0.73	$ 0.45
Diluted net income per share	$ 0.72	$ 0.44

Bob's Discount Furniture, Inc.
Condensed Consolidated Statements of Changes in Stockholders' Equity

(In thousands, except share amounts)
(Unaudited)

Nine-Month Fiscal Period Ended September 28, 2025

	Common Stock		Additional Paid-in Capital	Treasury Stock		Accumulated Other Comprehensive Income / (Loss)	Retained Earnings	Total Stockholders' Equity
	Shares	Amount		Shares	Amount			
Balances at December 29, 2024	109,872,523	$ 11	$ 225,886	8,831,043	$ (63,351)	$ -	$ 301,684	$ 464,230
Common stock issued under management incentive plan	818,108	-	3,744	-	-	-	-	3,744
Repurchases of common stock	(381,941)	-	-	381,941	(3,660)	-	-	(3,660)
Stock-based compensation expense	-	-	2,789	-	-	-	-	2,789
Net income	-	-	-	-	-	-	80,697	80,697
Balances at September 28, 2025	**110,308,690**	**$ 11**	**$ 232,419**	**9,212,984**	**$ (67,011)**	**$ -**	**$ 382,381**	**$ 547,800**

Nine-Month Fiscal Period Ended September 29, 2024

	Common Stock		Additional Paid-in Capital	Treasury Stock		Accumulated Other Comprehensive Income / (Loss)	Retained Earnings	Total Stockholders' Equity
	Shares	Amount		Shares	Amount			
Balances at December 31, 2023	109,174,434	$ 11	$ 215,098	6,542,052	$ (42,633)	$ 3,038	$ 213,751	$ 389,265
Common stock issued under management incentive plan	2,682,102	-	5,738	-	-	-	-	5,738
Repurchases of common stock	(2,047,084)	-	-	2,047,084	(18,432)	-	-	(18,432)
Stock-based compensation expense	-	-	2,794	-	-	-	-	2,794
Other comprehensive loss	-	-	-	-	-	(3,038)	-	(3,038)
Net income	-	-	-	-	-	-	49,312	49,312
Balances at September 29, 2024	**109,809,452**	**$ 11**	**$ 223,630**	**8,589,136**	**$ (61,065)**	**$ -**	**$ 263,063**	**$ 425,639**

Bob's Discount Furniture, Inc.
Condensed Consolidated Statements of Cash Flows

(In thousands)
(Unaudited)

	Nine-Month Fiscal Period Ended	
	September 28, 2025	**September 29, 2024**
Cash flows from operating activities		
Net income	$ 80,697	$ 49,312
Adjustments to reconcile net income to net cash provided by operating activities		
Stock-based compensation expense	2,789	2,794
Transaction losses	2,210	3,955
Depreciation and amortization	52,084	48,682
Non-cash interest expense	66	2,949
(Gain) loss on disposal of fixed assets	(134)	10
Non-cash lease costs	56,798	50,765
Deferred income taxes	4,878	2,455
Change in reserve for product warranties	650	535
Changes in operating assets and liabilities		
Accounts receivable	(4,055)	1,130
Inventories	(37,346)	(58,220)
Prepaids and other current assets	(5,581)	(16,358)
Other assets	(832)	479
Accounts payable	(7,453)	36,835
Accrued expenses	(1,802)	(1,177)
Customer deposits	12,481	6,359
Operating leases	(36,702)	(38,480)
Net cash provided by operating activities	118,748	92,025
Cash flows from investing activities		
Purchase of property and equipment	(57,989)	(60,145)
Net cash used in investing activities	(57,989)	(60,145)
Cash flows from financing activities		
Principal payments on First Lien Note	—	(82,936)
Proceeds from Line of Credit	3,000	5,000
Principal payments on Line of Credit	(3,000)	(5,000)
Principal payments on financing lease obligations	(8,341)	(6,530)
Proceeds (payments) related to exercise of employee stock options	1,194	(7,079)
Payments for the acquisition of treasury stock	(1,110)	(5,616)
Payments of initial public offering costs	(313)	—
Net cash used in financing activities	(8,570)	(102,161)
Net increase (decrease) in cash, cash equivalents, and restricted cash	52,189	(70,281)
Cash, cash equivalents, and restricted cash beginning of period	80,558	103,097
Cash, cash equivalents, and restricted cash end of period	$ 132,747	$ 32,816
Supplemental disclosure of cash flow data		
Cash paid for interest	$ 1,763	$ 5,570
Supplemental disclosure of noncash investing and financing activities		
Assets acquired under financing leases	$ 25,423	$ 11,022
Purchase of property and equipment included in accounts payable and accrued expenses	13,169	12,581
Deferred offering costs included in accounts payable	1,225	—
Employees cashless exercising of stock options	2,550	12,816

1. Nature of Business

Effective October 13, 2025, we changed our legal name from BDF Holding Corp. to Bob's Discount Furniture, Inc.

Bob's Discount Furniture, Inc. is a Delaware corporation owned by funds controlled by Bain Capital and is an omnichannel retailer of quality home furnishings offering a wide variety of merchandise assortments across several categories including upholstery, case good, bedding and other. This assortment of merchandise can be purchased through both retail and eCommerce sales channels. As used in these Condensed Consolidated Financial Statements "the Company" refers to Bob's Discount Furniture, Inc. (f/k/a BDF Holding Corp.) and its subsidiaries. At September 28, 2025, the Company operated 206 stores in 26 states across the United States.

2. Summary of Significant Accounting Policies

Basis of Presentation

These unaudited Condensed Consolidated Financial Statements include the accounts and those of the Company's wholly-owned subsidiaries and have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission for interim financial information. Accordingly, they do not include all of the information and notes required by accounting principles generally accepted in the United States of America ("U.S. GAAP") for complete financial statements.

In the opinion of management, these Condensed Consolidated Financial Statements reflect all adjustments necessary for a fair presentation of the Company's financial position, results of operations and cash flows for the interim periods presented. All adjustments are of a normal recurring nature, unless otherwise disclosed in this report. The results reported in these Condensed Consolidated Financial Statements should not necessarily be taken as indicative of the results that may be expected for the entire fiscal year. These Condensed Consolidated Financial Statements should be read in conjunction with the Company's Consolidated Financial Statements as of and for the fiscal year ended December 29, 2024.

The Company's fiscal quarters follow a 13-week convention ("three-month fiscal period"), with each quarter ending on a Sunday. The third quarters for 2025 and 2024 ended on September 28, 2025 and September 29, 2024, respectively.

Reverse Stock Split

On January 22, 2026, the Company effected a reverse stock split so that each approximately 1.56565 shares of common stock was reduced to one share of common stock ("Reverse Stock Split") of its issued and outstanding shares of common stock and treasury stock. The number of authorized shares and par value per share of the shares of common stock and preferred stock were not adjusted as a result of the Reverse Stock Split. Accordingly, all share and per share amounts, treasury stock, and options to purchase shares of common stock for all periods presented in the accompanying consolidated financial statements and notes thereto have been adjusted retroactively, where applicable, to reflect the Reverse Stock Split.

Restricted Cash

The Company maintains certain cash balances that are restricted as to withdrawal or use. Restricted cash is comprised primarily of cash used as collateral with the Company's insurance carrier related to a portion of our workers' compensation and automobile insurance obligations.

Deferred Offering Costs

Deferred offering costs consist primarily of investment banking, accounting, legal, advisory and other fees directly related to the Company's issuance and proposed issuances of equity securities. Deferred offering costs that are considered direct and incremental to the equity offering are deferred in the Company's Condensed Consolidated Balance Sheet as deferred offering costs and will be charged against gross proceeds of the offering as a reduction to additional paid in capital. All other costs related to the equity offering that are not considered direct and incremental

to the equity offering are expensed as incurred. If the equity offering is abandoned, any previously deferred offering costs are expensed immediately in the period the equity offering is abandoned. Deferred offering costs were $1.5 million at September 28, 2025. There were no deferred offering costs at December 29, 2024.

Insurance Claims

From time to time, the Company may submit a claim related to an insurable event. The Company may receive recoveries from the insurance company for recovery of costs or lost profits associated with the event. Insurance proceeds for the recovery of costs are recognized up to the amount that the costs have been incurred when receipt of the recovery is probable. Proceeds for cost recovery are recognized in the Company's Condensed Consolidated Statements of Operations and Comprehensive Income; however, the classification is dependent on the nature of the claim and the Company must use judgment to determine the impacted financial statement line items. Insurance recoveries for lost profits are recognized when the proceeds are received, or receipt of the proceeds is probable and non-refundable. Proceeds from lost profits are recognized in insurance recoveries above operating income on the Company's Condensed Consolidated Statements of Operations and Comprehensive Income.

In May 2025, the Company received $4.5 million in insurance recoveries for lost profits associated with an information technology system outage and the related interruption of its business that occurred at the end of September 2024. This amount was recorded to insurance recoveries in the Company's Condensed Consolidated Statements of Operations and Comprehensive Income. The Company may receive additional recoveries associated with this event; however, the timing and amount of recoveries are unknown and not yet realizable.

Estimates and Assumptions

The preparation of these Condensed Consolidated Financial Statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the Condensed Consolidated Financial Statements and accompanying notes. Areas in which significant estimates have been made include, but are not limited to leased assets and the Company's evaluation of retail stores for impairment. Actual results could differ from the estimates made and such differences could be material to the Condensed Consolidated Financial Statements.

Other than the Restricted Cash, Deferred Offering Costs, and Insurance Claims policies noted above, there were no other significant changes to our Significant Accounting Policies as disclosed in the Company's Consolidated Financial Statements as of and for the fiscal year ended December 29, 2024.

Recently Issued Accounting Standards

Recent Accounting Standards Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, Disaggregation of Income Statement Expenses. The standard update requires disclosure of additional information about specific expense categories to provide investors with a better understanding of an entity's cost structure and forecasting cash flows. The new requirements will be effective for fiscal years beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. The amendments in the standard can be applied either prospectively or retrospectively. The Company is currently evaluating the impact the new pronouncement will have on its disclosures when adopted.

In September 2025, the FASB issued ASU 2025-06, *Targeted Improvements to the Accounting for Internal-Use Software*. The standard update eliminates accounting consideration of software project development stages that exists under current U.S. GAAP. Capitalization of software development costs would begin when (1) management has authorized and committed to funding a software development project and (2) it is probable that the software development project will be completed and the software will be used to perform its intended function. This update will be effective for fiscal years beginning after December 15, 2027, including interim periods within those fiscal years. Early adoption is permitted. The Company is currently evaluating the impact that this standard update will have on the Company's consolidated financial statements when adopted.

3. Long-Term Debt

At September 28, 2025 and December 29, 2024, there was no long-term debt outstanding.

Asset Based Revolving Credit Facility

The Company's Asset Based Revolving Credit Facility ("the Credit Facility") provides for a maximum availability of $125.0 million. The availability of credit at any given time is constrained by the terms and conditions of the facility, including the amount of collateral available and a borrowing base formula based on several factors including the value of eligible accounts receivable and inventory. In connection with the Credit Facility, the Company has entered into a letter of credit of $0.6 million issued on the Company's behalf by a financial institution related to the guarantee of future payment on certain lease agreements. Borrowing capacity under the Credit Facility was $124.4 million and $121.0 million at September 28, 2025 and December 29, 2024, respectively. Amortization of debt issuance costs associated with the Credit Facility was not material for the nine-month fiscal periods ended September 28, 2025 and September 29, 2024.

4. Derivatives and Hedging Activities

Risk Management Objective of Using Derivatives

The Company is exposed to certain risks arising from both its business operations and economic conditions. While the Company principally manages its exposures to a wide variety of business and operational risks through management of its core business activities, it manages economic risks, including interest rate, liquidity, and credit risk primarily by managing the amount, sources, and duration of its assets and liabilities and through derivative financial instruments.

Cash Flow Hedge of Interest Rate Risk

The Company's objective in using an interest rate derivative is to add stability to interest expense and to manage its exposure to interest rate movements. To accomplish this objective, the Company primarily uses an interest rate cap as part of its interest rate risk management strategy. Interest rate caps that are designated as cash flow hedges involve the receipt of variable amounts from a counterparty if interest rates rise above the strike rate on the contract in exchange for a premium. During the nine-month fiscal period ended September 28, 2025 and the fiscal year ended December 29, 2024, the Company used an interest rate cap to hedge the variable cash flows associated with existing variable-rate borrowings under its long-term debt obligations. The Company's interest rate cap matured on July 31, 2025.

At inception, in fiscal year 2020, the Company designated all of the $216.8 million notional value of its interest rate cap as a cash flow hedge against the variable-rate interest payments on its floating rate First Lien Note. In fiscal years 2023 and 2022, the Company concluded that a portion of the forecasted hedge transaction was no longer probable of occurring and accordingly, the derivative notional value was de-designated as a cash flow hedge. At December 29, 2024, none of the derivative notional value was designated as a cash flow hedge. Until its maturity on July 31, 2025, the interest rate cap continued to serve as an economic hedge against the Company's interest rate risk.

Non-designated Hedge

Any derivative that is not designated as a hedge is not speculative and is used to manage the Company's exposure to interest rate movements and other identified risks but does not meet the hedge accounting requirements or the Company has not elected to apply hedge accounting.

The following table summarizes the fair value of the derivative financial instruments as well as their notional value and classification in the Company's Condensed Consolidated Balance Sheets at December 29, 2024. There were no derivatives outstanding at September 28, 2025.

(in thousands)		Asset Derivative
Derivative Position at December 29, 2024	**Notional Balance**	**Prepaid and Other Current Assets**
Derivatives not designated as hedging instruments		
Interest rate products	$ 83,312	$ 1,459

The following table summarizes the effect of the cash flow hedges in the Company's Condensed Consolidated Statements of Operations and Comprehensive Income in the nine-month fiscal periods ended September 28, 2025 and September 29, 2024.

		(Gain) or Loss on Effective Portion Reclassified from Accumulated Other Comprehensive Income ("AOCI") to Earnings	
		Nine-Month Fiscal Period Ended	
(in thousands)	**Classification**	**September 28, 2025**	**September 29, 2024**
Interest Rate Products	Interest expense	$ —	$ (1,146)
	Other income, net	$ —	$ (3,067)

		Gain or (Loss) on Effective Portion Recognized in AOCI	
		Nine-Month Fiscal Period Ended	
	Classification	**September 28, 2025**	**September 29, 2024**
Interest Rate Products	AOCI	$ —	$ 29

The following table summarizes the effect of the derivative financial instrument that is not designated as hedging instruments in the Company's Condensed Consolidated Statements of Operations and Comprehensive income in the nine-month fiscal periods ended September 28, 2025 and September 29, 2024.

		Amount of (Gain) or Loss Recognized in Income on Derivative	
(in thousands)	**Classification**	**September 28, 2025**	**September 29, 2024**
Interest Rate Products	Other income, net	$ (437)	$ (475)

5. Fair Value Measurements

The following table summarizes, by level within the fair value hierarchy, the financial assets and liabilities that are accounted for at fair value on a recurring basis at September 28, 2025, and December 29, 2024.

(in thousands)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Quoted Prices in Active Markets for Similar Assets (Level 2)	Unobservable inputs for which little or no market data exists (Level 3)	Total
Asset (Liability)				
Money market funds	$ 103,302	$ —	$ —	$ 103,302
Balance at September 28, 2025	$ 103,302	$ —	$ —	$ 103,302
Asset (Liability)				
Money market funds	$ 63,440	$ —	$ —	$ 63,440
Interest rate cap[(1)]	—	1,459	—	1,459
Balance at December 29, 2024	$ 63,440	$ 1,459	$ —	$ 64,899

(1) As described in Note 4, Derivatives and Hedging Activities, the Company utilized an interest rate cap as part of its interest rate risk management strategy. The primary input used to estimate the interest rate cap's Level 2 fair value is the 1-month USD SOFR. This input determines the value of the derivative instrument based upon its likelihood to become an effective hedge over its life as the market interest rates fluctuate.

There were no Level 3-classified assets or liabilities at September 28, 2025 or December 29, 2024.

The Company did not record any other-than-temporary impairments on assets required to be measured at fair value on a non-recurring basis during the three and nine-month fiscal periods ended September 28, 2025 and September 29, 2024.

6. Related Party Transactions

Leases

In the nine-month fiscal periods ended September 28, 2025 and September 29, 2024, the Company leased four retail stores from limited liability companies of which Mr. Bob Kaufman, the Company's founder and a current member of the Board of Directors, maintained ownership. The lease arrangements commenced between fiscal years 2017 and 2022 with current lease terms ranging from 15 to 20 years with varying number of options for five-year renewals. Total rent expense associated with these related parties was $1.9 million for both the nine-month fiscal periods ended September 28, 2025 and September 29, 2024, respectively. At September 28, 2025, total lease liabilities associated with the remaining related party leases was $13.3 million.

Management Fees

The Company recognized management fees and expense reimbursement to entities affiliated with Bain Capital in connection with an advisory agreement totaling $1.5 million for both the nine-month fiscal periods ended September 28, 2025 and September 29, 2024, respectively. Management fees are classified as selling, general and administrative ("SG&A") expenses in the Company's Condensed Consolidated Statements of Operations and Comprehensive Income. The advisory agreement with Bain Capital will terminate upon consummation of the Company's initial public offering.

Customer Service Fees

The Company recognized fees for the outsourcing of customer service assistance to an entity affiliated with Bain Capital totaling $5.9 million and $4.8 million in the nine-month fiscal periods ended September 28, 2025 and September 29, 2024, respectively. These fees are classified as SG&A in the Company's Condensed Consolidated Statements of Operations and Comprehensive Income.

7. Product Warranties

Product Warranties

The following table summarizes the Company's activity for product warranty obligations:

	Nine-Month Fiscal Period Ended	
(in thousands)	September 28, 2025	September 29, 2024
Product warranties beginning balance	$ 6,783	$ 5,926
Accruals for warranties issued	21,259	16,982
Settlements (in cash or in-kind)	(20,490)	(17,745)
Change in reserve estimate	(119)	1,297
Product warranties ending balance	7,433	6,460
Less: Current portion of warranties	(6,494)	(5,770)
Total long-term warranties	939	690

8. Leases

The Company recognizes leases in its Condensed Consolidated Balance Sheets as a right-of-use ("ROU") asset and a lease liability. The Company has operating leases for its retail stores, distribution centers, corporate headquarters, and certain equipment under operating and finance leases that expire at various dates through 2041. Some of the leases include options to extend the lease term for up to twenty years. The Company's leases do not have any residual value guarantees or any restrictions or covenants imposed by the leases.

At September 28, 2025, the Company had eighteen non-cancellable leases for retail stores and one non-cancellable lease for a regional distribution center of which none had commenced. The initial terms of these leases range from ten to fifteen years with options to extend for up to an additional twenty years. Upon lease commencement, the ROU asset and lease liability will be determined and recognized in the Company's Condensed Consolidated Balance Sheets. Lease liabilities at September 28, 2025 exclude undiscounted future lease payments of approximately $226.9 million associated with these leases.

The following table summarizes finance and operating lease assets and liabilities recognized in the Company's Condensed Consolidated Balance Sheets at September 28, 2025, and December 29, 2024:

(in thousands)	Classification	September 28, 2025	December 29, 2024
Assets			
Finance leases	Property and equipment, net	$ 46,552	$ 29,557
Operating leases	Operating lease right-of-use assets	630,105	533,690
Total lease assets		$ 676,657	$ 563,247
Liabilities			
Current			
Finance leases	Finance lease liabilities, current portion	$ 15,166	$ 9,926
Operating leases	Operating lease liabilities, current portion	96,013	88,891
Noncurrent			
Finance leases	Finance lease liabilities, noncurrent portion	42,052	30,211
Operating leases	Operating lease liabilities, noncurrent portion	671,459	562,069
Total lease liabilities		$ 824,690	$ 691,097

The following table summarizes lease expense recognized in the Company's Condensed Consolidated Statements of Operations and Comprehensive Income for the nine-month fiscal periods ended September 28, 2025 and September 29, 2024:

	Nine-Month Fiscal Period Ended	
(in thousands)	**September 28, 2025**	**September 29, 2024**
Operating lease cost		
Fixed	$ 102,728	$ 94,228
Variable	615	162
Finance lease cost		
Amortization of assets	8,541	6,996
Interest on lease liabilities	2,256	1,917
Short-term lease cost	1,489	334
Total lease expense	$ 115,629	$ 103,637

Supplemental cash flow information related to leases is as follows:

	Nine-Month Fiscal Period Ended	
(in thousands)	**September 28, 2025**	**September 29, 2024**
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	$ 109,569	$ 99,601
Operating cash flows from finance leases	2,256	1,917
Financing cash flows from finance leases	8,341	6,530
Right-of-use assets obtained in exchange for lease obligations		
Finance leases	25,423	11,022
Operating leases	153,213	81,009

The weighted average remaining lease term and weighted average discount rate for finance and operating leases at September 28, 2025, and September 29, 2024, were:

	September 28, 2025	**September 29, 2024**
Weighted average remaining lease term (in years)		
Finance leases	4.6	4.3
Operating leases	7.5	6.9
Weighted average discount rate		
Finance leases	5.8%	5.9%
Operating leases	8.7%	9.2%

The following table summarizes the undiscounted future minimum lease payments (displayed by year and in the aggregate) under noncancellable leases with terms of more than one year that are recognized in the Company's Condensed Consolidated Balance Sheet at September 28, 2025:

	Operating Leases			
(in thousands)	Related Party Leases	Other Leases	Total Operating Leases	Finance Leases
Remainder of 2025	$ 655	$ 37,602	$ 38,257	$ 4,242
2026	2,620	155,835	158,455	16,884
2027	2,627	149,682	152,309	12,015
2028	2,678	140,119	142,797	8,938
2029	2,119	122,833	124,952	7,957
2030	2,119	103,692	105,811	7,227
Thereafter	5,223	304,998	310,221	8,127
Total undiscounted future minimum	$ 18,041	$ 1,014,761	$ 1,032,802	$ 65,390
Less: Amount representing interest			265,330	8,172
Total present value of lease obligations			$ 767,472	$ 57,218

9. Commitments and Contingencies

Contingencies

The Company is a defendant in lawsuits arising in the ordinary course of business. Such matters are subject to many uncertainties and the outcomes of individual litigated matters are not predictable with assurance. While the Company is unable to predict the outcome, based on information currently available, the Company does not believe that resolution of any of these matters, individually or in the aggregate, will have a material adverse effect on the Company's condensed consolidated financial position, results of operations or cash flows.

Government Grants

In conjunction with the construction of its corporate headquarters, the Company negotiated an agreement with the State of Connecticut Department of Economic and Community Development ("DECD") that provides for various government grants and subsidies. These grants and subsidies are contingent on the Company making certain minimum investments in Connecticut including $50 million in total construction costs, including costs incurred by the developer of the headquarters building, and achieving and maintaining certain headcount requirements within the State of Connecticut within a timeframe set forth in the grant agreement. The Company has met the requirement to invest $50.0 million in Connecticut and expects to meet the minimum headcount requirements during the allotted timeframe. The grants and subsidies were spent on buildout of the corporate headquarters and on further buildout and enhancement of its existing Connecticut distribution center. The subsidies, which total approximately $20.7 million, include the following:

DECD Direct Assistance/Loan Forgiveness Program

Under an agreement dated December 14, 2016, as amended on February 28, 2023, the DECD provided a $1.7 million grant for employee training that has been received and completed. The DECD also provided a direct forgivable loan of $7.0 million which bears interest at an annual rate of 2%. Monthly interest-only payments commenced at the time the loan was granted with principal payments deferred until January 1, 2028. The final payment of principal and interest is due on September 1, 2029, if not sooner paid or forgiven. The funds were specifically designated for use in the purchase of leasehold improvements, machinery and equipment, and furniture and fixtures. The Company will be eligible for loan forgiveness based on maintaining 326 full-time jobs that existed within the Company as of the date the original agreement was signed and creating and maintaining for a twenty-four month period ending on or before October 31, 2027 an average of 125 full-time jobs in Connecticut with an average salary of at least $80,000. As the Company believes it will meet all requirements for loan forgiveness, the proceeds

from the loan offset the carrying cost of the $7.9 million of assets generated in Connecticut associated with this program included in prepaid and other assets on the Company's Condensed Consolidated Balance Sheets.

Sales & Use Tax Exemption

The State of Connecticut provided an exemption to relieve the Company from the State's 6.35% sales tax on qualifying capital equipment or construction materials. The Company received this benefit in the form of reduced prices from vendors that exclude normal Connecticut sales & use tax. The benefit is thereby reflected as a reduction in the related fixed asset costs.

Urban and Industrial Sites Reinvestment Act ("URA") Tax Credits

The State of Connecticut is also providing the Company with $11.0 million of income tax credits under its URA program (the "Tax Credits"). The program allows for a dollar-for-dollar corporate tax credit for eligible projects with a minimum investment of $5.0 million in targeted investment or urban distressed areas and $50.0 million in all areas of the State, which the Company has met. Beginning in 2017, the credits can be used over ten years according to the following schedule: Years 2017-2019: 0%; Years 2020-2023: 10%; Years 2024-2026: 20%. The credits can be sold or transferred to another taxpayer. Given its projected state tax liabilities over the next ten years, the Company may sell or transfer the credits to third parties to realize the associated economic benefit. The credits are recognized as a reduction in Connecticut state income tax expense if the Company intends to utilize the credit as a reduction to state income tax or as other income if the Company elects to sell or transfer the credits to third parties. In the three and nine-month fiscal periods ended September 28, 2025 and September 29, 2024, the Company did not sell credits to third parties.

Generally, the subsidies require the following: that the expenditures are made; that the appropriate paperwork is submitted to the granting agency; that the corporate headquarters is maintained in Connecticut for a period of time; and certain levels of job creation and employment are achieved. The Company believes that it is reasonably assured of achieving each of the requirements.

The Company assesses the likelihood of the conditions attached to the various subsidies, to the extent they exist, each reporting period. If at any time after receiving the $7.0 million forgivable loan, the Company determines that it is no longer probable it will meet the conditions outlined in the DECD agreement, the change will be accounted for as a change in estimate.

The Company provided separate guarantees to each of two departments of the State of Connecticut. The first guarantee relates to the obligation to repay the forgivable loan if it fails to meet the criteria described above. The second guarantee relates to the obligation to repay sales and use tax exemptions if the Company fails to meet those criteria. On September 28, 2025, and December 29, 2024, there was no potential amount of repayment for these guarantees because the Company was in compliance with all requirements of the grants.

Letters of Credit

The Company has entered into a letter of credit issued on the Company's behalf by a financial institution related to the guarantee of collateral for our workers' compensation and automobile liability insurance contracts. There was $9.4 million of outstanding letters of credit at September 28, 2025 related to these insurance programs. Outstanding letters of credit related to these insurance programs were not material at December 29, 2024.

10. Net Income Per Share

Basic and diluted net income per share were as follows:

(in thousands, except share and per share amounts)	Nine-Month Fiscal Period Ended	
	September 28, 2025	September 29, 2024
Net income	$ 80,697	$ 49,312
Weighted-Average Shares Outstanding		
Weighted average number of shares outstanding	110,097,731	110,048,833
Dilutive effect of stock options	2,655,741	2,715,452
Diluted weighted-average number of shares outstanding	112,753,472	112,764,285
Net Income Per Share		
Basic net income per share	$ 0.73	$ 0.45
Diluted net income per share	$ 0.72	$ 0.44

In the nine-month fiscal periods ended September 28, 2025 and September 29, 2024, 1,667,745 and 1,775,805 stock-based awards, respectively, were excluded from the diluted net income per share calculation because their inclusion would have been anti-dilutive.

11. Revenue and Segment Information

The following table details revenue by source and significant segment expenses for the Company's one reportable segment:

(in thousands)	Nine-Month Fiscal Period Ended	
	September 28, 2025	September 29, 2024
Retail	$ 1,456,781	$ 1,234,664
eCommerce	262,431	193,718
Net revenues	1,719,212	1,428,382
Less: Significant and other segment expenses		
Cost of sales[1]	923,178	742,888
Depreciation and amortization	52,084	48,682
Store and corporate expenses	519,123	458,830
Advertising expenses	101,172	94,954
Pre-opening expenses[2]	9,280	8,530
Other segment items[3]	3,350	9,034
Interest expense	3,201	9,644
Interest income	(1,502)	(2,039)
Other income, net	(653)	(3,332)
Income tax expense	29,282	11,879
Net income	$ 80,697	$ 49,312

(1) Cost of sales excludes depreciation and amortization of $11.2 million and $10.1 million for the nine-month fiscal periods ended September 28, 2025 and September 29, 2024, respectively.
(2) Pre-opening expenses exclude advertising expenses of $5.9 million and $5.1 million for the nine-month fiscal periods ended September 28, 2025 and September 29, 2024, respectively.
(3) Other segment items include (gain) loss on disposal of fixed assets, restructuring charges, stock-based compensation expense, management fee, and other items.

Contract Liabilities

The Company defers revenue when cash payments are received in advance of performance for unsatisfied gift cards and customer deposit obligations. Gift card liabilities included in accrued expenses in the Company's Condensed Consolidated Balance Sheets were $7.2 million and $7.5 million at September 28, 2025, and December 29, 2024, respectively. Customer deposit liabilities were $79.1 million and $66.6 million at September 28, 2025 and December 29, 2024, respectively. The Company believes the majority of the contract liabilities outstanding at December 29, 2024 will be recognized as revenue within fiscal year 2025 as the performance obligations are satisfied.

The Company recognizes gift card and customer deposit breakage proportional to historical gift card and customer deposit redemption rates. Gift card and customer deposit breakage recognized as revenue in the nine-month fiscal periods ended September 28, 2025 and September 29, 2024 were $1.3 million and $1.0 million, respectively.

12. Stock-based Compensation

Stock Compensation Expense

The Company recognized stock-based compensation expense of $2.8 million in both the nine-month fiscal periods ended September 28, 2025 and September 29, 2024. At September 28, 2025, the total unrecognized compensation cost related to non-vested service-based stock awards granted under the Plan was $6.8 million which will be recognized over a weighted average period of 3.1 years.

Stock Options Outstanding

The following table summarizes the stock option activity under the Management Incentive Plan for the nine-month fiscal period ended September 28, 2025:

	Options	Weighted-Average Exercise Price	Weighted Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (in thousands)
Outstanding at December 29, 2024	8,527,049	$ 5.95		
Granted	517,155	$ 9.60		
Forfeited or expired	(175,204)	$ 7.30		
Exercised	(827,118)	$ 4.58		
Outstanding at September 28, 2025	8,041,882	$ 6.30	5.48	$ 27,693
Exercisable at September 28, 2025	5,469,073	$ 5.58	4.49	$ 22,744
Options expected to vest at September 28, 2025	2,572,809	$ 7.82	7.58	$ 4,949

The aggregate intrinsic value of stock options vested during the nine-month fiscal period ended September 28, 2025 and September 29, 2024 was $1.8 million, and $2.0 million, respectively. The aggregate intrinsic value of the options is calculated as the difference between the exercise price of the stock options and the fair value of the Company's common stock for those options that had exercise prices lower than the fair value of the Company's common stock. The tax benefit for stock option exercises recognized during the nine-month fiscal period ended was $1.1 million, and $5.0 million during the nine-month periods ended September 28, 2025 and September 29, 2024, respectively.

Fair Value

The following table summarizes the assumptions that were used in determining the grant date fair value of each award granted:

	Nine-Month Fiscal Period Ended	
	September 28, 2025	September 29, 2024
Weighted-average grant date fair value per share of underlying common stock	$ 3.97	$ 4.17
Risk-free interest rate	3.69% - 4.24%	3.69% - 4.28%
Expected stock price volatility	40.00% - 45.00%	45.00% - 50.00%
Average expected life (in years)	4.5 - 6.5	4.8 - 6.5
Dividend yield	— %	— %

13. Income Taxes

The following table summarizes the effective income tax rate for the three and nine-month fiscal periods ended September 28, 2025 and September 29, 2024:

	Nine-Month Fiscal Period Ended	
	September 28, 2025	September 29, 2024
Effective Income Tax Rate	26.6 %	19.4 %

The effective income tax rate represents the combined federal and state tax effects attributable to pre-tax earnings for the period. The effective income tax rate for the nine-month fiscal period ended September 28, 2025 increased when compared to the corresponding rate in the prior year period due to an increase in state tax expense, driven by higher income before taxes and a lower excess tax benefit from stock-based compensation in the current year. The volume of stock option exercises in the current period is at a more normalized level.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was signed into U.S. law, which contains broad tax reform language impacting businesses that apply beginning in 2025. The legislation is not expected to have a material impact on the Company's effective tax rate. However, the permanent reinstatement of 100% bonus depreciation and the repeal of the requirement to capitalize U.S. research and development expenditures is expected to reduce our cash taxes by approximately $10.0 million in 2025. The current year effects of the legislation are reflected in our financial statements beginning in the third quarter of 2025.

14. Restructuring

In the first quarter of fiscal year 2025, the Company identified efficiencies to optimize Selling, General and Administrative expenses related to workforce reductions at the corporate headquarters. In the nine-month fiscal period ended September 28, 2025, the Company recognized restructuring costs of $0.3 million in restructuring charges in the Company's Condensed Consolidated Statement of Operations and Comprehensive Income. All actions initiated in the first quarter of fiscal year 2025 were completed and the Company does not expect any costs attributable to these actions in subsequent periods. All payments associated with these actions were made prior to September 28, 2025. No significant restructuring actions were initiated in the second or third quarters of fiscal 2025 nor in fiscal year 2024.

The following table summarizes the accrual balances and utilization for the 2025 restructuring actions:

(in thousands)	
Balance at December 29, 2024	$ —
Pre-tax restructuring costs	292
Utilization	(292)
Balance at September 28, 2025	$ —

15. Subsequent Events

The Company has evaluated subsequent events through November 5, 2025, which is the date the financial statements were available to be issued. No material subsequent events were identified that require disclosure other than the items noted below.

Debt

On October 31, 2025, the Company entered a $350.0 million Term Loan (the "Term Loan") having a maturity date of October 31, 2032 and bearing interest of 4.00% plus the Secured Overnight Financing Rate ("SOFR"), with a SOFR floor of 0%. The Term Loan is subject to certain non-financial covenants, is collateralized by substantially all of the Company's assets, and is guaranteed by certain of the Company's subsidiaries. The Term Loan may become immediately due and payable upon certain events of default, including failure to comply with loan covenants, as set forth in the facility agreements. Contracted payments are 1% of the Term Loan annually, with 0.25% paid quarterly beginning in June 2026. The Company is required to prepay the Term Loan with any proceeds received from an Initial Public Offering of the Company's common shares.

In connection with the amendment, the Company incurred approximately $11.0 million of financing costs, which were deferred as a reduction to the carrying value of the long-term debt obligation. The amounts deferred will be amortized over the life of the Term Loan using the effective interest method and will be recognized as interest expense in the Company's consolidated statements of operations and comprehensive income.

Dividend

On October 31, 2025, the Company's Board of Directors declared a dividend of $2.45 per share on all outstanding shares of common stock (or an aggregate of approximately $423.3 million), which is payable on or before November 14, 2025, to stockholders of record on October 31, 2025. Pursuant to the Company's Management Incentive Plan, in the event of an extraordinary dividend or distribution, the Company is required to adjust the exercise price of outstanding vested and unvested options or take other good faith actions to be equitable to reflect such dividend or distribution. In connection with the dividend payment, the Board of Directors adjusted the exercise price of vested and unvested options outstanding under the Management Incentive Plan and approved a compensatory make-whole payment in an aggregate amount of $2.6 million to the holders of certain such options. The Company is currently evaluating the impact that these actions will have on the Company's consolidated financial statements.

Events subsequent to original issuance of condensed consolidated financial statements

In connection with the reissuance of the financial statements, the Company has evaluated subsequent events through January 26, 2026, the date the financial statements were available to be reissued.

DECD Direct Assistance/Loan Forgiveness Program

On December 3, 2025, the Company entered into an amendment to its agreement with the State of Connecticut DECD. Under the amended agreement, the Company: (1) will be entitled to prorated loan forgiveness so long as the Company has achieved at least 50% of its full-time Connecticut jobs creation requirement for twenty-four consecutive months, (2) is allowed to choose the twenty-four consecutive months with the highest average full-time employment in Connecticut during the period from December 14, 2016, through October 31, 2027, and (3) has agreed (i) to extend the existing non-relocation period for its Manchester, Connecticut corporate headquarters

through December 14, 2038 and (ii) to create a new non-relocation obligation for its Norwich, Connecticut distribution center operations through December 3, 2035. The Company believes it will meet all the requirements for loan forgiveness and accordingly has not recognized the Forgivable Loan in the Company's consolidated balance sheets.

Treasury Share Retirement

On January 20, 2026, the Company's Board of Directors approved the retirement of its shares of common stock that were being held as treasury stock shares. The retired treasury stock shares will be returned back to authorized and unissued shares of common stock. The retirement of these treasury stock shares has no effect on previously reported net income, total assets or stockholders' equity.

Share Authorization

On January 23, 2026, the Company's Board of Directors approved increases in the number of authorized shares of preferred stock to 5,000,000 shares and the number of authorized shares of common stock to 445,000,000 shares. This increase will be effective upon filing the second restated certificate of incorporation upon completion of an initial public offering.

Management Incentive Plan

On January 23, 2026, the Company's Board of Directors approved the 2026 Equity Incentive Plan (the "2026 Equity Plan"), which will be effective upon the completion of an initial public offering. The 2026 Equity Plan will allow our Board of Directors or our People Committee to grant long-term equity-based awards to eligible participants. Upon effectiveness, the 2026 Equity Plan, subject to adjustment as described below, allows for a maximum of 13,036,706 shares of common stock to be granted under the 2026 Equity Plan (the "Share Pool"). The Share Pool will automatically increase on January 1 of each year from 2027 to 2037 by the lesser of (i) 4% of the number of shares of common stock outstanding as of the close of business on the immediately preceding December 31 and (ii) the number of shares determined by our Board of Directors on or prior to such date for such year. Up to a maximum of 13,036,706 shares of common stock may be delivered in satisfaction of incentive stock options. The 2026 Equity Plan supersedes the Company's current management incentive plan.

19,450,000 Shares

Bob's Discount Furniture, Inc.

Common Stock



Prospectus

J.P. Morgan		**Morgan Stanley**
RBC Capital Markets		**UBS Investment Bank**
BofA Securities	**Evercore ISI**	**Goldman Sachs & Co. LLC**
Baird	**KeyBanc Capital Markets**	**Raymond James**
AmeriVet Securities	**Loop Capital Markets**	**R. Seelaus & Co., LLC**	**Ramirez & Co., Inc.**

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Through and including , 2026 (25 days after the commencement of this offering), all dealers that effect transactions in shares of our common stock, whether or not participating in this offering, may be required to deliver a prospectus. This delivery is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to their unsold allotments or subscriptions.

Part II

Information Not Required in Prospectus

Item 13. Other Expenses of Issuance and Distribution

The following table sets forth the costs and expenses, other than underwriting discounts payable by the Registrant in connection with the sale of the shares of our common stock being registered hereby. Except as otherwise noted, the Registrant will pay all of the costs and expenses set forth in the following table. All amounts shown below are estimates except for the SEC registration fee, the FINRA filing fee and the stock exchange listing fee.

Item	Amount to be paid
SEC registration fee	$ 44,881
FINRA filing fee	48,800
Stock exchange listing fee	325,000
Blue sky fees and expenses	30,000
Printing and engraving expenses	315,000
Legal fees and expenses	4,500,000
Accounting fees and expenses	1,000,000
Transfer agent and registrar fees and expenses	3,900
Miscellaneous expenses	1,332,419
Total	$ 7,600,000

Item 14. Indemnification of Directors and Officers

Section 145(a) of the DGCL grants each corporation organized thereunder the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation), by reason of the fact that such person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that such person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that such person's conduct was unlawful.

Section 145(b) of the DGCL grants each corporation organized thereunder the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Delaware Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the

circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

Section 102(b)(7) of the DGCL enables a corporation in its certificate of incorporation or an amendment thereto to eliminate or limit the personal liability of a director to the corporation or its stockholders of monetary damages for violations of the director's fiduciary duty, except (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law, (iii) pursuant to Section 174 of the DGCL (providing for liability of directors for unlawful payment of dividends or unlawful stock purchases or redemptions), or (iv) for any transaction from which a director derived an improper personal benefit. Our certificate of incorporation includes a provision that eliminates the personal liability of directors for monetary damages for actions taken as a director to the fullest extent authorized by the DGCL.

The underwriting agreement will provide that the underwriters are obligated, under certain circumstances, to indemnify our directors, officers, and controlling persons against certain liabilities, including liabilities under the Securities Act. Please see the form of underwriting agreement filed as Exhibit 1.1 hereto.

Our second amended and restated bylaws will indemnify the directors and officers to the full extent of the DGCL and also allow the Board of Directors to indemnify all other employees. Such right of indemnification is not exclusive of any right to which such officer or director may be entitled as a matter of law and shall extend and apply to the estates of deceased officers and directors. Section 145(f) of the DGCL further provides that a right to indemnification or to advancement of expenses arising under a provision of the bylaws shall not be eliminated or impaired by an amendment to such provision after the occurrence of the act or omission which is the subject of the civil, criminal, administrative or investigative action, suit or proceeding for which indemnification or advancement of expenses is sought.

We have in effect insurance policies for general officers' and directors' liability insurance covering all of our officers and directors. In addition, upon the closing of this offering, we intend to enter into indemnification agreements with each of our executive officers and directors. These indemnification agreements will provide the indemnitees with contractual rights to indemnification, and expense advancement and reimbursement, to the fullest extent permitted under the DGCL, subject to certain exceptions contained in those agreements.

Item 15. Recent Sales of Unregistered Securities

In the three years preceding the filing of this registration statement, we have issued the following securities that were not registered under the Securities Act. No underwriters were involved in any of the following transactions and no commissions were paid in connection with the sale of any such securities.

Since September 19, 2022, we granted stock options to purchase an aggregate of 4,066,834 shares of common stock upon the exercise of options under our 2014 Stock Option Plan (the "2014 Plan") with a weighted-average per share exercise price of $5.51 (or $3.55 after being adjusted to reflect the dividend payment made as part of the Recapitalization), and issued 5,294,545 shares of our common stock upon exercise of stock options under the 2014 Plan.

Item 16. Exhibits and Financial Statement Schedules

(a) Exhibits

See the Exhibit Index immediately preceding the signature pages hereto, which is incorporated by reference as if fully set forth herein.

(b) Financial statement schedules

Schedules not listed above have been omitted because the information required to be set forth therein is not applicable or is shown in the audited consolidated financial statements or the notes thereto.

Item 17. Undertakings

The undersigned Registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer, or controlling person of the Registrant in the successful defense of any action, suit, or proceeding) is asserted by such director, officer, or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned Registrant hereby undertakes that:

(A) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(B) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Exhibit Index

Exhibit number	Description of exhibit
1.1	Form of Underwriting Agreement
3.1	Form of Second Restated Certificate of Incorporation of Bob's Discount Furniture, Inc.
3.2	Form of Second Amended and Restated Bylaws of Bob's Discount Furniture, Inc.
4.1	Form of Amended and Restated Stockholders Agreement
5.1	Opinion of Ropes & Gray LLP
10.1+	Form of Indemnification Agreement between Bob's Discount Furniture, Inc. and each of its directors and executive officers
10.2	Revolving Credit Agreement, dated February 12, 2014 among BDF Acquisition Corp., the lending institutions from time to time party thereto, Royal Bank of Canada, as administrative agent, and the other parties party thereto
10.3	Amendment No. 1 to Revolving Credit Agreement, dated June 17, 2016 among BDF Acquisition Corp., the lending institutions from time to time party thereto, Royal Bank of Canada, as administrative agent, and the other parties party thereto
10.4	Amendment No. 2 to Revolving Credit Agreement, dated June 18, 2018 among BDF Acquisition Corp., the lending institutions from time to time party thereto, Royal Bank of Canada, as administrative agent, and the other parties party thereto
10.5	Joinder Agreement and Amendment No. 3 to Revolving Credit Agreement, dated September 18, 2019 among BDF Acquisition Corp., the lending institutions from time to time party thereto, Royal Bank of Canada, as administrative agent, and the other parties party thereto
10.6	Joinder Agreement and Amendment No. 4 to Revolving Credit Agreement, dated May 12, 2021 among BDF Acquisition Corp., the lending institutions from time to time party thereto, Royal Bank of Canada, as administrative agent, and the other parties party thereto
10.7	Amendment No. 5 to Revolving Credit Agreement, dated July 5, 2022 among BDF Acquisition Corp., the lending institutions from time to time party thereto, Royal Bank of Canada, as administrative agent, and the other parties party thereto
10.8	Amendment No. 6 to Revolving Credit Agreement, dated August 24, 2022 among BDF Acquisition Corp., the lending institutions from time to time party thereto, Royal Bank of Canada, as administrative agent, and the other parties party thereto
10.9	Amendment No. 7 to Revolving Credit Agreement, dated June 2, 2023 among BDF Acquisition Corp., the lending institutions from time to time party thereto, Royal Bank of Canada, as administrative agent, and the other parties party thereto
10.10	Amendment No. 8 to Revolving Credit Agreement, dated July 1, 2024 among BDF Acquisition Corp., the lending institutions from time to time party thereto, Royal Bank of Canada, as administrative agent, and the other parties party thereto
10.11	Amendment No. 9 to Revolving Credit Agreement, dated October 31, 2025 among BDF Acquisition Corp., the lending institutions from time to time party thereto, Royal Bank of Canada, as administrative agent, and the other parties party thereto
10.12*	Term Loan Credit Agreement, dated October 31, 2025 among Bob's Discount Furniture, Inc., JPMorgan Chase Bank, N.A., as administrative agent and collateral agent, and the other agents, arrangers and lenders party thereto
10.13*+	BDF Holding Corp. 2014 Stock Option Plan
10.14*+	Form of Annual Non-Qualified Stock Option Award Agreement under the 2014 Stock Option Plan
10.15*+	Form of Block Non-Qualified Stock Option Award Agreement under the 2014 Stock Option Plan
10.16+	Amended and Restated Employment Agreement dated January 21, 2026 by and between William G. Barton and Bob's Discount Furniture, Inc.
10.17+	Amended and Restated Employment Agreement dated January 21, 2026 by and between Carl Lukach and Bob's Discount Furniture, Inc.
10.18+	Bob's Discount Furniture, Inc. 2026 Equity Incentive Plan
10.19+	Form of Non-Statutory Stock Option Agreement under the 2026 Equity Incentive Plan
10.20+	Form of Non-Statutory Stock Option Agreement for Non-Employee Directors under the 2026 Equity Incentive Plan

10.21+	Bob's Discount Furniture, Inc. Cash Incentive Plan
10.22	Form of Termination Agreement among Bob's Discount Furniture, Inc., BDF Acquisition Corp. and Bain Capital Private Equity, LP
21.1*	List of Subsidiaries
23.1	Consent of PricewaterhouseCoopers LLP, Independent Registered Public Accounting Firm
23.2	Consent of Ropes & Gray LLP (included in Exhibit 5.1)
24.1*	Power of Attorney (included on signature page)
107	Filing fee table

* Previously filed.
\+ Indicates management contract or compensatory plan.

Signatures

Pursuant to the requirements of the Securities Act of 1933, as amended, the Registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Manchester, State of Connecticut, on January 26, 2026.

BOB'S DISCOUNT FURNITURE, INC.

By:	/s/ William G. Barton
Name:	William G. Barton
Title:	President & Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ William G. Barton William G. Barton	Chief Executive Officer, President and Director (Principal Executive Officer)	January 26, 2026
/s/ Carl Lukach Carl Lukach	Chief Financial Officer, Executive Vice President and Treasurer (Principal Financial and Principal Accounting Officer)	January 26, 2026
* Edmond J. English	Executive Chairman	January 26, 2026
* Mir Aamir	Director	January 26, 2026
* Joshua Bekenstein	Director	January 26, 2026
* Barbara Carbone	Director	January 26, 2026
* Jennifer Davis	Director	January 26, 2026
* Soyoung Kang	Director	January 26, 2026
* John Kilgallon	Director	January 26, 2026
* Trevor Lang	Director	January 26, 2026
* Philip H. Loughlin	Director	January 26, 2026
* Scott Williams	Director	January 26, 2026

*By: /s/ Carl Lukach
Carl Lukach
Attorney-in-fact

Calculation of Filing Fee Tables

S-1

Bob's Discount Furniture, Inc.

Table 1: Newly Registered and Carry Forward Securities ☐Not Applicable

		Security Type	Security Class Title	Fee Calculation or Carry Forward Rule	Amount Registered	Proposed Maximum Offering Price Per Unit	Maximum Aggregate Offering Price	Fee Rate	Amount of Registration Fee	Carry Forward Form Type	Carry Forward File Number	Carry Forward Initial Effective Date	Filing Fee Previously Paid in Connection with Unsold Securities to be Carried Forward
Newly Registered Securities													
Fees to be Paid	1	Equity	Common Stock, par value $0.0001 per share	457(a)	17,104,343	$ 19.00	$ 324,982,500.00	0.0001381	$ 44,880.08				
Fees Previously Paid	2	Equity	Common Stock, par value $0.0001 per share	457(a)	5,263,157	$ 19.00	$ 100,000,000.00		$ 13,810.00				
Carry Forward Securities													
Carry Forward Securities													
						Total Offering Amounts:	$ 424,982,500.00		$ 58,690.08				
						Total Fees Previously Paid:			$ 13,810.00				
						Total Fee Offsets:			$ 0.00				
						Net Fee Due:			$ 44,880.08				

Offering Note

1

1a. Includes up to 2,917,500 shares the underwriters have the option to purchase from the selling shareholder.

1b. Calculated pursuant to Rule 457(a) under the Securities Act of 1933, as amended (the "Securities Act").

2

2a. Calculated pursuant to Rule 457(o) under the Securities Act based on an estimate of the proposed maximum aggregate offering price. This calculation has been updated in this amendment to convert such registration pursuant to Rule 457(a).

Table 2: Fee Offset Claims and Sources ☑Not Applicable

		Registrant or Filer Name	Form or Filing Type	File Number	Initial Filing Date	Filing Date	Fee Offset Claimed	Security Type Associated with Fee Offset Claimed	Security Title Associated with Fee Offset Claimed	Unsold Securities Associated with Fee Offset Claimed	Unsold Aggregate Offering Amount Associated with Fee Offset Claimed	Fee Paid with Fee Offset Source
Rules 457(b) and 0-11(a)(2)												
Fee Offset Claims	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fee Offset Sources	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Rule 457(p)												
Fee Offset Claims	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Fee Offset Sources	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Table 3: Combined Prospectuses ☑Not Applicable

	Security Type	Security Class Title	Amount of Securities Previously Registered	Maximum Aggregate Offering Price of Securities Previously Registered	Form Type	File Number	Initial Effective Date
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Exhibit 1.1

BOB'S DISCOUNT FURNITURE, INC.

[ò] Shares of Common Stock, par value $0.0001 per share

Underwriting Agreement

[ò], 2026

J.P. Morgan Securities LLC
Morgan Stanley & Co. LLC
RBC Capital Markets, LLC
UBS Securities LLC

As Representatives of the
several Underwriters listed
in Schedule 1 hereto

c/o J.P. Morgan Securities LLC
270 Park Avenue
New York, New York 10017

c/o Morgan Stanley & Co. LLC
1585 Broadway
New York, New York 10036

c/o RBC Capital Markets, LLC
200 Vesey Street, 8th Floor
New York, New York 10281

c/o UBS Securities LLC
11 Madison Avenue
New York, New York 10010

Ladies and Gentlemen:

Bob's Discount Furniture, Inc., a Delaware corporation (the "Company"), proposes to issue and sell to the several underwriters listed in Schedule 1 hereto (the "Underwriters"), for whom you are acting as representatives (the "Representatives"), an aggregate of [ò] shares of common stock, par value $0.0001 per share ("Common Stock"), of the Company (the "Underwritten Shares") and, at the option of the Underwriters, BCPE BDF Investor, LP (the "Selling Stockholder") proposes to sell to the several Underwriters up to an additional [ò] shares of Common Stock of the Company (the "Option Shares"). The Underwritten Shares and the Option Shares are herein referred to as the "Shares." The shares of Common Stock of the Company to be outstanding after giving effect to the sale of the Shares are referred to herein as the "Stock."

The Company hereby confirms the engagement of Evercore Group L.L.C. as, and Evercore Group L.L.C. hereby confirms its agreement with the Company to render services as, a

"qualified independent underwriter" within the meaning of Rule 5121 (or any successor rule) ("Rule 5121") adopted by the Financial Industry Regulatory Authority, Inc. ("FINRA") with respect to the offering and sale of the Shares. Evercore Group L.L.C., solely in its capacity as qualified independent underwriter and not otherwise, is referred to herein as the "QIU." No compensation will be paid to the QIU for its services as a qualified independent underwriter.

Morgan Stanley & Co. LLC ("Morgan Stanley") has agreed to reserve a portion of the Shares to be purchased by it under this Agreement for sale to the Company's directors, officers, employees and business associates and other parties related to the Company (collectively, "Participants"), as set forth in each of the Preliminary Prospectus and the Prospectus (each as defined below) under the heading "Underwriting (Conflicts of Interest)" (the "Directed Share Program"). The Shares to be sold by Morgan Stanley and its affiliates pursuant to the Directed Share Program, at the direction of the Company, are referred to hereinafter as the "Directed Shares." Any Directed Shares not orally confirmed for purchase by any Participant by the end of the business day on which this Agreement is executed will be offered to the public by the Underwriters as set forth in the Prospectus.

The Company and the Selling Stockholder hereby confirm their agreement with the several Underwriters concerning the purchase and sale of the Shares, as follows:

1. Registration Statement. The Company has prepared and filed with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended, and the rules and regulations of the Commission thereunder (collectively, the "Securities Act"), a registration statement on Form S-1 (File No. 333-292627), including a prospectus, relating to the Shares. Such registration statement, as amended at the time it became effective, including the information, if any, deemed pursuant to Rule 430A, 430B or 430C under the Securities Act to be part of the registration statement at the time of its effectiveness ("Rule 430 Information"), is referred to herein as the "Registration Statement"; and as used herein, the term "Preliminary Prospectus" means each prospectus included in such registration statement (and any amendments thereto) before effectiveness, any prospectus filed with the Commission pursuant to Rule 424(a) under the Securities Act and the prospectus included in the Registration Statement at the time of its effectiveness that omits Rule 430 Information, and the term "Prospectus" means the prospectus in the form first used (or made available upon request of purchasers pursuant to Rule 173 under the Securities Act) in connection with confirmation of sales of the Shares. If the Company has filed an abbreviated registration statement pursuant to Rule 462(b) under the Securities Act (the "Rule 462 Registration Statement"), then any reference herein to the term "Registration Statement" shall be deemed to include such Rule 462 Registration Statement. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Registration Statement and the Prospectus.

At or prior to the Applicable Time (as defined below), the Company had prepared the following information (collectively with the pricing information set forth on Annex A, the "Pricing Disclosure Package"): a Preliminary Prospectus dated [ò], 2026 and each "free-writing prospectus" (as defined pursuant to Rule 405 under the Securities Act) listed on Annex A hereto.

"Applicable Time" means [ò] [A/P].M., New York City time, on [ò], 2026.

2. Purchase of the Shares.

(a) The Company agrees to issue and sell the Underwritten Shares to the several Underwriters as provided in this underwriting agreement (this "Agreement"), and each Underwriter, on the basis of the representations, warranties and agreements set forth herein and subject to the conditions set forth herein, agrees, severally and not jointly, to purchase at a price per share of $[ò] (the "Purchase Price") from the Company the respective number of Underwritten Shares set forth opposite such Underwriter's name in Schedule 1 hereto.

In addition, the Selling Stockholder agrees to sell the Option Shares to the several Underwriters as provided in this Agreement, and the Underwriters, on the basis of the representations, warranties and agreements set forth herein and subject to the conditions set forth herein, shall have the option to purchase, severally and not jointly, from the Selling Stockholder the Option Shares at the Purchase Price less an amount per share equal to any dividends or distributions declared by the Company and payable on the Underwritten Shares but not payable on the Option Shares.

If any Option Shares are to be purchased, the number of Option Shares to be purchased by each Underwriter shall be the number of Option Shares which bears the same ratio to the aggregate number of Option Shares being purchased as the number of Underwritten Shares set forth opposite the name of such Underwriter in Schedule 1 hereto (or such number increased as set forth in Section 12 hereof) bears to the aggregate number of Underwritten Shares being purchased from the Company by the several Underwriters, subject, however, to such adjustments to eliminate any fractional Shares as the Representatives in their sole discretion shall make.

The Underwriters may exercise the option to purchase Option Shares at any time in whole, or from time to time in part, on or before the thirtieth day following the date of the Prospectus, by written notice from the Representatives to the Company and Selling Stockholder. Such notice shall set forth the aggregate number of Option Shares as to which the option is being exercised and the date and time when the Option Shares are to be delivered and paid for, which may be the same date and time as the Closing Date (as hereinafter defined) but shall not be earlier than the Closing Date nor later than the tenth full business day (as hereinafter defined) after the date of such notice (unless such time and date are postponed in accordance with the provisions of Section 12 hereof). Any such notice shall be given at least two business days prior to the date and time of delivery specified therein.

(b) The Company and the Selling Stockholder understand that the Underwriters intend to make a public offering of the Shares, and initially to offer the Shares on the terms set forth in the Pricing Disclosure Package. The Company and the Selling Stockholder acknowledge and agree that the Underwriters may offer and sell Shares to or through any affiliate of an Underwriter.

(c) Payment for the Shares shall be made by wire transfer in immediately available funds to the accounts specified by the Company in the case of the Underwritten Shares and the

Selling Stockholder (with regard to payment to the Selling Stockholder) in the case of the Option Shares to the Representatives, at the offices of Latham & Watkins LLP, counsel for the Underwriters, at 1271 Avenue of the Americas, New York, New York 10020, at 10:00 A.M., New York City time, on [ò], 2026, or at such other time or place on the same or such other date, not later than the fifth business day thereafter, as the Representatives, the Company and the Selling Stockholder may agree upon in writing or, in the case of the Option Shares, on the date and at the time and place specified by the Representatives in the written notice of the Underwriters' election to purchase such Option Shares not purchased on the Closing Date. The time and date of such payment for the Underwritten Shares is referred to herein as the "Closing Date," and the time and date for such payment for the Option Shares, if other than the Closing Date, is herein referred to as the "Additional Closing Date."

Payment for the Shares to be purchased on the Closing Date or the Additional Closing Date, as the case may be, shall be made against delivery to the Representatives for the respective accounts of the several Underwriters of the Shares to be purchased on such date, with any transfer taxes payable in connection with the sale of such Shares to the Underwriters duly paid by the Company and the Selling Stockholder, as applicable. Delivery of the Shares shall be made through the facilities of The Depository Trust Company ("DTC") unless the Representatives shall otherwise instruct.

(d) Each of the Company and the Selling Stockholder, severally and not jointly, acknowledge and agree that the Representatives and the other Underwriters are acting solely in the capacity of an arm's length contractual counterparty to the Company and the Selling Stockholder with respect to the offering of Shares contemplated hereby (including in connection with determining the terms of the offering) and not as financial advisors or fiduciaries to, or agents of, the Company, the Selling Stockholder or any other person. Additionally, neither the Representatives nor any other Underwriter is advising the Company, the Selling Stockholder or any other person as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction. The Company and the Selling Stockholder shall consult with their own advisors concerning such matters and each shall be responsible for making its own independent investigation and appraisal of the transactions contemplated hereby, and neither the Representatives nor the other Underwriters shall have any responsibility or liability to the Company or the Selling Stockholder with respect thereto. Any review by the Representatives and the other Underwriters of the Company, the transactions contemplated hereby or other matters relating to such transactions will be performed solely for the benefit of the Underwriters and shall not be on behalf of the Company or the Selling Stockholder. Moreover, the Selling Shareholder acknowledges and agrees that, although the Representatives may be required or choose to provide the Selling Stockholder with certain Regulation Best Interest and Form CRS disclosures in connection with the offering, the Representatives and the other Underwriters are not making a recommendation to the Selling Stockholder to participate in the offering, enter into a "lock-up" agreement, or sell any Shares at the price determined in the offering, and nothing set forth in such disclosures is intended to suggest that the Representatives or any Underwriter is making such a recommendation.

3. Representations and Warranties of the Company. The Company represents and warrants to each Underwriter and the Selling Stockholder that:

(a) *Preliminary Prospectus.* No order preventing or suspending the use of any Preliminary Prospectus has been issued by the Commission, and each Preliminary Prospectus included in the Pricing Disclosure Package, at the time of filing thereof, complied in all material respects with the applicable provisions of the Securities Act, and no Preliminary Prospectus included in the Pricing Disclosure Package, at the time of filing thereof, contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in any such Preliminary Prospectus, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(c) hereof.

(b) *Pricing Disclosure Package*. The Pricing Disclosure Package as of the Applicable Time did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in such Pricing Disclosure Package, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(c) hereof. No statement of material fact included in the Prospectus has been omitted from the Pricing Disclosure Package and no statement of material fact included in the Pricing Disclosure Package that is required to be included in the Prospectus has been omitted therefrom.

(c) *Issuer Free Writing Prospectus.* Other than the Registration Statement, the Preliminary Prospectus and the Prospectus, the Company (including its agents and representatives, other than the Underwriters in their capacity as such) has not prepared, made, used, authorized, approved or referred to and will not prepare, make, use, authorize, approve or refer to any "written communication" (as defined in Rule 405 under the Securities Act) that constitutes an offer to sell or solicitation of an offer to buy the Shares (each such communication by the Company or its agents and representatives (other than a communication referred to in clause (i) below) an "Issuer Free Writing Prospectus") other than (i) any document not constituting a prospectus pursuant to Section 2(a)(10)(a) of the Securities Act or Rule 134 under the Securities Act or (ii) the documents listed on Annex A hereto, each electronic road show and any other written communications approved in writing in advance by the Representatives. Each such

Issuer Free Writing Prospectus complies in all material respects with the Securities Act, has been or will be (within the time period specified in Rule 433 under the Securities Act) filed in accordance with the Securities Act (to the extent required thereby) and does not conflict with the information contained in the Registration Statement or the Pricing Disclosure Package, and, when taken together with the Preliminary Prospectus included in the Pricing Disclosure Package, did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation or warranty with respect to any statements or omissions made in each such Issuer Free Writing Prospectus or Preliminary Prospectus in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in such Issuer Free Writing Prospectus or Preliminary Prospectus, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(c) hereof.

(d) *Testing-the-Waters Materials.* The Company (i) has not alone engaged in any Testing-the-Waters Communications other than Testing-the-Waters Communications with the consent of the Representatives (x) with entities that are qualified institutional buyers ("QIBs") within the meaning of Rule 144A under the Securities Act or institutions that are accredited investors within the meaning of Rule 501(a)(1), (a)(2), (a)(3), (a)(7), (a)(8), (a)(9), (a)(12) or (a)(13) under Regulation D of the Securities Act ("IAIs") and otherwise in compliance with the requirements of Section 5(d) of the Securities Act or (y) with entities that the Company reasonably believed to be QIBs or IAIs and otherwise in compliance with the requirements of Rule 163B under the Securities Act and (ii) has not authorized anyone other than the Representatives to engage in Testing-the-Waters Communications. The Company reconfirms that the Representatives have been authorized to act on its behalf in undertaking Testing-the-Waters Communications by virtue of a writing substantially in the form of Exhibit D hereto. The Company has not distributed or approved for distribution any Written Testing-the-Waters Communications other than those listed on Annex B hereto. "Written Testing-the-Waters Communication" means any written communication with potential investors undertaken in reliance on Section 5(d) or Rule 163B of the Securities Act. Any individual Written Testing-the-Waters Communication does not conflict with the information contained in the Registration Statement or the Pricing Disclosure Package, complied in all material respects with the Securities Act, and when taken together with the Pricing Disclosure Package as of the Applicable Time, did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(e) *Registration Statement and Prospectus.* The Registration Statement has been declared effective by the Commission. No order suspending the effectiveness of the Registration Statement has been issued by the Commission, and no proceeding for that

purpose or pursuant to Section 8A of the Securities Act against the Company or related to the offering of the Shares has been initiated or, to the knowledge of the Company, threatened by the Commission; as of the applicable effective date of the Registration Statement and any post-effective amendment thereto, the Registration Statement and any such post-effective amendment complied and will comply in all material respects with the Securities Act, and did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading; and as of the date of the Prospectus and any amendment or supplement thereto and as of the Closing Date and as of the Additional Closing Date, as the case may be, the Prospectus will comply in all material respects with the Securities Act and will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement and the Prospectus and any amendment or supplement thereto, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(c) hereof.

(f) *Financial Statements.* The financial statements (including the related notes thereto) of the Company and its consolidated subsidiaries included in the Registration Statement, the Pricing Disclosure Package and the Prospectus comply in all material respects with the applicable requirements of the Securities Act and present fairly in all material respects the financial position of the Company and its consolidated subsidiaries as of the dates indicated and the results of their operations and the changes in their cash flows for the periods specified; such financial statements have been prepared in conformity with generally accepted accounting principles ("GAAP") in the United States applied on a consistent basis throughout the periods covered thereby, except in the case of any unaudited financial statements, which are subject to normal period-end adjustments and do not contain certain footnotes as permitted by the applicable rules of the Commission, and any supporting schedules included in the Registration Statement present fairly in all material respects the information required to be stated therein; the other financial information included in the Registration Statement, the Pricing Disclosure Package and the Prospectus has been derived from the accounting records of the Company and its consolidated subsidiaries and presents fairly in all material respects the information shown thereby; all disclosures included in the Registration Statement, the Pricing Disclosure Package and the Prospectus regarding "non-GAAP financial measures" (as such term is defined by the rules and regulations of the Commission) comply in all material respects with Regulation G of the Securities Exchange Act of 1934, as amended (and the rules and regulations of the Commission thereunder, collectively the "Exchange Act"), and Item 10 of Regulation S-K of the Securities Act, to the extent applicable; and the pro forma financial information and the related notes thereto included in the Registration Statement, the Pricing Disclosure Package and the Prospectus have been prepared in accordance with the applicable requirements of the

Securities Act and the assumptions underlying such pro forma financial information are reasonable and are set forth in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(g) *No Material Adverse Change.* Since the date of the most recent financial statements of the Company included in the Registration Statement, the Pricing Disclosure Package and the Prospectus, (i) there has not been any material change in the capital stock (other than in connection with the stock split of the Company's securities as described in the Registration Statement and the issuance of shares of Common Stock upon exercise of stock options and warrants described as outstanding in, and the grant of options and awards under existing equity incentive plans described in, the Registration Statement, the Pricing Disclosure Package and the Prospectus), short-term debt or long-term debt of the Company or any of its subsidiaries, or any dividend or distribution of any kind declared, set aside for payment, paid or made by the Company on any class of capital stock, or any material adverse change, or any development that would reasonably be expected to result in a material adverse change, in or affecting the business, properties, management, financial position, stockholders' equity, results of operations or prospects of the Company and its subsidiaries taken as a whole; (ii) neither the Company nor any of its subsidiaries has entered into any transaction or agreement (whether or not in the ordinary course of business) that is material to the Company and its subsidiaries taken as a whole or incurred any liability or obligation, direct or contingent, that is material to the Company and its subsidiaries taken as a whole; and (iii) neither the Company nor any of its subsidiaries has sustained any loss or interference with its business that is material to the Company and its subsidiaries taken as a whole and that is either from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor disturbance or dispute or any action, order or decree of any court or arbitrator or governmental or regulatory authority, except in each case as otherwise disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(h) *Organization and Good Standing.* The Company and each of its subsidiaries have been duly organized and are validly existing and in good standing under the laws of their respective jurisdictions of organization (or such equivalent concept to the extent it exists under the laws of such jurisdiction), are duly qualified to do business and are in good standing in each jurisdiction in which their respective ownership or lease of property or the conduct of their respective businesses requires such qualification, and have all power and authority necessary to own or hold their respective properties and to conduct the businesses in which they are engaged, except where the failure to be so qualified or in good standing or have such power or authority would not, individually or in the aggregate, have a material adverse effect on the business, properties, management, financial position, stockholders' equity, results of operations or prospects of the Company and its subsidiaries taken as a whole or on the performance by the Company of its obligations under this Agreement (a "Material Adverse Effect"). The Company does not own or control, directly or indirectly, any corporation, association or other entity other than the subsidiaries listed in Exhibit 21 to the Registration Statement. The subsidiaries listed in Schedule 2 to this Agreement are the only subsidiaries of the Company.

(i) *Capitalization.* The Company has an authorized capitalization as set forth in the Registration Statement, the Pricing Disclosure Package and the Prospectus under the heading "Capitalization"; all the outstanding shares of capital stock of the Company (including the Shares to be sold by the Selling Stockholder) have been duly and validly authorized and issued and are fully paid and non-assessable and are not subject to any pre-emptive or similar rights; except as described in or expressly contemplated by the Registration Statement, the Pricing Disclosure Package and the Prospectus, there are no outstanding rights (including, without limitation, pre-emptive rights), warrants or options to acquire, or instruments convertible into or exchangeable for, any shares of capital stock or other equity interest in the Company or any of its subsidiaries, or any contract, commitment, agreement, understanding or arrangement of any kind relating to the issuance of any capital stock of the Company or any such subsidiary, any such convertible or exchangeable securities or any such rights, warrants or options; the capital stock of the Company conforms in all material respects to the description thereof contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus; and all the outstanding shares of capital stock or other equity interests of each subsidiary owned, directly or indirectly, by the Company have been duly and validly authorized and issued, are fully paid and non-assessable and are owned directly or indirectly by the Company, free and clear of any lien, charge, encumbrance, security interest, restriction on voting or transfer or any other claim of any third party.

(j) *Stock Options.* With respect to the stock options (the "Stock Options") and all other equity-based compensation awards granted pursuant to the stock-based compensation plans of the Company and its subsidiaries (the "Company Stock Plans"), (i) each Stock Option intended to qualify as an "incentive stock option" under Section 422 of the Internal Revenue Code of 1986, as amended (the "Code") so qualifies, (ii) each grant was duly authorized no later than the date on which the grant was by its terms to be effective by all necessary corporate action, including, as applicable, approval by the board of directors of the Company (or a duly constituted and authorized committee thereof) and any required stockholder approval by the necessary number of votes or written consents, and the award agreement governing such grant (if any) was duly executed and delivered by each party thereto, (iii) each such grant was made in accordance with the terms of the Company Stock Plans, the Exchange Act and all other applicable laws and regulatory rules or requirements, including the rules of the New York Stock Exchange and any other exchange on which Company securities are traded, and (iv) each such grant was properly accounted for in accordance with GAAP in the financial statements (including the related notes) of the Company.

(k) *Due Authorization.* The Company has full right, power and authority to execute and deliver this Agreement and to perform its obligations hereunder; and all action required to be taken for the due and proper authorization, execution and delivery by it of this Agreement and the consummation by it of the transactions contemplated hereby has been duly and validly taken.

(l) *Underwriting Agreement.* This Agreement has been duly authorized, executed and delivered by the Company.

(m) *The Shares.* The Shares to be issued and sold by the Company hereunder have been duly authorized by the Company and, when issued and delivered and paid for as provided herein, will be duly and validly issued, will be fully paid and nonassessable and will conform to the descriptions thereof in the Registration Statement, the Pricing Disclosure Package and the Prospectus; and the issuance of the Shares is not subject to any preemptive or similar rights.

(n) *Descriptions of the Underwriting Agreement.* This Agreement conforms in all material respects to the description thereof contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(o) *No Violation or Default.* Neither the Company nor any of its subsidiaries is (i) in violation of its charter or by-laws or similar organizational documents; (ii) in default, and no event has occurred that, with notice or lapse of time or both, would constitute such a default, in the due performance or observance of any term, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any property or asset of the Company or any of its subsidiaries is subject; or (iii) in violation of any law or statute applicable to the Company or its subsidiaries or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority having jurisdiction over the Company or any of its subsidiaries, except, in the case of clauses (ii) and (iii) above, for any such default or violation that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(p) *No Conflicts.* The execution, delivery and performance by the Company of this Agreement, the issuance and sale of the Shares and the consummation by the Company of the transactions contemplated by this Agreement or the Pricing Disclosure Package and the Prospectus will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, result in the termination, modification or acceleration of, or result in the creation or imposition of any lien, charge or encumbrance upon any property, right or asset of the Company or any of its subsidiaries pursuant to, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any property, right or asset of the Company or any of its subsidiaries is subject, (ii) result in any violation of the provisions of the charter or by-laws or similar organizational documents of the Company or any of its subsidiaries or (iii) result in the violation of any law or statute applicable to the Company or its subsidiaries or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority having jurisdiction over the Company or any of its subsidiaries, except, in the case of clauses (i) and (iii) above, for any such conflict,

breach, violation, default, lien, charge or encumbrance that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(q) *No Consents Required.* No consent, approval, authorization, order, registration or qualification of or with any court or arbitrator or governmental or regulatory authority is required for the execution, delivery and performance by the Company of this Agreement, the issuance and sale of the Shares and the consummation by the Company of the transactions contemplated by this Agreement, except for (i) the filing of the amended and restated certificate of incorporation of the Company with the Secretary of State of Delaware and (ii) the registration of the Shares under the Securities Act and such consents, approvals, authorizations, orders and registrations or qualifications as may be required by the FINRA and under applicable state securities laws in connection with the purchase and distribution of the Shares by the Underwriters.

(r) *Legal Proceedings.* Except as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, there are no legal, governmental or regulatory investigations, actions, demands, claims, suits, arbitrations, inquiries or proceedings ("Actions") pending to which the Company or any of its subsidiaries is or, to the knowledge of the Company, may be a party or to which any property of the Company or any of its subsidiaries is or, to the knowledge of the Company, may be the subject that, individually or in the aggregate, if determined adversely to the Company or any of its subsidiaries, would reasonably be expected to have a Material Adverse Effect; to the knowledge of the Company, no such Actions are threatened or contemplated by any governmental or regulatory authority or threatened by others that would reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect; and (i) there are no current or pending Actions that are required under the Securities Act to be described in the Registration Statement, the Pricing Disclosure Package or the Prospectus that are not so described in the Registration Statement, the Pricing Disclosure Package and the Prospectus and (ii) there are no contracts or other agreements that are required under the Securities Act to be filed as exhibits to the Registration Statement or described in the Registration Statement, the Pricing Disclosure Package or the Prospectus that are not so filed as exhibits to the Registration Statement or described in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(s) *Independent Accountants*. PricewaterhouseCoopers LLP, who has certified certain financial statements of the Company and its subsidiaries, is an independent registered public accounting firm with respect to the Company and its subsidiaries within the applicable rules and regulations adopted by the Commission and the Public Company Accounting Oversight Board (United States) and as required by the Securities Act.

(t) *Title to Real and Personal Property*. The Company and its subsidiaries have good and marketable title in fee simple or other comparable valid title to, or have valid rights to lease or otherwise use, all items of real and personal property (other than Intellectual Property, as defined below) that are material to the respective businesses of

the Company and its subsidiaries, in each case free and clear of all liens, encumbrances, claims and defects and imperfections of title except those that (i) do not materially interfere with the use made and proposed to be made of such property by the Company and its subsidiaries or (ii) would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

(u) *Intellectual Property.* (i) The Company and its subsidiaries own or have the right to use all patents, patent applications, trademarks, service marks, trade names, trademark registrations, service mark registrations, domain names and other source indicators, copyrights and copyrightable works, know-how, trade secrets, systems, procedures, proprietary or confidential information and all other worldwide intellectual property, industrial property and proprietary rights (collectively, "Intellectual Property") used in the conduct of their respective businesses; (ii) the Company's and its subsidiaries' conduct of their respective businesses does not infringe, misappropriate or otherwise violate any Intellectual Property of any person; (iii) the Company and its subsidiaries have not received any written notice of any claim relating to Intellectual Property; and (iv) to the knowledge of the Company, the Intellectual Property of the Company and its subsidiaries is not being infringed, misappropriated or otherwise violated by any person except for, in all cases, where the failure to own or possess such rights would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(v) *No Undisclosed Relationships*. No relationship, direct or indirect, exists between or among the Company or any of its subsidiaries, on the one hand, and the directors, officers, stockholders, customers, suppliers or other affiliates of the Company or any of its subsidiaries, on the other, that is required by the Securities Act to be described in each of the Registration Statement and the Prospectus and that is not so described in such documents and in the Pricing Disclosure Package.

(w) *Investment Company Act*. The Company is not and, after giving effect to the offering and sale of the Shares and the application of the proceeds thereof received by the Company as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, will not be required to register as an "investment company" or an entity "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended, and the rules and regulations of the Commission thereunder (collectively, the "Investment Company Act").

(x) *Taxes.* The Company and its subsidiaries have paid all federal, state, local and foreign taxes required to be paid and filed all tax returns required to be paid or filed through the date hereof, in each case except for such failures to pay or file that would not, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect or except as are currently being contested in good faith and for which reserves, to the extent required by GAAP, have been created in the applicable financial statements; and except as otherwise disclosed in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus, there is no tax deficiency that has been, or would reasonably be expected to be, asserted against the Company or any of its subsidiaries or

any of their respective properties or assets that would reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

(y) *Licenses and Permits.* The Company and its subsidiaries possess all licenses, sub-licenses, certificates, permits and other authorizations issued by, and have made all declarations and filings with, the appropriate federal, state, local or foreign governmental or regulatory authorities that are necessary for the ownership or lease of their respective properties or the conduct of their respective businesses as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus, except where the failure to possess or make the same would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; and except as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus, neither the Company nor any of its subsidiaries has received notice of any revocation or modification of any such license, sub-license, certificate, permit or authorization or has any reason to believe that any such license, sub-license, certificate, permit or authorization will not be renewed in the ordinary course except where such revocation, modification or non-renewal would not reasonably be expected to have a Material Adverse Effect.

(z) *No Labor Disputes.* No labor disturbance by or dispute with employees of the Company or any of its subsidiaries exists or, to the knowledge of the Company, is contemplated or threatened, and the Company is not aware of any existing or imminent labor disturbance by, or dispute with, the employees of any of its or its subsidiaries' principal suppliers, contractors or customers, except in each case as would not reasonably be expected to have a Material Adverse Effect. Neither the Company nor any of its subsidiaries has received any notice of cancellation or termination with respect to any collective bargaining agreement to which it is a party.

(aa) *Certain Environmental Matters*. (i) The Company and its subsidiaries (x) are in compliance with all, and have not violated any, applicable federal, state, local and foreign laws (including common law), rules, regulations, requirements, decisions, judgments, decrees, orders and other legally enforceable requirements applicable to the Company and its subsidiaries relating to pollution or the protection of human health or safety, the environment, natural resources, hazardous or toxic substances or wastes, pollutants or contaminants (collectively, "Environmental Laws"); (y) have received and are in compliance with all, and have not violated any, permits, licenses, certificates or other authorizations or approvals required of them under any Environmental Laws to conduct their respective businesses; and (z) have not received notice of any actual or potential liability or obligation under or relating to, or any actual or potential violation of, any Environmental Laws, including for the investigation or remediation of any disposal or release of hazardous or toxic substances or wastes, pollutants or contaminants, and have no knowledge of any event or condition that would reasonably be expected to result in any such notice; (ii) there are no costs or liabilities associated with Environmental Laws of or relating to the Company or its subsidiaries, except in the case of each of (i) and (ii) above, for any such matter as would not, individually or in the aggregate,

reasonably be expected to have a Material Adverse Effect; and (iii) except as described in each of the Pricing Disclosure Package and the Prospectus, (x) there is no proceeding that is pending, or that is known to be contemplated, against the Company or any of its subsidiaries under any Environmental Laws in which a governmental entity is also a party, other than such proceeding regarding which it is reasonably believed no monetary sanctions of $300,000 or more will be imposed, (y) the Company and its subsidiaries are not aware of any facts or issues regarding compliance with Environmental Laws, or liabilities or other obligations under Environmental Laws or concerning hazardous or toxic substances or wastes, pollutants or contaminants, that would reasonably be expected to have a Material Adverse Effect, and (z) none of the Company or its subsidiaries anticipates material capital expenditures relating to any Environmental Laws.

(bb) *Compliance with ERISA*. (i) Each employee benefit plan, within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), for which the Company or any member of its "Controlled Group" (defined as any entity, whether or not incorporated, that is under common control with the Company within the meaning of Section 4001(a)(14) of ERISA or any entity that would be regarded as a single employer with the Company under Section 414(b),(c),(m) or (o) of the Code) would have any liability (each, a "Plan") has been maintained, and contributed to, in compliance with its terms and the requirements of any applicable statutes, orders, rules and regulations, including but not limited to ERISA and the Code; (ii) no prohibited transaction, within the meaning of Section 406 of ERISA or Section 4975 of the Code, has occurred with respect to any Plan, excluding transactions effected pursuant to a statutory or administrative exemption; (iii) for each Plan that is subject to the funding rules of Section 412 of the Code or Section 302 of ERISA, no Plan has failed (whether or not waived), or is reasonably expected to fail, to satisfy the minimum funding standards (within the meaning of Section 302 of ERISA or Section 412 of the Code) applicable to such Plan; (iv) no Plan is, or is reasonably expected to be, in "at risk status" (within the meaning of Section 303(i) of ERISA) and no Plan that is a "multiemployer plan" within the meaning of Section 4001(a)(3) of ERISA is in "endangered status" or "critical status" (within the meaning of Sections 304 and 305 of ERISA) (v) the fair market value of the assets of each Plan exceeds the present value of all benefits accrued under such Plan (determined based on those assumptions used to fund such Plan); (vi) no "reportable event" (within the meaning of Section 4043(c) of ERISA and the regulations promulgated thereunder) has occurred or is reasonably expected to occur; (vii) each Plan that is intended to be qualified under Section 401(a) of the Code is so qualified, and nothing has occurred, whether by action or by failure to act, which would reasonably be expected to cause the loss of such qualification; (viii) neither the Company nor any member of the Controlled Group has incurred, nor reasonably expects to incur, any liability under Title IV of ERISA (other than contributions to the Plan or premiums to the Pension Benefit Guaranty Corporation, in the ordinary course and without default) in respect of a Plan (including a "multiemployer plan" within the meaning of Section 4001(a)(3) of ERISA); and (ix) none of the following events has occurred or is reasonably likely to occur: (A) a material increase in the aggregate amount of contributions required to be made to all Plans by the Company or its Controlled Group

affiliates in the current fiscal year of the Company or its Controlled Group affiliates compared to the amount of such contributions made in the Company's or its Controlled Group affiliates' most recently completed fiscal year; or (B) a material increase in the Company and its subsidiaries' "accumulated post-retirement benefit obligations" (within the meaning of Accounting Standards Codification Topic 715-60) compared to the amount of such obligations in the Company and its subsidiaries' most recently completed fiscal year, except in each case with respect to the events or conditions set forth in (i) through (ix) hereof, as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(cc) *Disclosure Controls*. The Company and its subsidiaries maintain an effective system of "disclosure controls and procedures" (as defined in Rule 13a-15(e) of the Exchange Act) that complies with the requirements of the Exchange Act and that has been designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms, including controls and procedures designed to ensure that such information is accumulated and communicated to the Company's management as appropriate to allow timely decisions regarding required disclosure.

(dd) *Accounting Controls.* The Company and its subsidiaries maintain systems of "internal control over financial reporting" (as defined in Rule 13a-15(f) of the Exchange Act) that comply with the requirements of the Exchange Act and have been designed by, or under the supervision of, their respective principal executive and principal financial officers, or persons performing similar functions, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. The Company and its subsidiaries maintain internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. There are no material weaknesses in the Company's internal controls. The Company's auditors and the Audit Committee of the Board of Directors of the Company have been advised of: (i) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which have adversely affected or are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls over financial reporting.

(ee) *Insurance.* The Company and its subsidiaries have insurance covering their respective properties, operations, personnel and businesses, including business

interruption insurance, which insurance is in amounts and insures against such losses and risks as, in the Company's reasonable judgment, are adequate to protect the Company and its subsidiaries and their respective businesses except where the failure to carry such insurance would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; and neither the Company nor any of its subsidiaries has (i) received notice from any insurer or agent of such insurer that capital improvements or other expenditures are required or necessary to be made in order to continue such insurance or (ii) any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage at reasonable cost from similar insurers as may be necessary to continue its business in all material respects.

(ff) *Cybersecurity; Data Protection.* The Company and its subsidiaries' information technology assets and equipment, computers, systems, networks, hardware, software, websites, applications, and databases (collectively, "IT Systems") are adequate for, and operate and perform in all material respects as required in connection with the operation of the business of the Company and its subsidiaries as currently conducted, free and clear of all material bugs, errors, defects, Trojan horses, time bombs, malware and other corruptants. The Company and its subsidiaries have implemented and maintained commercially reasonable controls, policies, procedures, and safeguards to maintain and protect their material confidential information and the integrity, redundancy and security of their IT Systems and personally identifiable data ("Personal Data") used in connection with their businesses, and there have been no breaches, violations, outages or unauthorized uses of or accesses to same, except for those that have been remedied or those the Company reasonably expects to be remedied without material cost or liability or the duty to notify any other person. The Company and its subsidiaries are presently in material compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of Personal Data in their possession or control.

(gg) *No Unlawful Payments.* None of the Company or any of its subsidiaries or controlled affiliates, or any director or officer thereof, or, to the knowledge of the Company, any employee, agent or representative of the Company or of any of its subsidiaries or controlled affiliates has (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made or taken an act in furtherance of an offer, promise or authorization of any direct or indirect unlawful payment or benefit to any foreign or domestic government official or employee, including of any government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office; (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, or committed an offence under the Bribery Act 2010 of the United

Kingdom or any other law, regulation, order, decree or directive having the force of law and relating to bribery or corruption (collectively, the "Anti-Corruption Laws"); or (iv) made, offered, agreed, requested or taken an act in furtherance of any unlawful bribe or other unlawful benefit, including, without limitation, any rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit.

(hh) *Compliance with Anti-Money Laundering Laws*. The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements, including those of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the applicable money laundering statutes of all jurisdictions where the Company or any of its subsidiaries conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental agency (collectively, the "Anti-Money Laundering Laws").

(ii) *No Conflicts with Sanctions Laws.* None of the Company, any of its subsidiaries or any director or officer, nor to the knowledge of the Company, any employees, agent, controlled affiliate or representative of the Company or any of its subsidiaries, is an individual or entity ("Person") that is, or is owned or controlled by one or more Persons that are (i) the subject or the target of any sanctions administered or enforced by the U.S. government, (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury ("OFAC") or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person"), the United Nations Security Council ("UNSC"), the European Union, His Majesty's Treasury ("HMT") or other relevant sanctions authority (collectively, "Sanctions"); located, organized or resident in a country or territory that is the subject or target of Sanctions, including, without limitation, the Crimea Region of Ukraine, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, Cuba, Iran and North Korea (each, a "Sanctioned Country"). The Company will not directly or indirectly use the proceeds of the offering of the Shares hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Person (i) to fund or facilitate any activities of or business with any Person that, at the time of such funding or facilitation, is, or whose government is, the subject or target of Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, (iii) to fund or facilitate any money laundering or terrorist financing activities or (iv) in any other manner that would cause or result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of any Anti-Corruption Laws, Anti-Money Laundering Laws or Sanctions. The Company and its subsidiaries, have not, since the more recent of April 24, 2019 or 10 years prior to the date of the Agreement, engaged in, are not now engaged in and will not engage in any dealings or transactions with any Person, or in any country or territory, that at the time of the dealing or transaction is or was, or whose government is or was, the subject or the target of Sanctions.

(jj) *No Restrictions on Subsidiaries*. Except as otherwise described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, no subsidiary of the Company is currently prohibited, directly or indirectly, under any agreement or other instrument to which it is a party or is subject, from paying any dividends to the Company, from making any other distribution on such subsidiary's capital stock or similar ownership interest, from repaying to the Company any loans or advances to such subsidiary from the Company or from transferring any of such subsidiary's properties or assets to the Company or any other subsidiary of the Company.

(kk) *Compliance with Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions Laws.* The Company and its subsidiaries have conducted and will conduct their businesses in compliance with the Anti-Corruption Laws, the Anti-Money Laundering Laws and Sanctions, and no investigation, inquiry, action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Anti-Corruption Laws, the Anti-Money Laundering Laws or Sanctions is pending or, to the knowledge of the Company, threatened. The Company and its subsidiaries and affiliates have instituted and maintained and will continue to maintain policies and procedures reasonably designed to promote and achieve compliance with the Anti-Corruption Laws, the Anti-Money Laundering Laws, Sanctions, and with the representations and warranties contained herein.

(ll) *No Broker's Fees.* Neither the Company nor any of its subsidiaries is a party to any contract, agreement or understanding with any person (other than this Agreement) that would give rise to a valid claim against any of them or any Underwriter for a brokerage commission, finder's fee or like payment in connection with the offering and sale of the Shares.

(mm) *No Registration Rights*. Except as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, no person has the right to require the Company or any of its subsidiaries to register any securities for sale under the Securities Act by reason of the filing of the Registration Statement with the Commission or the issuance and sale of the Shares by the Company or, to the knowledge of the Company, the sale of the Shares to be sold by the Selling Stockholder hereunder.

(nn) *No Stabilization.* Neither the Company nor any of its subsidiaries or affiliates has taken, directly or indirectly, any action designed to or that would reasonably be expected to cause or result in any stabilization or manipulation of the price of the Shares.

(oo) *Margin Rules*. Neither the issuance, sale and delivery of the Shares nor the application of the proceeds thereof by the Company as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus will violate Regulation T, U or X of the Board of Governors of the Federal Reserve System or any other regulation of such Board of Governors.

(pp) *Forward-Looking Statements.* No forward-looking statement (within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act) included in any of the Registration Statement, the Pricing Disclosure Package or the Prospectus has been made or reaffirmed without a reasonable basis or has been disclosed other than in good faith.

(qq) *Statistical and Market Data.* Nothing has come to the attention of the Company that has caused the Company to believe that the statistical and market-related data included in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus is not based on or derived from sources that are reliable and accurate in all material respects.

(rr) *Sarbanes-Oxley Act*. The Company has taken all necessary actions such that, upon the effectiveness of the Registration Statement, it will be in compliance with any applicable provision of the Sarbanes-Oxley Act of 2002, as amended and the rules and regulations promulgated in connection therewith (the "Sarbanes-Oxley Act"), including Section 402 related to loans and Sections 302 and 906 related to certifications.

(ss) *Status under the Securities Act*. At the time of filing the Registration Statement and any post-effective amendment thereto, at the earliest time thereafter that the Company or any offering participant made a *bona fide* offer (within the meaning of Rule 164(h)(2) under the Securities Act) of the Shares and at the date hereof, the Company was not and is not an "ineligible issuer," as defined in Rule 405 under the Securities Act. The Company has paid the registration fee for this offering pursuant to Rule 456(b)(1) under the Securities Act or will pay such fee within the time period required by such rule (without giving effect to the proviso therein) and in any event prior to the Closing Date.

(tt) *Unregistered Offerings*. The Company has not sold, issued or distributed any shares of Common Stock during the six month period preceding the date hereof, including any sales pursuant to Rule 144A under, or Regulation D or S of, the Securities Act, other than shares issued pursuant to employee benefit plans, qualified stock option plans or other employee compensation plans or pursuant to outstanding options, rights or warrants.

(uu) *Market Standoff*. The holders of shares of Common Stock or securities convertible into or exercisable or exchangeable for Common Stock (such shares of Common Stock or other such securities collectively, the "Securities") representing (i) all of the Securities that have not delivered executed lock-up letters to the Representatives as of the date hereof and (ii) any Securities that are issuable pursuant to an award granted prior to the date of the effectiveness of the Registration Statement and issued pursuant to any employee benefit plan in effect on the date hereof and described in the Registration Statement, the Pricing Disclosure Package and the Prospectus are, in each case, bound by market standoff provisions with the Company and the Selling Stockholder that impose restrictions on transfer (subject to certain exceptions set forth in such provisions) with respect to such holder's Securities during the Restricted Period without the consent of the

Selling Stockholder ("Market Standoff Provisions") that are enforceable by the Selling Stockholder. Each such Market Standoff Provision is in full force and effect as of the date hereof.

(vv) The Registration Statement, the Pricing Disclosure Package and the Prospectus comply, and any amendments or supplements thereto will comply in all material respects with any applicable laws or regulations of foreign jurisdictions in which the Pricing Disclosure Package and the Prospectus, as amended or supplemented, if applicable, are distributed in connection with the Directed Share Program.

(ww) No consent, approval, authorization or order of, or qualification with, any governmental body or agency, other than those obtained, is required in connection with the offering of the Directed Shares in any jurisdiction where the Directed Shares are being offered.

(xx) The Company has not offered, or caused Morgan Stanley or any Morgan Stanley Entity as defined in Section 9 to offer, Shares to any person pursuant to the Directed Share Program with the specific intent to unlawfully influence (i) a customer or supplier of the Company to alter the customer's or supplier's level or type of business with the Company, or (ii) a trade journalist or publication to write or publish favorable information about the Company or its products.

4. Representations and Warranties of the Selling Stockholder. The Selling Stockholder represents and warrants to each Underwriter that:

(a) *Organization and Good Standing*. The Selling Stockholder has been duly organized and is validly existing and in good standing under the laws of its jurisdiction of organization.

(b) *Due Authorization*. The Selling Stockholder has full right, power and authority to execute and deliver this Agreement and to perform its obligations hereunder and to sell, assign, transfer and deliver the Shares to be sold by the Selling Stockholder; and all action required to be taken for the due and proper authorization, execution and delivery by it of this Agreement and the consummation by it of the transactions contemplated hereby will be duly and validly taken by the Closing Date and as of the Additional Closing Date, as the case may be.

(c) *The Underwriting Agreement*. This Agreement has been duly authorized, executed and delivered by the Selling Stockholder.

(d) *No Conflicts*. The execution, delivery and performance by the Selling Stockholder of this Agreement, the sale of the Shares to be sold by the Selling Stockholder and the consummation by the Selling Stockholder of the transactions contemplated herein or therein will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, result in the termination, modification or acceleration of, or result in the creation or imposition of any

lien, charge or encumbrance upon any property, right or asset of the Selling Stockholder pursuant to, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Selling Stockholder is a party or by which the Selling Stockholder is bound or to which any property, right or asset of the Selling Stockholder is subject, (ii) result in any violation of the provisions of the charter, by-laws or trust agreement or similar organizational documents of the Selling Stockholder or (iii) result in the violation of any law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory agency applicable to the Selling Stockholder, except, in the case of clauses (i) and (iii) above, for any such conflict, breach, violation, default, lien, charge or encumbrance that would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the Selling Stockholder's ability to perform its obligations under this Agreement.

(e) *No Consents Required*. No consent, approval, authorization, order, registration or qualification of or with any court or arbitrator or governmental or regulatory authority is required for the execution, delivery and performance by the Selling Stockholder of this Agreement, the sale and delivery of the Shares by the Selling Stockholder and the consummation by the Selling Stockholder of the transactions contemplated by this Agreement, except for the registration of the Shares under the Securities Act and such consents, approvals, authorizations, orders and registrations or qualifications (i) as have been obtained or made, (ii) as may be required by FINRA and under applicable state securities laws in connection with the purchase and distribution of the Shares by the Underwriters or (iii) as would not, individually or in the aggregate, reasonably be expected to impair the Selling Stockholder's ability to perform its obligations under this Agreement in any material respect.

(f) *Title to Shares.* The Selling Stockholder has good and valid title or a valid "security entitlement" (within the meaning of Section 8-102 of the New York Uniform Commercial Code (the "UCC")) to the Shares to be sold at the Closing Date and as of the Additional Closing Date, as the case may be, by the Selling Stockholder hereunder, free and clear of all security interests, liens, encumbrances, equities or claims, other than liens securing margin loans that will be released at or prior to the Closing Date and as of the Additional Closing Date, as the case may be, the Selling Stockholder will have, immediately prior to the Closing Date and as of the Additional Closing Date, as the case may be, good and valid title or a valid "security entitlement" (within the meaning of Section 8-102 of the UCC) to the Shares to be sold at the Closing Date and as of the Additional Closing Date, as the case may be, by the Selling Stockholder, free and clear of all security interests, liens, encumbrances, equities or claims; and upon delivery of the Shares against payment therefor pursuant hereto, good and valid title to such Shares, free and clear of all liens, encumbrances, equities or adverse claims, will pass to the several Underwriters.

(g) *No Stabilization.* The Selling Stockholder has not taken, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Shares.

(h) *Pricing Disclosure Package*. The Pricing Disclosure Package at the Applicable Time did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Selling Stockholder's representation under this Section 4(h) shall only apply to any untrue statement of a material fact or omission to state a material fact made in reliance upon and in conformity with any information relating to the Selling Stockholder furnished to the Company in writing by the Selling Stockholder expressly for use in the Pricing Disclosure Package, it being understood and agreed that the only such information furnished by the Selling Stockholder consists of (A) the legal name and address of the Selling Stockholder and the other information about the Selling Stockholder set forth in the footnote relating to the Selling Stockholder under the caption "Principal and Selling Stockholders" and (B) the number of shares of Common Stock beneficially owned by the Selling Stockholder before and after the offering (excluding percentages) that appears in the table (and corresponding footnotes) under the caption "Principal and Selling Stockholders" (collectively, the "Selling Stockholder Information").

(i) *Issuer Free Writing Prospectus and Written Testing-the-Waters Communication.* Other than the Registration Statement, the Preliminary Prospectus and the Prospectus, the Selling Stockholder (including its agents and representatives, other than the Underwriters in their capacity as such) has not prepared, made, used, authorized, approved or referred to and will not prepare, make, use, authorize, approve or refer to any Issuer Free Writing Prospectus or Written Testing-the-Waters Communication, other than (i) any document not constituting a prospectus pursuant to Section 2(a)(10)(a) of the Securities Act or Rule 134 under the Securities Act or (ii) the documents listed on Annex A hereto, each electronic road show and any other written communications approved in writing in advance by the Company and the Representatives.

(j) *Registration Statement and Prospectus.* As of the applicable effective date of the Registration Statement and any post-effective amendment thereto, the Registration Statement and any such post-effective amendment did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading; and as of the date of the Prospectus and any amendment or supplement thereto and as of the Closing Date and as of the Additional Closing Date, as the case may be, the Prospectus will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Selling Stockholder's representation under this Section 4(j) shall only apply to any untrue statement of a material fact or omission to state a material fact made in reliance upon and in conformity with the Selling Stockholder Information.

5. Further Agreements of the Company. The Company covenants and agrees with each Underwriter that:

(a) *Required Filings.* The Company will file the final Prospectus with the Commission within the time periods specified by Rule 424(b) and Rule 430A, 430B or 430C under the Securities Act, will file any Issuer Free Writing Prospectus to the extent required by Rule 433 under the Securities Act; and the Company will furnish copies of the Prospectus and each Issuer Free Writing Prospectus (to the extent not previously delivered) to the Underwriters in New York City prior to 10:00 A.M., New York City time, on the business day next succeeding the date of this Agreement (or such later time as may be agreed by the Company and the Representatives) in such quantities as the Representatives may reasonably request.

(b) *Delivery of Copies.* The Company will deliver, if requested, without charge, (i) to the Representatives, two signed copies of the Registration Statement as originally filed and each amendment thereto, in each case including all exhibits and consents filed therewith; and (ii) to each Underwriter (A) a conformed copy of the Registration Statement as originally filed and each amendment thereto (without exhibits) and (B) during the Prospectus Delivery Period (as defined below), as many copies of the Prospectus (including all amendments and supplements thereto and each Issuer Free Writing Prospectus) as the Representatives may reasonably request. As used herein, the term "Prospectus Delivery Period" means such period of time after the first date of the public offering of the Shares as in the opinion of counsel for the Underwriters a prospectus relating to the Shares is required by law to be delivered (or required to be delivered but for Rule 172 under the Securities Act) in connection with sales of the Shares by any Underwriter or dealer.

(c) *Amendments or Supplements, Issuer Free Writing Prospectuses.* Before using, authorizing, approving, referring to or filing any Issuer Free Writing Prospectus, and before filing any amendment or supplement to the Registration Statement, the Pricing Disclosure Package or the Prospectus, the Company will furnish to the Representatives and counsel for the Underwriters a copy of the proposed Issuer Free Writing Prospectus, amendment or supplement for review and will not use, authorize, approve, refer to or file any such Issuer Free Writing Prospectus or file any such proposed amendment or supplement to which the Representatives reasonably object in a timely manner.

(d) *Notice to the Representatives.* The Company will advise the Representatives promptly, and confirm such advice in writing, (i) when the Registration Statement has become effective; (ii) when any amendment to the Registration Statement has been filed or becomes effective; (iii) when any supplement to the Pricing Disclosure Package, the Prospectus, any Issuer Free Writing Prospectus, any Written Testing-the-Waters Communication or any amendment to the Prospectus has been filed or distributed; (iv) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or the receipt of any comments from the Commission relating to the Registration Statement or any other request by the

Commission for any additional information including, but not limited to, any request for information concerning any Testing-the-Waters Communication; (v) of the issuance by the Commission or any other governmental or regulatory authority of any order suspending the effectiveness of the Registration Statement or preventing or suspending the use of any Preliminary Prospectus, any of the Pricing Disclosure Package, the Prospectus or any Written Testing-the-Waters Communication or the initiation or threatening of any proceeding for that purpose or pursuant to Section 8A of the Securities Act; (vi) of the occurrence of any event or development within the Prospectus Delivery Period as a result of which the Prospectus, any of the Pricing Disclosure Package, any Issuer Free Writing Prospectus or any Written Testing-the-Waters Communication as then amended or supplemented would include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Prospectus, the Pricing Disclosure Package, any such Issuer Free Writing Prospectus or any Written Testing-the-Waters Communication is delivered to a purchaser, not misleading; and (vii) of the receipt by the Company of any notice with respect to any suspension of the qualification of the Shares for offer and sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose; and the Company will use its reasonable best efforts to prevent the issuance of any such order suspending the effectiveness of the Registration Statement, preventing or suspending the use of any Preliminary Prospectus, any of the Pricing Disclosure Package or the Prospectus or any Written Testing-the-Waters Communication or suspending any such qualification of the Shares and, if any such order is issued, will obtain as soon as possible the withdrawal thereof.

(e) *Ongoing Compliance.* (1) If during the Prospectus Delivery Period (i) any event or development shall occur or condition shall exist as a result of which the Prospectus as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Prospectus is delivered to a purchaser, not misleading or (ii) it is necessary to amend or supplement the Prospectus to comply with applicable law, the Company will promptly notify the Underwriters thereof and forthwith prepare and, subject to paragraph (c) above, file with the Commission and furnish to the Underwriters and to such dealers as the Representatives may designate such amendments or supplements to the Prospectus as may be necessary so that the statements in the Prospectus as so amended or supplemented will not, in the light of the circumstances existing when the Prospectus is delivered to a purchaser, be misleading or so that the Prospectus will comply with law and (2) if at any time prior to the Closing Date (i) any event or development shall occur or condition shall exist as a result of which the Pricing Disclosure Package as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Pricing Disclosure Package is delivered to a purchaser, not misleading or (ii) it is necessary to amend or supplement the Pricing Disclosure Package to comply with applicable law, the Company will promptly notify the Underwriters thereof and forthwith prepare and, subject to paragraph (c) above, file with the Commission (to the extent required) and

furnish to the Underwriters and to such dealers as the Representatives may designate such amendments or supplements to the Pricing Disclosure Package as may be necessary so that the statements in the Pricing Disclosure Package as so amended or supplemented will not, in the light of the circumstances existing when the Pricing Disclosure Package is delivered to a purchaser, be misleading or so that the Pricing Disclosure Package will comply with law.

(f) *Blue Sky Compliance.* The Company will use its reasonable best efforts, in cooperation with the Representatives, to qualify the Shares for offer and sale under the securities or Blue Sky laws of such jurisdictions as the Representatives shall reasonably request and will continue such qualifications in effect so long as required for distribution of the Shares; provided that the Company shall not be required to (i) qualify as a foreign corporation or other entity or as a dealer in securities in any such jurisdiction where it would not otherwise be required to so qualify, (ii) file any general consent to service of process in any such jurisdiction or (iii) subject itself to taxation in any such jurisdiction if it is not otherwise so subject.

(g) *Earning Statement.* The Company will make generally available to its security holders and the Representatives as soon as practicable an earning statement that satisfies the provisions of Section 11(a) of the Securities Act and Rule 158 of the Commission promulgated thereunder covering a period of at least twelve months beginning with the first fiscal quarter of the Company occurring after the "effective date" (as defined in Rule 158) of the Registration Statement; provided that the Company will be deemed to have complied with such requirement by furnishing such statements to its security holders and the Representatives to the extent they are filed on the Commission's Electronic Data Gathering, Analysis and Retrieval system ("EDGAR").

(h) *Clear Market.* For a period of 180 days after the date of the Prospectus (the "Restricted Period"), the Company will not (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, or submit to, or file with, the Commission a registration statement under the Securities Act relating to, any shares of Stock or any securities convertible into or exercisable or exchangeable for Stock, (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Stock or any such other securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Stock or such other securities, in cash or otherwise, or (iii) publicly disclose the intention to do any of the foregoing, without the prior written consent of any two of the Representatives, other than the Shares to be sold hereunder.

The restrictions described above do not apply to (i) the issuance of shares of Stock or securities convertible into or exercisable for shares of Stock pursuant to the conversion or exchange of convertible or exchangeable securities or the exercise of warrants or options (including net exercise) or the settlement of RSUs (including net

settlement), in each case outstanding on the date of this Agreement and described in the Prospectus; (ii) grants of stock options, stock awards, restricted stock, RSUs, or other equity awards and the issuance of shares of Stock or securities convertible into or exercisable or exchangeable for shares of Stock (whether upon the exercise of stock options or otherwise) to the Company's employees, officers, directors, advisors, or consultants pursuant to the terms of an equity compensation plan in effect as of the Closing Date and described in the Prospectus, provided that such recipients enter into a lock-up agreement with the Underwriters to the extent of any Shares that will vest prior to the expiration of the Restricted Period; (iii) the issuance of up to 5% of the outstanding shares of Stock, or securities convertible into, exercisable for, or which are otherwise exchangeable for, Stock, immediately following the Closing Date, in acquisitions or other similar strategic transactions, provided that such recipients enter into a lock-up agreement with the Underwriters; (iv) the filing of any registration statement on Form S-8 relating to securities granted or to be granted pursuant to any plan in effect on the date of this Agreement and described in the Prospectus or any assumed benefit plan pursuant to an acquisition or similar strategic transaction; (v) the Stock to be sold hereunder; or (vi) facilitating the establishment of a trading plan on behalf of a shareholder, officer or director of the Company pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of Stock, provided that (A) such plan does not provide for the transfer of Stock during the Restricted Period and (B) to the extent a public announcement or filing under the Exchange Act, if any, is required of or voluntarily made by the Company regarding the establishment of such plan, such announcement or filing shall include a statement to the effect that no transfer of Stock may be made under such plan during the Restricted Period.

If the Representatives, in their sole discretion, agree to release or waive the restrictions set forth in a lock-up letter described in Section 8(m) hereof for an officer or director of the Company and provide the Company with notice of the impending release or waiver substantially in the form of Exhibit B hereto at least three business days before the effective date of the release or waiver, the Company agrees to announce the impending release or waiver substantially in the form of Exhibit C hereto through a major news service at least two business days before the effective date of the release or waiver.

(i) *Use of Proceeds.* The Company will apply the net proceeds from the sale of the Shares as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus under the heading "Use of proceeds."

(j) *No Stabilization.* Neither the Company nor its subsidiaries or controlled affiliates will take, directly or indirectly, any action designed to or that would reasonably be expected to cause or result in any stabilization or manipulation of the price of the Stock. To the knowledge of the Company, no other affiliates of the Company will take, directly or indirectly, any such action.

(k) *Exchange Listing.* The Company will use its reasonable best efforts to list, subject to notice of issuance, the Shares on the New York Stock Exchange (the "Exchange").

(l) *Reports.* For a period of three years from the date of this Agreement, the Company will furnish to the Representatives, as soon as they are available, copies of all reports or other communications (financial or other) furnished to holders of the Shares, and copies of any reports and financial statements furnished to or filed with the Commission or any national securities exchange or automatic quotation system; provided the Company will be deemed to have furnished such reports and financial statements to the Representatives to the extent they are filed on EDGAR.

(m) *Record Retention*. The Company will, pursuant to reasonable procedures developed in good faith, retain copies of each Issuer Free Writing Prospectus that is not filed with the Commission in accordance with Rule 433 under the Securities Act.

(n) *Filings.* The Company will file with the Commission such reports as may be required by Rule 463 under the Securities Act.

(o) *Beneficial Owners Certification*. The Company will deliver to each Underwriter (or its agent), on the date of execution of this Agreement, a properly completed and executed Certification Regarding Beneficial Owners of Legal Entity Customers, together with copies of identifying documentation, and the Company undertakes to provide such additional supporting documentation as each Underwriter may reasonably request in connection with the verification of the foregoing certification.

(p) *Directed Share Program*. The Company will comply with all applicable securities and other laws, rules and regulations in each jurisdiction in which the Directed Shares are offered in connection with the Directed Share Program.

6. Further Agreements of the Selling Stockholder. The Selling Stockholder covenants and agrees with each Underwriter that:

(a) *No Stabilization.* The Selling Stockholder will not take, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Stock.

(b) *Tax Form.* The Selling Stockholder will deliver to the Representatives prior to or at the Closing Date a properly completed and executed United States Internal Revenue Service Form W-9 or applicable Form W-8, as appropriate, together with all required attachments to such form.

(c) *Use of Proceeds*. The Selling Stockholder will not directly or knowingly indirectly use the proceeds of the offering of the Shares hereunder, or lend, contribute or otherwise make available such proceeds to a subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that,

at the time of such funding or facilitation, is the subject or target of Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions or (iv) in furtherance of an offer, payment, promise to pay or authorization of the payment or giving of any money or anything of value to any Person in contravention of any Anti-Money Laundering Laws or any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions or the U.K. Bribery Act 2010, each as may be amended.

(d) *Certification of Beneficial Ownership*. The Selling Stockholder will deliver to the Representatives, on or prior to the date of execution of this Agreement, a properly completed and executed Certification Regarding Beneficial Owners of Legal Entity Customers, together with copies of identifying documentation, and the Selling Stockholder undertakes to provide such additional supporting documentation as any Underwriter may reasonably request in connection with the verification of the foregoing certification.

(e) *Market Standoff Waivers*. During the Restricted Period, the Selling Stockholder shall not, without the prior written consent of any two of the Representatives (which consent shall not be unreasonably withheld, conditioned or delayed), waive, amend or release or release holders of Securities subject to the Market Standoff Provisions, except that this provision shall not prevent the Selling Stockholder from effecting any waiver, amendment or release to permit a transfer of Securities: (i) which, if such securities were subject to the terms of an executed lock-up letter substantially to the effect set forth in Exhibit A hereto, would be permissible under such lock-up letter without any consent, waiver or amendment, or (ii) if the release or waiver is granted to any individual party by the Selling Stockholder in an amount, individually or in the aggregate, less than or equal to 1% of the Company's total fully-diluted shares of Common Stock.

7. Certain Agreements of the Underwriters. Each Underwriter hereby represents and agrees that:

(a) It has not and will not use, authorize use of, refer to or participate in the planning for use of, any "free writing prospectus," as defined in Rule 405 under the Securities Act (which term includes use of any written information furnished to the Commission by the Company and not incorporated by reference into the Registration Statement and any press release issued by the Company) other than (i) a free writing prospectus that contains no "issuer information" (as defined in Rule 433(h)(2) under the Securities Act) that was not included (including through incorporation by reference) in the Preliminary Prospectus or a previously filed Issuer Free Writing Prospectus, (ii) any Issuer Free Writing Prospectus listed on Annex A or prepared pursuant to Section 3(c) or Section 4(i) above (including any electronic road show), or (iii) any free writing prospectus prepared by such Underwriter and approved by the Company in advance in

writing (each such free writing prospectus referred to in clauses (i) or (iii), an "Underwriter Free Writing Prospectus").

(b) It has not and will not, without the prior written consent of the Company, use any free writing prospectus that contains the final terms of the Shares unless such terms have previously been included in a free writing prospectus filed with the Commission; provided that Underwriters may use a term sheet substantially in the form of Annex C hereto without the consent of the Company; provided further that any Underwriter using such term sheet shall notify the Company, and provide a copy of such term sheet to the Company, prior to, or substantially concurrently with, the first use of such term sheet.

(c) It is not subject to any pending proceeding under Section 8A of the Securities Act with respect to the offering (and will promptly notify the Company and the Selling Stockholder if any such proceeding against it is initiated during the Prospectus Delivery Period).

8. Conditions of Underwriters' Obligations. The obligation of each Underwriter to purchase the Underwritten Shares on the Closing Date or the Option Shares on the Additional Closing Date, as the case may be, as provided herein is subject to the performance by the Company and the Selling Stockholder of their respective covenants and other obligations hereunder and to the following additional conditions:

(a) *Registration Compliance; No Stop Order.* No order suspending the effectiveness of the Registration Statement shall be in effect, and no proceeding for such purpose or pursuant to Section 8A under the Securities Act shall be pending before or threatened by the Commission; the Prospectus and each Issuer Free Writing Prospectus shall have been timely filed with the Commission under the Securities Act (in the case of an Issuer Free Writing Prospectus, to the extent required by Rule 433 under the Securities Act) and in accordance with Section 5(a) hereof; and all requests by the Commission for additional information shall have been complied with to the reasonable satisfaction of the Representatives.

(b) *Representations and Warranties.* The respective representations and warranties of the Company and the Selling Stockholder contained herein shall be true and correct on the date hereof and on and as of the Closing Date or the Additional Closing Date, as the case may be; and the statements of the Company and its officers and of the Selling Stockholder and its officers made in any certificates delivered pursuant to this Agreement shall be true and correct on and as of the Closing Date or the Additional Closing Date, as the case may be.

(c) *No Downgrade.* Subsequent to the earlier of (A) the Applicable Time and (B) the execution and delivery of this Agreement, (i) no downgrading shall have occurred in the rating accorded any debt securities, convertible securities or preferred stock issued, or guaranteed by, the Company or any of its subsidiaries by any "nationally recognized statistical rating organization," as such term is defined under Section 3(a)(62) under the

Exchange Act and (ii) no such organization shall have publicly announced that it has under surveillance or review, or has changed its outlook with respect to, its rating of any such debt securities or preferred stock issued or guaranteed by the Company or any of its subsidiaries (other than an announcement with positive implications of a possible upgrading).

(d) *No Material Adverse Change.* No event or condition of a type described in Section 3(g) hereof shall have occurred or shall exist, which event or condition is not described in the Pricing Disclosure Package (excluding any amendment or supplement thereto) and the Prospectus (excluding any amendment or supplement thereto) and the effect of which in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the Shares on the Closing Date or the Additional Closing Date, as the case may be, on the terms and in the manner contemplated by this Agreement, the Pricing Disclosure Package and the Prospectus.

(e) *Officer's Certificate.* The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, (x) a certificate of the chief financial officer or chief accounting officer of the Company and one additional senior executive officer of the Company who is reasonably satisfactory to the Representatives (i) confirming that such officers have reviewed the Registration Statement, the Pricing Disclosure Package and the Prospectus and, to the knowledge of such officers, the representations set forth in Sections 3(b) and 3(d) hereof are true and correct, (ii) confirming that the other representations and warranties of the Company in this Agreement are true and correct and that the Company has complied in all material respects with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to the Closing Date or the Additional Closing Date, as the case may be, and (iii) to the effect set forth in paragraphs (a), (c) and (d) above and (y) in the case of the Additional Closing Date, a certificate of the Selling Stockholder, in form and substance reasonably satisfactory to the Representative, (A) confirming that the representations of the Selling Stockholder set forth in Sections 4(h), 4(i) and 4(j) hereof is true and correct and (B) confirming that the other representations and warranties of such Selling Stockholder in this agreement are true and correct and that the such Selling Stockholder has complied in all material respects with all agreements and satisfied all conditions on their part to be performed or satisfied hereunder at or prior to the Additional Closing Date.

(f) *Comfort Letters.* (i) On the date of this Agreement and on the Closing Date or the Additional Closing Date, as the case may be, PricewaterhouseCoopers LLP shall have furnished to the Representatives, at the request of the Company, letters, dated the respective dates of delivery thereof and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, containing statements and information of the type customarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus; provided, that the letter delivered on the Closing Date or the Additional

Closing Date, as the case may be, shall use a "cut-off" date no more than two business days prior to such Closing Date or such Additional Closing Date, as the case may be.

(ii) On the date of this Agreement and on the Closing Date or the Additional Closing Date, as the case may be, the Company shall have furnished to the Representatives a certificate, dated the respective dates of delivery thereof and addressed to the Underwriters, of its chief financial officer with respect to certain financial data contained in the Pricing Disclosure Package and the Prospectus, providing "management comfort" with respect to such information, in form and substance reasonably satisfactory to the Representatives.

(g) *Opinion and 10b-5 Statement of Counsel for the Company.* Ropes & Gray LLP, counsel for the Company, shall have furnished to the Representatives, at the request of the Company, their written opinion and 10b-5 statement, dated the Closing Date or the Additional Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives.

(h) *Opinion of Counsel for the Selling Stockholder.* Ropes & Gray LLP, counsel for the Selling Stockholder, shall have furnished to the Representatives, at the request of the Selling Stockholder, their written opinion, dated the Closing Date or the Additional Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives.

(i) *Opinion and 10b-5 Statement of Counsel for the Underwriters.* The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, an opinion and 10b-5 statement, addressed to the Underwriters, of Latham & Watkins, LLP, counsel for the Underwriters, with respect to such matters as the Representatives may reasonably request, and such counsel shall have received such documents and information as they may reasonably request to enable them to pass upon such matters.

(j) *No Legal Impediment to Issuance and Sale.* No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any federal, state or foreign governmental or regulatory authority that would, as of the Closing Date or the Additional Closing Date, as the case may be, prevent the issuance or sale of the Shares by the Company or the sale of the Shares by the Selling Stockholder, as applicable; and no injunction or order of any federal, state or foreign court shall have been issued that would, as of the Closing Date or the Additional Closing Date, as the case may be, prevent the issuance or sale of the Shares by the Company or the sale of the Option Shares by the Selling Stockholder.

(k) *Good Standing*. The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, satisfactory evidence of the good standing of the Company and its subsidiaries listed on Schedule 2 hereto in their respective jurisdictions of organization and their good standing in such other jurisdictions as the Representatives may reasonably request, in each case in writing or any standard

form of telecommunication from the appropriate governmental authorities of such jurisdictions.

(l) *Exchange Listing.* The Shares to be delivered on the Closing Date or the Additional Closing Date, as the case may be, shall have been approved for listing on the Exchange, subject to official notice of issuance.

(m) *Lock-up Agreements*. The "lock-up" agreements, each substantially in the form of Exhibit A hereto, between you and officers and directors of the Company and holders of substantially all of the Company's Common Stock, including the Selling Stockholder, relating to sales and certain other dispositions of shares of Stock or certain other securities, delivered to you on or before the date hereof, shall be in full force and effect on the Closing Date or the Additional Closing Date, as the case may be.

(n) *Additional Documents.* On or prior to the Closing Date or the Additional Closing Date, as the case may be, the Company and the Selling Stockholder shall have furnished to the Representatives such further certificates and documents as the Representatives may reasonably request.

All opinions, letters, certificates and evidence mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof only if they are in form and substance reasonably satisfactory to counsel for the Underwriters.

9. Indemnification and Contribution.

(a) *Indemnification of the Underwriters by the Company.* The Company agrees to indemnify and hold harmless each Underwriter, its affiliates, directors and officers and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any and all losses, claims, damages and liabilities (including, without limitation, reasonable and documented legal fees and other reasonable expenses incurred and documented in connection with any suit, action or proceeding or any claim asserted, as such fees and expenses are incurred), joint or several, that arise out of, or are based upon, (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, not misleading, or (ii) any untrue statement or alleged untrue statement of a material fact contained in the Prospectus (or any amendment or supplement thereto), any Preliminary Prospectus, any Issuer Free Writing Prospectus, any "issuer information" filed or required to be filed pursuant to Rule 433(d) under the Securities Act, any Written Testing-the-Waters Communication prepared or authorized by the Company, any road show as defined in Rule 433(h) under the Securities Act (a "road show") or any Pricing Disclosure Package (including any Pricing Disclosure Package that has subsequently been amended), or caused by any omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, in each case except insofar as such losses, claims, damages or liabilities arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon

and in conformity with any information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in paragraph (c) below.

In addition to and without limitation of the Company's obligation to indemnify Evercore Group L.L.C. as an Underwriter, the Company also agrees to indemnify and hold harmless Evercore Group L.L.C., its affiliates, directors and officers and each person, if any, who controls Evercore Group L.L.C. within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any and all losses, claims, damages and liabilities incurred (including, without limitation, reasonable and documented legal fees and other reasonable and documented expenses incurred in connection with any suit, action or proceeding or any claim asserted), as incurred, as a result of Evercore Group L.L.C.'s participation as the QIU in connection with the offering of the Shares.

(b) *Indemnification of the Underwriters by the Selling Stockholder*. The Selling Stockholder agrees to indemnify and hold harmless each Underwriter, its affiliates, directors and officers and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the indemnity set forth in paragraph (a) above, in each case except insofar as such losses, claims, damages or liabilities arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with the Selling Stockholder Information. The Selling Stockholder shall not be liable under the indemnity agreement contained in this paragraph and the contribution provisions of this Section 9 in excess of an amount equal to the aggregate net proceeds (after deducting underwriting commissions and discounts, but before deducting expenses) applicable to the Shares sold by such Selling Stockholder pursuant to this Agreement (the "Selling Stockholder Proceeds").

(c) *Indemnification of the Company and the Selling Stockholder.* Each Underwriter agrees, severally and not jointly, to indemnify and hold harmless the Company, its directors, its officers who signed the Registration Statement and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act and the Selling Stockholder to the same extent as the indemnity set forth in paragraph (a) above, but only with respect to any losses, claims, damages or liabilities that arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to such Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement, the Prospectus (or any amendment or supplement thereto), any Preliminary Prospectus, any Issuer Free Writing Prospectus, any Written Testing-the-Waters Communication, any road show or any Pricing Disclosure Package (including any Pricing Disclosure Package that has subsequently been amended), it being understood and agreed upon that the only such information furnished by any Underwriter consists of the following information in the Prospectus furnished on behalf of each Underwriter: the concession and reallowance figures appearing in the [third] paragraph under the caption "Underwriting

(Conflicts of Interest)" and the information contained in the [eighteenth] and [nineteenth] paragraphs under the caption "Underwriting (Conflicts of Interest)."

(d) *Notice and Procedures*. If any suit, action, proceeding (including any governmental or regulatory investigation), claim or demand shall be brought or asserted against any person in respect of which indemnification may be sought pursuant to the preceding paragraphs of this Section 9, such person (the "Indemnified Person") shall promptly notify the person against whom such indemnification may be sought (the "Indemnifying Person") in writing; provided that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have under the preceding paragraphs of this Section 9 except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided, further, that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have to an Indemnified Person otherwise than under the preceding paragraphs of this Section 9. If any such proceeding shall be brought or asserted against an Indemnified Person and it shall have notified the Indemnifying Person thereof, the Indemnifying Person shall retain counsel reasonably satisfactory to the Indemnified Person (who shall not, without the consent of the Indemnified Person, be counsel to the Indemnifying Person) to represent the Indemnified Person and any others entitled to indemnification pursuant to this Section that the Indemnifying Person may designate in such proceeding and shall pay the reasonable and documented fees and expenses in such proceeding and shall pay the reasonable and documented fees and expenses of such counsel related to such proceeding, as incurred. In any such proceeding, any Indemnified Person shall have the right to retain its own counsel, but the reasonable and documented fees and expenses of such counsel shall be at the expense of such Indemnified Person unless (i) the Indemnifying Person and the Indemnified Person shall have mutually agreed to the contrary; (ii) the Indemnifying Person has failed within a reasonable time to retain counsel reasonably satisfactory to the Indemnified Person; (iii) the Indemnified Person shall have reasonably concluded based upon advice of counsel that there may be legal defenses available to it that are different from or in addition to those available to the Indemnifying Person; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the Indemnifying Person and the Indemnified Person and representation of both parties by the same counsel would, in the opinion of counsel, be inappropriate due to actual or potential differing interests between them. It is understood and agreed that the Indemnifying Person shall not, in connection with any proceeding or related proceeding in the same jurisdiction, be liable for the reasonable and documented fees and expenses of more than one separate firm (in addition to any necessary local counsel) for all Indemnified Persons, and that all such reasonable and documented fees and expenses shall be paid or reimbursed as they are incurred; provided, however, that if indemnity may be sought pursuant to the second paragraph of Section 9(a) or 9(b) above in respect of such proceeding, then in addition to one such separate firm of the Underwriters, their affiliates, directors, officers and such control persons of the Underwriters the indemnifying party shall be liable for the reasonable and documented fees and expenses of not more than one separate firm (in addition to any necessary local counsel) for Evercore Group L.L.C., which separate firm shall be designated in writing by Evercore Group L.L.C., in its capacity as the QIU, its affiliates, directors, officers and all persons, if any, who control Evercore Group L.L.C. within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act. Any such separate firm for any Underwriter, its affiliates, directors and officers

and any control persons of such Underwriter shall be designated in writing by the Representatives and any such separate firm for the Company, its directors, its officers who signed the Registration Statement and any control persons of the Company shall be designated in writing by the Company and any such separate firm for the Selling Stockholder shall be designated in writing by the Selling Stockholder. The Indemnifying Person shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent, the Indemnifying Person agrees to indemnify each Indemnified Person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an Indemnified Person shall have requested in writing that an Indemnifying Person reimburse the Indemnified Person for fees and expenses of counsel as contemplated by this paragraph, the Indemnifying Person shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by the Indemnifying Person of such request and (ii) the Indemnifying Person shall not have reimbursed the Indemnified Person in accordance with such request prior to the date of such settlement, unless, in each case, the amount of such fees and expenses is being actively contested in writing in good faith by such Indemnifying Person. No Indemnifying Person shall, without the written consent of the Indemnified Person, effect any settlement of any pending or threatened proceeding in respect of which any Indemnified Person is or could have been a party and indemnification could have been sought hereunder by such Indemnified Person, unless such settlement (x) includes an unconditional release of such Indemnified Person, in form and substance reasonably satisfactory to such Indemnified Person, from all liability on claims that are the subject matter of such proceeding and (y) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any Indemnified Person.

(e) *Contribution.* If the indemnification provided for in paragraphs (a), (b) or (c) above is unavailable to an Indemnified Person or insufficient in respect of any losses, claims, damages or liabilities referred to therein (other than as a result of the limitations imposed on indemnification set forth therein), then each Indemnifying Person under such paragraph, in lieu of indemnifying such Indemnified Person thereunder, shall contribute to the amount paid or payable by such Indemnified Person as a result of such losses, claims, damages or liabilities (i) in such proportion as is appropriate to reflect the relative benefits received by the Company or the Selling Stockholder, as applicable, on the one hand, and the Underwriters or Evercore Group L.L.C. in its capacity as the QIU, as the case may be, on the other, from the offering of the Shares or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the Company or the Selling Stockholder, as applicable, on the one hand, and the Underwriters or Evercore Group L.L.C. in its capacity as the QIU, as the case may be, on the other, in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company or the Selling Stockholder, as applicable, on the one hand, and the Underwriters or Evercore Group L.L.C. in its capacity as the QIU, as the case may be, on the other, shall be deemed to be in the same respective proportions as the net proceeds (before deducting expenses) received by the Company or the Selling Stockholder, as applicable, from the sale of the Shares and the total underwriting discounts and commissions received by the Underwriters in connection therewith, in each case as set forth in the table on the cover of the Prospectus, or the fee to be received by Evercore Group L.L.C. in its capacity as the QIU, as the case may be, bear to the aggregate offering price of the Shares. The relative fault of the Company or the Selling Stockholder, as applicable, on the one hand, and the Underwriters or Evercore Group L.L.C. in its capacity as the QIU, as the case may be, on the other, shall be determined by

reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or the Selling Stockholder, as appliable, or by the Underwriters or Evercore Group L.L.C. in its capacity as the QIU, as the case may be, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(f) *Limitation on Liability.* The Company, the Selling Stockholder and the Underwriters agree that it would not be just and equitable if contribution pursuant to paragraph (e) above were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in paragraph (e) above. The amount paid or payable by an Indemnified Person as a result of the losses, claims, damages and liabilities referred to in paragraph (e) above shall be deemed to include, subject to the limitations set forth above, any reasonable and documented legal or other expenses incurred by such Indemnified Person in connection with any such action or claim. Notwithstanding the provisions of paragraphs (e) and (f), in no event shall an Underwriter be required to contribute any amount in excess of the amount by which the total underwriting discounts and commissions received by such Underwriter with respect to the offering of the Shares exceeds the amount of any damages that such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations to contribute pursuant to paragraphs (e) and (f) are several in proportion to their respective purchase obligations hereunder and not joint.

(g) *Non-Exclusive Remedies.* The remedies provided for in this Section 9 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any Indemnified Person at law or in equity.

(h) *Directed Share Program Indemnification*. (i) The Company agrees to indemnify and hold harmless Morgan Stanley, each person, if any, who controls Morgan Stanley within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act and each affiliate of Morgan Stanley within the meaning of Rule 405 of the Securities Act ("Morgan Stanley Entities") from and against any and all losses, claims, damages and liabilities (including, without limitation, reasonable and documented legal fees or other reasonable expenses incurred and documented in connection with any suit action or proceeding or any claim asserted, as such fees and expenses are incurred) (x) that arise out of, or are based upon, any untrue statement or alleged untrue statement of a material fact contained in any material prepared by or with the consent of the Company for distribution to Participants in connection with the Directed Share Program or arise out of or are based upon any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading except insofar as such losses, claims, damages or liabilities arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to any Underwriter furnished to the Company in writing by an Underwriter or Morgan Stanley Entity through the Representatives expressly for use therein, it being

understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in paragraph (c) above; (y) that arise out of, or are based upon, the failure of any Participant to pay for and accept delivery of Directed Shares that the Participant agreed to purchase; or (z) related to, arising out of, or in connection with the Directed Share Program, other than losses, claims, damages or liabilities (or expenses relating thereto) that are finally judicially determined to have resulted from the bad faith or gross negligence of Morgan Stanley Entities.

(i) In case any proceeding (including any governmental or regulatory investigation) shall be instituted involving any Morgan Stanley Entity in respect of which indemnity may be sought pursuant to Section 9(h), the Morgan Stanley Entity seeking indemnity, shall promptly notify the Company in writing; provided that the failure to notify the Company shall not relieve it from any liability that it may have under the preceding paragraphs of this Section 9(h) except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided, further, that the failure to notify the Company shall not relieve it from any liability that it may have to the Morgan Stanley Entity otherwise than under the preceding paragraphs of this Section 9(h). If any such proceeding shall be brought or asserted against the Morgan Stanley Entity and it shall have notified the Company thereof, the Company, upon request of the Morgan Stanley Entity, shall retain counsel reasonably satisfactory to the Morgan Stanley Entity (who shall not, without the consent of the Morgan Stanley Entity, be counsel to the Morgan Stanley Entity) to represent the Morgan Stanley Entity and any others the Company may designate in such proceeding and shall pay the reasonable and documented fees and expenses of such counsel related to such proceeding, as incurred. In any such proceeding, any Morgan Stanley Entity shall have the right to retain its own counsel, but the reasonable and documented fees and expenses of such counsel shall be at the expense of such Morgan Stanley Entity unless (i) the Company and such Morgan Stanley Entity shall have mutually agreed to the contrary, (ii) the Company has failed within a reasonable time to retain counsel reasonably satisfactory to such Morgan Stanley Entity, (iii) such Morgan Stanley Entity shall have reasonably concluded based upon advice of counsel that there may be legal defenses available to it that are different from or in addition to those available to the Company or (iv) the named parties to any such proceeding (including any impleaded parties) include both the Company and the Morgan Stanley Entity and representation of both parties by the same counsel would be, in the opinion of counsel, inappropriate due to actual or potential differing interests between them. The Company shall not, in respect of the legal expenses of the Morgan Stanley Entities in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the reasonable and documented fees and expenses of more than one separate firm (in addition to any necessary local counsel) for all Morgan Stanley Entities, and that all such reasonable and documented fees and expenses shall be paid or reimbursed as they are incurred. Any such separate firm for the Morgan Stanley Entities shall be designated in writing by Morgan Stanley. The Company shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent, the Company agrees to indemnify the Morgan Stanley Entities from and against any loss or liability by reason of such settlement or judgment.

Notwithstanding the foregoing sentence, if at any time a Morgan Stanley Entity shall have requested the Company to reimburse it for reasonable and documented fees and expenses of counsel as contemplated by the second and third sentences of this paragraph, the Company agrees that it shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by the Company of the aforesaid request and (ii) the Company shall not have reimbursed the Morgan Stanley Entity in accordance with such request prior to the date of such settlement, unless, in each case, the amount of such fees and expenses is being actively contested in writing in good faith by the Company. The Company shall not, without the prior written consent of Morgan Stanley, effect any settlement of any pending or threatened proceeding in respect of which any Morgan Stanley Entity is or could have been a party and indemnity could have been sought hereunder by such Morgan Stanley Entity, unless such settlement (x) includes an unconditional release of the Morgan Stanley Entities, in form and substance reasonably satisfactory to such Morgan Stanley Entity, from all liability on claims that are the subject matter of such proceeding and (y) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any Morgan Stanley Entity.

(ii) To the extent the indemnification provided for in Section 9(h) is unavailable to a Morgan Stanley Entity or insufficient in respect of any losses, claims, damages or liabilities referred to therein (other than as a result of the limitations imposed on indemnification set forth therein), then the Company in lieu of indemnifying the Morgan Stanley Entity thereunder, shall contribute to the amount paid or payable by the Morgan Stanley Entity as a result of such losses, claims, damages or liabilities (x) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Morgan Stanley Entities on the other hand from the offering of the Directed Shares or (y) if the allocation provided by clause 9(h)(ii)(x) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause 9(h)(ii)(x) above but also the relative fault of the Company on the one hand and of the Morgan Stanley Entities on the other hand in connection with any statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Morgan Stanley Entities on the other hand in connection with the offering of the Directed Shares shall be deemed to be in the same respective proportions as the net proceeds from the offering of the Directed Shares (before deducting expenses) and the total underwriting discounts and commissions received by the Morgan Stanley Entities for the Directed Shares, bear to the aggregate Public Offering Price of the Directed Shares. If the loss, claim, damage or liability is caused by an untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact, the relative fault of the Company on the one hand and the Morgan Stanley Entities on the other hand shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or by the Morgan Stanley Entities and the parties' relative intent,

knowledge, access to information and opportunity to correct or prevent such statement or omission.

(iii) The Company and the Morgan Stanley Entities agree that it would not be just or equitable if contribution pursuant to this Section 9(h) were determined by pro rata allocation (even if the Morgan Stanley Entities were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in Section 9(h)(ii). The amount paid or payable by the Morgan Stanley Entities as a result of the losses, claims, damages and liabilities referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth above, any reasonable and documented legal or other expenses incurred by the Morgan Stanley Entities in connection with any such action or claim. Notwithstanding the provisions of this Section 9(h), no Morgan Stanley Entity shall be required to contribute any amount in excess of the amount by which the total price at which the Directed Shares distributed to the public were offered to the public exceeds the amount of any damages that such Morgan Stanley Entity has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The remedies provided for in this Section 9(h) are not exclusive and shall not limit any rights or remedies which may otherwise be available to any indemnified party at law or in equity.

(iv) The indemnity and contribution provisions contained in this Section 9(h) shall remain operative and in full force and effect regardless of (x) any termination of this Agreement, (y) any investigation made by or on behalf of any Morgan Stanley Entity or the Company, its officers or directors or any person controlling the Company and (z) acceptance of and payment for any of the Directed Shares.

10. Effectiveness of Agreement. This Agreement shall become effective as of the date first written above.

11. Termination. This Agreement may be terminated in the absolute discretion of the Representatives, by written notice to the Company and the Selling Stockholder, if after the execution and delivery of this Agreement and on or prior to the Closing Date or, in the case of the Option Shares, prior to the Additional Closing Date (i) trading generally shall have been suspended or materially limited on or by any of the New York Stock Exchange or The Nasdaq Stock Market; (ii) trading of any securities issued or guaranteed by the Company shall have been suspended on any exchange or in any over-the-counter market; (iii) a general moratorium on commercial banking activities shall have been declared by federal or New York State authorities; or (iv) there shall have occurred any outbreak or escalation of hostilities or any change in financial markets or any calamity or crisis, either within or outside the United States, that, in the judgment of the Representatives, is material and adverse and makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the Shares on the Closing Date or the

Additional Closing Date, as the case may be, on the terms and in the manner contemplated by this Agreement, the Pricing Disclosure Package and the Prospectus.

12. Defaulting Underwriter.

(a) If, on the Closing Date or the Additional Closing Date, as the case may be, any Underwriter defaults on its obligation to purchase the Shares that it has agreed to purchase hereunder on such date, the non-defaulting Underwriters may in their discretion arrange for the purchase of such Shares by other persons satisfactory to the Company and the Selling Stockholder on the terms contained in this Agreement. If, within 36 hours after any such default by any Underwriter, the non-defaulting Underwriters do not arrange for the purchase of such Shares, then the Company and the Selling Stockholder shall be entitled to a further period of 36 hours within which to procure other persons satisfactory to the non-defaulting Underwriters to purchase such Shares on such terms. If other persons become obligated or agree to purchase the Shares of a defaulting Underwriter, either the non-defaulting Underwriters or the Company and the Selling Stockholder may postpone the Closing Date or the Additional Closing Date, as the case may be, for up to five full business days in order to effect any changes that in the opinion of counsel for the Company, counsel for the Selling Stockholder or counsel for the Underwriters may be necessary in the Registration Statement and the Prospectus or in any other document or arrangement, and the Company agrees to promptly prepare any amendment or supplement to the Registration Statement and the Prospectus that effects any such changes. As used in this Agreement, the term "Underwriter" includes, for all purposes of this Agreement unless the context otherwise requires, any person not listed in Schedule 1 hereto that, pursuant to this Section 12, purchases Shares that a defaulting Underwriter agreed but failed to purchase.

(b) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by the non-defaulting Underwriters, the Company and the Selling Stockholder as provided in paragraph (a) above, the aggregate number of Shares that remain unpurchased on the Closing Date or the Additional Closing Date, as the case may be, does not exceed one-eleventh of the aggregate number of Shares to be purchased on such date, then the Company and the Selling Stockholder shall have the right to require each non-defaulting Underwriter to purchase the number of Shares that such Underwriter agreed to purchase hereunder on such date plus such Underwriter's pro rata share (based on the number of Shares that such Underwriter agreed to purchase on such date) of the Shares of such defaulting Underwriter or Underwriters for which such arrangements have not been made.

(c) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by the non-defaulting Underwriters, the Company and the Selling Stockholder as provided in paragraph (a) above, the aggregate number of Shares that remain unpurchased on the Closing Date or the Additional Closing Date, as the case may be, exceeds one-eleventh of the aggregate amount of Shares to be purchased on such date, or if the Company and the Selling Stockholder shall not exercise the right described in paragraph (b) above, then this Agreement or, with respect to any Additional Closing Date, the obligation of the Underwriters to purchase Shares on the Additional Closing Date, as the case may be, shall terminate without liability on the part of the non-defaulting Underwriters. Any termination of

this Agreement pursuant to this Section 12 shall be without liability on the part of the Company, except that the Company will continue to be liable for the payment of expenses as set forth in Section 13 hereof and except that the provisions of Section 9 hereof shall not terminate and shall remain in effect.

(d) Nothing contained herein shall relieve a defaulting Underwriter of any liability it may have to the Company, the Selling Stockholder or any non-defaulting Underwriter for damages caused by its default.

13. Payment of Expenses.

(a) Whether or not the transactions contemplated by this Agreement are consummated or this Agreement is terminated, the Company will pay or cause to be paid all costs and expenses incident to the performance of its obligations hereunder, including without limitation, (i) the costs incident to the authorization, issuance, sale, preparation and delivery of the Shares and any taxes payable in that connection; (ii) the costs incident to the preparation, printing and filing under the Securities Act of the Registration Statement, the Preliminary Prospectus, any Issuer Free Writing Prospectus, any Pricing Disclosure Package and the Prospectus (including all exhibits, amendments and supplements thereto) and the distribution thereof; (iii) the fees and expenses of the Company's counsel and independent accountants; (iv) the fees and expenses incurred in connection with the registration or qualification and determination of eligibility for investment of the Shares under the laws of such jurisdictions as the Representatives may designate and the preparation, printing and distribution of a Blue Sky Memorandum (including the related reasonable fees and expenses of counsel for the Underwriters, which shall not exceed $10,000); (v) the cost of preparing stock certificates; (vi) the costs and charges of any transfer agent and any registrar; (vii) all reasonable expenses and application fees incurred in connection with any filing with, and clearance of the offering by, FINRA (including the fees and expenses of Evercore Group L.L.C. acting as the QIU) provided that disbursements of counsel for the Underwriters pursuant to this clause (vii) shall not exceed $45,000; (viii) all expenses incurred by the Company in connection with any "road show" presentation to potential investors, *provided* that fifty percent (50%) of the cost of any chartered aircraft or other means of transportation chartered in connection with the road show will be paid by the Underwriters; (ix) all expenses and application fees related to the listing of the Shares on the Exchange and (x) all fees and disbursements of counsel incurred by the Underwriters in connection with the Directed Share Program and stamp duties, similar taxes or duties or other taxes, if any, incurred by the Underwriters in connection with the Directed Share Program.

(b) If (i) this Agreement is terminated pursuant to clause (ii) of Section 11, (ii) the Company or the Selling Stockholder for any reason fail to tender the Shares for delivery to the Underwriters or (iii) the Underwriters decline to purchase the Shares for any reason permitted under this Agreement, the Company agrees to reimburse the Underwriters for all reasonable and documented out-of-pocket costs and expenses (including the reasonable and documented fees and expenses of their counsel) reasonably incurred by the Underwriters in connection with this Agreement and the offering contemplated hereby, *provided* that in the case of a termination

pursuant to Section 12 hereto, the Company shall only reimburse the non-defaulting Underwriters.

14. Persons Entitled to Benefit of Agreement. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers and directors and any controlling persons referred to herein, and the affiliates of each Underwriter referred to in Section 9 hereof. Nothing in this Agreement is intended or shall be construed to give any other person any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein. No purchaser of Shares from any Underwriter shall be deemed to be a successor merely by reason of such purchase.

15. Survival. The respective indemnities, rights of contribution, representations, warranties and agreements of the Company, the Selling Stockholder and the Underwriters contained in this Agreement or made by or on behalf of the Company, the Selling Stockholder or the Underwriters pursuant to this Agreement or any certificate delivered pursuant hereto shall survive the delivery of and payment for the Shares and shall remain in full force and effect, regardless of any termination of this Agreement or any investigation made by or on behalf of the Company, the Selling Stockholder or the Underwriters or the directors, officers, controlling persons or affiliates referred to in Section 9 hereof.

16. Certain Defined Terms. For purposes of this Agreement, (a) except where otherwise expressly provided, the term "affiliate" has the meaning set forth in Rule 405 under the Securities Act; (b) the term "business day" means any day other than a day on which banks are permitted or required to be closed in New York City; and (c) the term "subsidiary" has the meaning set forth in Rule 405 under the Securities Act.

17. Compliance with USA Patriot Act. In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company and the Selling Stockholder, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

18. Miscellaneous.

(a) *Notices.* All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted and confirmed by any standard form of telecommunication. Notices to the Underwriters shall be given to the Representatives c/o J.P. Morgan Securities LLC, 270 Park Avenue, New York, New York 10017 (fax: (212) 622-8358), Attention Equity Syndicate Desk; c/o Morgan Stanley & Co. LLC, 1585 Broadway, New York, New York 10036, Attention: Equity Syndicate Desk, with a copy to the Legal Department; c/o RBC Capital Markets, LLC, 200 Vesey Street, 8th Floor, New York, New York 10281, Attention: Equity Capital Markets; or UBS Securities LLC, 11 Madison Avenue, New York, New York 10010, Attention: Equity Syndicate. Notices to the Company shall be given to it at Bob's Discount Furniture, Inc., 434 Tolland Turnpike, Manchester, CT 06042; Attention:

Chief Legal Officer (legal@mybobs.com). Notices to the Selling Stockholder shall be given to it at BCPE BDF Investor, LP, 200 Clarendon Street, Boston, MA 02116; Attention: Jennifer Davis.

(b) *Governing Law.* This Agreement and any claim, controversy or dispute arising under or related to this Agreement shall be governed by and construed in accordance with the laws of the State of New York.

(c) *Submission to Jurisdiction*. Each of the Company and the Selling Stockholder hereby submit to the exclusive jurisdiction of the U.S. federal and New York state courts in the Borough of Manhattan in The City of New York in any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby. Each of the Company and the Selling Stockholder waive any objection which it may now or hereafter have to the laying of venue of any such suit or proceeding in such courts. Each of the Company and the Selling Stockholder agree that final judgment in any such suit, action or proceeding brought in such court shall be conclusive and binding upon the Company and the Selling Stockholder, as applicable, and may be enforced in any court to the jurisdiction of which Company is subject by a suit upon such judgment.

(d) *Waiver of Jury Trial.* Each of the parties hereto hereby waives any right to trial by jury in any suit or proceeding arising out of or relating to this Agreement.

(e) *Recognition of the U.S. Special Resolution Regimes*.

(i) In the event that any Underwriter that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from such Underwriter of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

(ii) In the event that any Underwriter that is a Covered Entity or a BHC Act Affiliate of such Underwriter becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Underwriter are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

As used in this Section 18(e):

"BHC Act Affiliate" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).

"Covered Entity" means any of the following:

(i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);

(ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"U.S. Special Resolution Regime" means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

(f) *Counterparts.* This Agreement may be signed in counterparts (which may include counterparts delivered by any standard form of telecommunication), each of which shall be an original and all of which together shall constitute one and the same instrument. The words "execution," "signed," "signature," "delivery" and words of like import in or relating to this Agreement or any document to be signed in connection with this Agreement shall be deemed to include electronic signatures, deliveries 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, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, and the parties hereto consent to conduct the transactions contemplated hereunder by electronic means.

(g) Amendments or Waivers. No amendment or waiver of any provision of this Agreement, nor any consent or approval to any departure therefrom, shall in any event be effective unless the same shall be in writing and signed by the parties hereto.

(h) Headings. The headings herein are included for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Agreement.

[*Signature Pages Follow*]

If the foregoing is in accordance with your understanding, please indicate your acceptance of this Agreement by signing in the space provided below.

Very truly yours,

BOB'S DISCOUNT FURNITURE, INC.

By: _____
Name:
Title:

BCPE BDF INVESTOR, LP

By: BCPE BDF GP, LLC
Its: General Partner

By: _____
Name:
Title:

Accepted: As of the date first written above

J.P. MORGAN SECURITIES LLC
MORGAN STANLEY & CO. LLC
RBC CAPITAL MARKETS, LLC
UBS SECURITIES LLC

For themselves and on behalf of the
several Underwriters listed
in Schedule 1 hereto.

J.P. MORGAN SECURITIES LLC

By: _____
Name:
Title:

MORGAN STANLEY & CO. LLC

By: _____
Name:
Title:

RBC CAPITAL MARKETS, LLC

By: _____
Name:
Title:

UBS SECURITIES LLC

By: _____
Name:
Title:

Schedule 1

Underwriter	Number of Shares
J.P. Morgan Securities LLC	[ò]
Morgan Stanley & Co. LLC	[ò]
RBC Capital Markets, LLC	[ò]
UBS Securities LLC	[ò]
BofA Securities, Inc.	[ò]
Evercore Group L.L.C.	[ò]
Goldman Sachs & Co. LLC	[ò]
Robert W. Baird & Co. Incorporated	[ò]
KeyBanc Capital Markets Inc.	[ò]
Raymond James & Associates, Inc.	[ò]
AmeriVet Securities, Inc.	[ò]
Loop Capital Markets LLC	[ò]
R. Seelaus & Co., LLC	[ò]
Samuel Ramirez & Company, Inc.	[ò]
Total	

Schedule 2

Subsidiaries

Name of Subsidiary	Jurisdiction	Ownership Interest
BDF Intermediate, LLC	Delaware	100%
BDF Acquisition Corp	Delaware	100%
Bob’s Discount Furniture, LLC	Massachusetts	100%

a. **Pricing Disclosure Package**

[None.]

b. **Pricing Information**

Number of Underwritten Shares: [ò]

Number of Option Shares: [ò]

Public Offering Price: $[ò] per Share

Written Testing-the-Waters Communications

Testing-the-Waters Investor Presentation, dated [Month Year]

Testing-the-Waters Investor Presentation, dated [Month Year]

Testing-the-Waters Investor Presentation, dated [Month Year]

Annex C

Bob’s Discount Furniture, Inc.

Pricing Term Sheet

[None.]

Exhibit A

Form of Lock-Up Agreement

[ò], 2026

J.P. MORGAN SECURITIES LLC
MORGAN STANLEY & CO. LLC
RBC CAPITAL MARKETS, LLC
UBS SECURITIES LLC

As Representatives of
the several Underwriters listed in
Schedule 1 to the Underwriting
Agreement referred to below

c/o J.P. Morgan Securities LLC
270 Park Avenue
New York, NY 10179

c/o Morgan Stanley & Co. LLC
1585 Broadway
New York, New York 10036

c/o RBC Capital Markets, LLC
200 Vesey Street, 8th Floor
New York, New York 10281

c/o UBS Securities LLC
11 Madison Avenue
New York, New York 10010

Re: Bob's Discount Furniture, Inc.—Initial Public Offering

Ladies and Gentlemen:

The undersigned understands that you, as Representatives of the several Underwriters, propose to enter into an underwriting agreement (the "Underwriting Agreement") with Bob's Discount Furniture, Inc., a Delaware corporation (the "Company") and BCPE BDF Investor, LP (the "Selling Stockholder"), providing for the initial public offering (the "Public Offering") by the several Underwriters named in Schedule 1 to the Underwriting Agreement (the "Underwriters"), of common stock, par value $0.0001 per share (the "Common Stock"), of the Company (the "Securities"). Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Underwriting Agreement.

In consideration of the Underwriters' agreement to purchase and make the Public Offering of the Securities, and for other good and valuable consideration receipt of which is hereby acknowledged, the undersigned hereby agrees that, without the prior written consent of any two of the Representatives, the undersigned will not, and will not cause any direct or indirect affiliate to, during the period beginning on the date of this letter agreement (this "Letter Agreement") and ending at the close of business 180 days after the date of the final prospectus relating to the Public Offering (the "Prospectus") (such period, the "Restricted Period"), (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock (including without limitation, Common Stock or such other securities which may be deemed to be beneficially owned by the undersigned in accordance with the rules and regulations of the Securities and Exchange Commission and securities which may be issued upon exercise of a stock option or warrant) (collectively with the Common Stock, the "Lock-Up Securities"), (2) enter into any hedging, swap or other agreement or transaction that transfers, in whole or in part, any of the economic consequences of ownership of the Lock-Up Securities, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Lock-Up Securities, in cash or otherwise, (3) make any demand for or exercise any right with respect to the registration of any Lock-Up Securities, or (4) publicly disclose the intention to do any of the foregoing. The undersigned acknowledges and agrees that the foregoing precludes the undersigned from engaging in any hedging or other transactions or arrangements (including, without limitation, any short sale or the purchase or sale of, or entry into, any put or call option, or combination thereof, forward, swap or any other derivative transaction or instrument, however described or defined) designed or intended, or which would reasonably be expected to lead to or result in, a sale or disposition or transfer (whether by the undersigned or any other person) of any economic consequences of ownership, in whole or in part, directly or indirectly, of any Lock-Up Securities, whether any such transaction or arrangement (or instrument provided for thereunder) would be settled by delivery of Lock-Up Securities, in cash or otherwise. The undersigned further confirms that it has furnished the Representatives with the details of any transaction the undersigned, or any of its affiliates, is a party to as of the date hereof, which transaction would have been restricted by this Letter Agreement if it had been entered into by the undersigned during the Restricted Period.

Notwithstanding the foregoing, the undersigned may:

(a) transfer, distribute, cause the disposition of or surrender (as the case may be) the undersigned's Lock-Up Securities:

(i) as a bona fide gift or gifts, including, without limitation, to a charitable organization or educational institution, or for bona fide estate planning purposes,

(ii) by will, testamentary document or intestacy,

(iii) to any immediate family member or to any trust for the direct or indirect benefit of the undersigned or the immediate family of the undersigned, or if the undersigned is a trust, to a trustor or beneficiary of the trust or to the estate of a beneficiary of such trust (for purposes of

this Letter Agreement, "immediate family" shall mean any relationship by blood, current or former marriage, domestic partnership or adoption, not more remote than first cousin),

(iv) to a corporation, trust, partnership, limited liability company or other entity of which the undersigned and/or one or more members of the immediate family of the undersigned are, directly or indirectly, the legal and beneficial owner of all of the outstanding equity securities or similar interests,

(v) to a nominee or custodian of a person or entity to whom a disposition or transfer would be permissible under clauses (i) through (iv) above,

(vi) if the undersigned is a corporation, partnership, limited liability company, trust or other business entity, (A) to another corporation, partnership, limited liability company, trust or other business entity that is an affiliate (as defined in Rule 405 promulgated under the Securities Act of 1933, as amended) of the undersigned, or to any investment fund or other entity controlling, controlled by, managing or managed by or under common control with the undersigned or affiliates of the undersigned (including, for the avoidance of doubt, where the undersigned is a partnership, to its general partner or a successor partnership or fund, or any other funds managed by such partnership), or (B) as part of a distribution to members or other transfer or distribution to general or limited partners or shareholders of, or other holders of equity interest in, the undersigned,

(vii) by operation of law, such as pursuant to a qualified domestic order, divorce settlement, divorce decree or separation agreement,

(viii) to the Company from an employee of the Company upon death, disability or termination of employment, in each case, of such employee,

(ix) as part of a sale of the undersigned's Lock-Up Securities acquired in open market transactions after the closing date for the Public Offering,

(x) to the Company in connection with the vesting, settlement, or exercise of restricted stock units, options, warrants or other rights to purchase shares of Common Stock (including, in each case, by way of "net" or "cashless" exercise), including for the payment of exercise price and tax and remittance payments due as a result of the vesting, settlement, or exercise of such restricted stock units, options, warrants or rights, provided that any such shares of Common Stock received upon such exercise, vesting or settlement shall be subject to the terms of this Letter Agreement, and provided further that any such restricted stock units, options, warrants or rights are held by the undersigned pursuant to an agreement or equity awards granted under a stock incentive plan or other equity award plan, each such agreement or plan which is described in the Registration Statement, the Pricing Disclosure Package and the Prospectus,

(xi) in connection with any pledge, charge, hypothecation or other granting of a security interest in Lock-Up Securities held by BCPE BDF Investor, LP or its affiliates, including entities controlled by or affiliated with Bain Capital, L.P. (collectively, the "Bain Funds") (the "Pledged Securities") to one or more banks, financial or other lending institutions ("Lenders") as collateral

or security for or in connection with any margin loan or other loans, advances or extensions of credit entered into by the undersigned or any of its direct or indirect subsidiaries and any transfers of such Pledged Securities by Bain Funds to the applicable Lender(s) or other third parties upon or following foreclosure upon or enforcement of such Pledged Securities in accordance with the terms of the documentation governing any margin loan or other loan, advance, or extension of credit (including, without limitation, pursuant to any agreement or arrangement existing as of the date hereof); provided that with respect to any pledge, charge, hypothecation or other granting of a security interest set forth above after the execution of this agreement, the applicable Lender(s) shall be informed of the existence and contents of this agreement before entering into any margin loan or other loans, advances or extensions of credit,

(xii) as a bona fide gift or gifts, including, without limitation, to a charitable organization or educational institution, by Bain Funds, either directly or indirectly (including through any related distributions or dividends to the direct or indirect equity holders of the Bain Funds or to managing directors of Bain Capital Investors, LLC, in each case as necessary to facilitate any such bona fide gifts), or

(xiii) pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction that is approved by the Board of Directors of the Company and made to all holders of the Company's capital stock involving a Change of Control (as defined below) of the Company (for purposes hereof, "Change of Control" shall mean the transfer (whether by tender offer, merger, consolidation or other similar transaction), in one transaction or a series of related transactions, to a person or group of affiliated persons, of shares of capital stock if, after such transfer, such person or group of affiliated persons would hold at least a majority of the outstanding voting securities of the Company (or the surviving entity)); provided that in the event that such tender offer, merger, consolidation or other similar transaction is not completed, the undersigned's Lock-Up Securities shall remain subject to the provisions of this Letter Agreement,

provided that (A) in the case of any transfer or distribution pursuant to clause (a)(i), (ii), (iii), (iv), (v), (vi) and (vii), such transfer shall not involve a disposition for value and each donee, devisee, transferee or distributee shall execute and deliver to the Representatives a lock-up letter in the form of this Letter Agreement, (B) in the case of any transfer or distribution pursuant to clause (a) (i), (ii), (iii), (iv), (v), (vi), (ix) and (x), no filing by any party (donor, donee, devisee, transferor, transferee, distributer or distributee) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or other public announcement shall be required or shall be made voluntarily in connection with such transfer or distribution (other than a filing on a Form 5 made after the expiration of the Restricted Period referred to above, any required filing on Schedule 13 and any required Form 4 filing as a result of such transfer or disposition) and (C) in the case of any transfer or distribution pursuant to clause (a)(vii) and (viii) it shall be a condition to such transfer that no public filing, report or announcement shall be voluntarily made and if any filing under Section 16(a) of the Exchange Act, or other public filing, report or announcement reporting a reduction in beneficial ownership of shares of Common Stock in connection with such transfer or distribution shall be legally required during the Restricted Period, such filing,

report or announcement shall clearly indicate in the footnotes thereto the nature and conditions of such transfer.

(b) exercise outstanding options, settle restricted stock units or other equity awards or exercise warrants pursuant to plans or other equity compensation arrangements described in the Registration Statement, the Pricing Disclosure Package and the Prospectus; provided that any Lock-up Securities received upon such exercise, vesting or settlement shall be subject to the terms of this Letter Agreement;

(c) convert outstanding preferred stock, warrants to acquire preferred stock or convertible securities into shares of Common Stock or warrants to acquire shares of Common Stock; provided that any such shares of Common Stock or warrants received upon such conversion shall be subject to the terms of this Letter Agreement;

(d) establish or modify trading plans pursuant to Rule 10b5-1 under the Exchange Act for the transfer or disposition of shares of Lock-Up Securities; provided that (1) such plans do not provide for the transfer or disposition of Lock-Up Securities during the Restricted Period and (2) no filing by any party under the Exchange Act or other public announcement shall be required or made voluntarily in connection with such trading plan; and

(e) sell the Securities to be sold by the undersigned pursuant to the terms of the Underwriting Agreement.

If the undersigned is not a natural person, the undersigned represents and warrants that no single natural person, entity or "group" (within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) beneficially owns, directly or indirectly, 50% or more of the common equity interests, or 50% or more of the voting power, in the undersigned.

If the undersigned is an officer or director of the Company, the undersigned further agrees that the foregoing provisions shall be equally applicable to any Company-directed Securities the undersigned may purchase in the Public Offering.

If the undersigned is an officer or director of the Company, (i) the Representatives on behalf of the Underwriters agree that, at least three business days before the effective date of any release or waiver of the foregoing restrictions in connection with a transfer of shares of Lock-Up Securities, the Representatives on behalf of the Underwriters will notify the Company of the impending release or waiver; provided, that the failure to give such notice shall not give rise to any claim or liability against the Underwriters, and (ii) the Company has agreed in the Underwriting Agreement to announce the impending release or waiver through a major news service at least two business days before the effective date of the release or waiver. Any release or waiver granted by the Representatives on behalf of the Underwriters hereunder to any such officer or director shall only be effective two business days after the publication date of such announcement. The provisions of this paragraph will not apply if (a) the release or waiver is effected solely to permit a transfer not for consideration or that is to an immediate family member as defined in FINRA Rule 5130(i)(5) and (b) the transferee has agreed in writing to be

bound by the same terms described in this Letter Agreement to the extent and for the duration that such terms remain in effect at the time of the transfer.

In furtherance of the foregoing, the Company, and any duly appointed transfer agent for the registration or transfer of the securities described herein, are hereby authorized to decline to make any transfer of securities if such transfer would constitute a violation or breach of this Letter Agreement.

The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this Letter Agreement. All authority herein conferred or agreed to be conferred and any obligations of the undersigned shall be binding upon the successors, assigns, heirs or personal representatives of the undersigned.

The undersigned acknowledges and agrees that the Underwriters have not provided any recommendation or investment advice nor have the Underwriters solicited any action from the undersigned with respect to the Public Offering of the Securities and the undersigned has consulted their own legal, accounting, financial, regulatory and tax advisors to the extent deemed appropriate. The undersigned further acknowledges and agrees that, although the Representatives may be required or choose to provide certain Regulation Best Interest and Form CRS disclosures to you in connection with the Public Offering, the Representatives and the other Underwriters are not making a recommendation to you to enter into this Letter Agreement, participate in the Public Offering, or sell any Securities at the price determined in the Public Offering, and nothing set forth in such disclosures is intended to suggest that the Representatives or any Underwriter is making such a recommendation.

The undersigned understands that this Letter Agreement and all related restrictions and obligations shall automatically terminate upon the earliest to occur, if any, of (a) the Representatives, on the one hand, or the Company, on the other hand, advising the other in writing prior to the execution of the Underwriting Agreement that the Representatives have or the Company has determined not to proceed with the Public Offering contemplated by the Underwriting Agreement, (b) April 30, 2026, if the Underwriting Agreement does not become effective by that date (provided, however, that the undersigned agrees that this Letter Agreement shall be automatically extended by three months if the Company provides written notice to the undersigned that the Company is still pursuing the Public Offering contemplated by the Underwriting Agreement), (c) the termination of the Underwriting Agreement (other than the provisions thereof which survive termination) prior to payment for and delivery of the Common Stock to be sold thereunder, or (d) the Registration Statement with respect to the Public Offering contemplated by the Underwriting Agreement is withdrawn prior to the execution of the Underwriting Agreement. The undersigned understands that the Underwriters are entering into the Underwriting Agreement and proceeding with the Public Offering in reliance upon this Letter Agreement.

This Letter Agreement and any claim, controversy or dispute arising under or related to this Letter Agreement shall be governed by and construed in accordance with the laws of the State of New York.

[*Signature Page Follows*]

Very truly yours,

_____

Name of Security Holder (*Print exact name*)

By: _____

Signature

If not signing in an individual capacity:

_____

Name of Authorized Signatory (*Print*)

_____

Title of Authorized Signatory (*Print*)

(*indicate capacity of person signing if signing as custodian, trustee, or on behalf of an entity*)

Exhibit B

Form of Waiver Of Lock-Up

J.P. MORGAN SECURITIES LLC
MORGAN STANLEY & CO. LLC
RBC CAPITAL MARKETS, LLC
UBS SECURITIES LLC

Bob's Discount Furniture, Inc.
Public Offering of Common Stock

[Date]

[Name and Address of
Officer or Director
Requesting Waiver]

Dear Mr./Ms. [Name]:

This letter is being delivered to you in connection with the offering by Bob's Discount Furniture, Inc. (the "Company") of _____ shares of common stock, $0.0001 par value (the "Common Stock"), of the Company and the lock-up letter dated [ò], 20[ò] (the "Lock-up Letter"), executed by you in connection with such offering, and your request for a [waiver] [release] dated [ò], 20[ò], with respect to shares of Common Stock (the "Shares").

_____ and _____ hereby agree to [waive] [release] the transfer restrictions set forth in the Lock-up Letter, but only with respect to the Shares, effective _____, 2026; provided, however, that such [waiver] [release] is conditioned on the Company announcing the impending [waiver] [release] by press release through a major news service at least two business days before effectiveness of such [waiver] [release]. This letter will serve as notice to the Company of the impending [waiver] [release].

Except as expressly [waived] [released] hereby, the Lock-up Letter shall remain in full force and effect.

[*Signature Page Follows*]

Yours very truly,

[Representative]

By: _____
Authorized Signatory

[Representative]

By: _____
Authorized Signatory

cc: Company

Exhibit C

Form of Press Release

Bob's Discount Furniture, Inc.
[Date]

Bob's Discount Furniture, Inc. ("Company") announced today that [Representative] and [Representative], underwriters in the Company's recent public sale of shares of common stock, are [waiving] [releasing] a lock-up restriction with respect to shares of the Company's common stock held by [certain officers or directors] [an officer or director] of the Company. The [waiver] [release] will take effect on , 2026, and the shares may be sold on or after such date.

This press release is not an offer for sale of the securities in the United States or in any other jurisdiction where such offer is prohibited, and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended.

Exhibit D

Authorization Letter

(to be delivered by the issuer to the Underwriters in email or letter form)

In reliance on Rule 163B under the Securities Act of 1933, as amended (the "Act"), Bob's Discount Furniture, Inc. (the "Issuer") hereby authorizes J.P. Morgan Securities LLC ("J.P. Morgan") and its affiliates and their respective employees and Morgan Stanley & Co. LLC ("Morgan Stanley" and, together with J.P. Morgan, the "Underwriters") and its affiliates and their respective employees to engage on behalf of the Issuer in oral and written communications with potential investors that are reasonably believed to be "qualified institutional buyers", as defined in Rule 144A under the Act, or institutions that are "accredited investors", within the meaning of Rule 501(a)(1), (a)(2), (a)(3), (a)(7), (a)(8), (a)(9), (a)(12) or (a)(13) of Regulation D under the Act, to determine whether such investors might have an interest in the Issuer's contemplated initial public offering ("Testing-the-Waters Communications") in the United States.

A "Written Testing-the-Waters Communication" means any Testing-the-Waters Communication that is a written communication within the meaning of Rule 405 under the Act. Each of the Underwriters, individually and not jointly, and the Issuer agrees that it shall not distribute any Written Testing-the-Waters Communication to any prospective investor that has not been approved by the Underwriters and the Issuer; provided, however, that no such approval shall be required for any written communication that is administrative in nature (i.e., scheduling meetings) or that solely contains information already contained in a communication previously approved by the Issuer. The Issuer has advised the Underwriters that it does not intend to provide or authorize any written communications to potential investors other than communications that are solely administrative in nature.

The Issuer represents that (i) except as disclosed to the Underwriters, it has not alone engaged in any Testing-the-Waters Communication and (ii) it has not authorized anyone other than the Underwriters to engage in Testing-the-Waters Communications. The Issuer agrees that it shall not authorize any other third party to engage on its behalf in oral or written communications with potential investors without the written consent of the Underwriters.

If at any time following the distribution of any Written Testing-the-Waters Communication (until the end of the prospectus delivery period) there occurs an event or development as a result of which such Written Testing-the-Waters Communication included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at that subsequent time, not misleading, the Issuer will promptly notify the Underwriters and will promptly amend or supplement, at its own expense, such Written Testing-the-Waters Communication to eliminate or correct such untrue statement or omission. Notwithstanding the foregoing, the Issuer will not be required to amend or supplement the Written Testing-the-Waters Communication with respect to prior recipients to the extent that a copy of the preliminary prospectus relating to the public offering, which eliminates or corrects such untrue statement or omission, is sent to the recipient

of such Written Testing- the-Waters Communication once available and any material changes between the preliminary prospectus and such Written Testing-the-Waters Communication are communicated to such recipient.

Nothing in this authorization is intended to limit or otherwise affect the ability of the Underwriters and their affiliates and their respective employees to engage in communications in which they could otherwise lawfully engage in the absence of this authorization, including, without limitation, any written communication containing only one or more of the statements specified under Rule 134(a) under the Act. This authorization shall remain in effect until the Issuer has provided to the Underwriters a written notice revoking this authorization. All notices as described herein shall be sent by email to the attention of Brittany Collier at Brittany.A.Collier@jpmorgan.com and Jon Sierant at Jon.Sierant@morganstanley.com.

SECOND RESTATED CERTIFICATE OF INCORPORATION

OF

BOB'S DISCOUNT FURNITURE, INC.

Bob's Discount Furniture, Inc., a Delaware corporation (the "Corporation"), hereby certifies that this Second Restated Certificate of Incorporation has been duly adopted in accordance with Sections 242 and 245 of the General Corporation Law of the State of Delaware (the "DGCL"), and that:

A. The name of the Corporation is: Bob's Discount Furniture, Inc.

B. The original Certificate of Incorporation of the Corporation was filed with the Secretary of State of the State of Delaware on December 20, 2013 and was amended and restated on February 11, 2014 and amended on October 13, 2025 and January 22, 2026 (as so amended and restated, the "Original Certificate of Incorporation").

C. This Second Restated Certificate of Incorporation amends and restates the Original Certificate of Incorporation.

D. The Certificate of Incorporation upon the filing of this Second Restated Certificate of Incorporation, shall read as follows:

ARTICLE I -- NAME

The name of the corporation is Bob's Discount Furniture, Inc. (the "Corporation").

ARTICLE II -- REGISTERED OFFICE AND AGENT

The address of the Corporation's registered office in the State of Delaware is 1209 Orange Street, Wilmington, New Castle County, DE 19801. The name of the Corporation's registered agent at such address is The Corporation Trust Company.

ARTICLE III -- PURPOSE

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware (the "DGCL").

ARTICLE IV -- CAPITALIZATION

(a) Authorized Shares. The total number of shares of stock which the Corporation shall have authority to issue is 450,000,000shares of stock, consisting of (i) 445,000,000 shares of Common Stock, par value $0.0001 per share ("Common Stock"), and (ii) 5,000,000shares of Preferred Stock, par value $0.01 per share ("Preferred Stock"). Such stock may be issued from

time to time by the Corporation for such consideration as may be fixed by the board of directors of the Corporation (the "Board of Directors").

(b) Common Stock. Subject to the powers, preferences and rights of any Preferred Stock, including any series thereof, having any preference or priority over, or rights superior to, the Common Stock and except as otherwise provided by law and this Article IV, the holders of the Common Stock shall have and possess all powers and voting and other rights pertaining to the stock of the Corporation.

(i) *Voting*. Each holder of shares of Common Stock, as such, shall be entitled to one vote for each share of Common Stock held of record by such holder on all matters on which stockholders generally are entitled to vote; provided, that, except as otherwise required by law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to this Second Restated Certificate of Incorporation (including, but not limited to, any certificate of designations relating to any series of Preferred Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to this Second Restated Certificate of Incorporation (including, but not limited to, any certificate of designations relating to any series of Preferred Stock) or pursuant to the DGCL. There shall be no cumulative voting.

(ii) *Dividends*. Dividends may be declared and paid on the Common Stock from funds lawfully available therefor as and when determined by the Board of Directors and subject to any preferential dividend rights of any then outstanding Preferred Stock. Except as otherwise provided by the DGCL or this Second Restated Certificate of Incorporation, the holders of record of Common Stock shall share ratably in all dividends payable in cash, stock or otherwise and other distributions, whether in respect of liquidation or dissolution (voluntary or involuntary) or otherwise.

(iii) *No Preemptive Rights*. The holders of the Common Stock shall have no preemptive rights to subscribe for any shares of any class of stock of the Corporation whether now or hereafter authorized.

(iv) *No Conversion Rights*. The Common Stock shall not be convertible into, or exchangeable for, shares of any other class or classes or of any other series of the same class of the Corporation's capital stock.

(v) *Liquidation Rights*. Upon the dissolution or liquidation of the Corporation, whether voluntary or involuntary, holders of Common Stock will be entitled to receive all assets of the Corporation available for distribution to its stockholders, subject to any preferential rights of any then outstanding Preferred Stock. A merger or consolidation of the Corporation with or into any other corporation or other entity or a sale or conveyance of all or any part of the assets of the Corporation, in any such case which shall not in fact result in the liquidation of the Corporation and the distribution of assets to its stockholders, shall not be deemed to be a voluntary or involuntary liquidation

or dissolution or winding up of the Corporation within the meaning of this Article IV(b)(v).

(c) Preferred Stock. Shares of Preferred Stock may be issued in one or more series, from time to time, with each such series to consist of such number of shares and to have such voting powers relative to other classes or series of Preferred Stock, if any, or Common Stock, full or limited or no voting powers, and such designations, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, as shall be stated in the resolution or resolutions providing for the issuance of such series adopted by the Board of Directors, and the Board of Directors is hereby expressly vested with the authority, to the full extent now or hereafter provided by applicable law, to adopt any such resolution or resolutions. Except as otherwise provided in this Second Restated Certificate of Incorporation, no vote of the holders of the Preferred Stock or Common Stock shall be a prerequisite to the designation or issuance of any shares of any series of the Preferred Stock authorized by and complying with the conditions of this Second Restated Certificate of Incorporation, the right to have such vote being expressly waived by all present and future holders of the capital stock of the Corporation. Any shares of Preferred Stock that are redeemed, purchased or acquired by the Corporation shall be returned to the authorized but undesignated shares of Preferred Stock and may be reissued except as otherwise provided by law or this Second Restated Certificate of Incorporation. Different series of Preferred Stock shall not be construed to constitute different classes of shares for the purposes of voting by classes unless expressly provided in the resolution or resolutions providing for the issue of such series adopted by the Board of Directors.

(d) No Class Vote on Changes in Authorized Number of Shares of Preferred Stock. Subject to the special rights of the holders of any series or class of stock pursuant to the terms of this Second Restated Certificate of Incorporation, any certificate of designations or any resolution or resolutions providing for the issuance of such series of stock adopted by the Board of Directors, the number of authorized shares of a class of stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, irrespective of the provisions of Section 242(b)(2) of the DGCL.

ARTICLE V -- BOARD OF DIRECTORS

(a) Election and Number of Directors; Vacancies and Newly Created Directorships. The holders of record of the shares of Common Stock and of any other class or series of voting stock entitled to vote generally in the election of directors, voting together as a single class, shall be entitled to elect the directors of the Corporation. The number of directors constituting the Board of Directors shall be not fewer than three (3) and not more than fifteen (15), each of whom shall be a natural person. All elections of directors shall be determined by a plurality of the votes cast. Subject to the foregoing, the precise number of directors shall be fixed from time to time exclusively pursuant to a resolution adopted by the Board of Directors. Vacancies and newly-created directorships shall be filled exclusively by vote of a majority of the directors then in office, even if less than a quorum, or by a sole remaining director, except that any vacancy

created by the removal of a director by the stockholders for cause shall only be filled by vote of the holders of a majority of the voting power of all then outstanding shares of Common Stock. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director. A director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office, and a director chosen to fill a position resulting from an increase in the number of directors shall hold office until the next election of the class for which such director shall have been chosen, subject to the election and qualification of his or her successor and to his or her earlier death, resignation or removal. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors, but subject to the terms of any stockholder or similar agreement entered into by the Corporation.

(b) Classified Board of Directors. Subject to the special rights of the holders of any series of Preferred Stock to elect directors, the Board of Directors (other than those directors elected by the holders of any series of Preferred Stock) shall be classified into three classes: Class I; Class II; and Class III. Each class shall consist, as nearly equal in number as possible, of one-third of the total number of directors constituting the entire Board of Directors and the allocation of directors among the three classes shall be determined by the Board of Directors. The initial Class I Directors shall serve for a term expiring at the first annual meeting of stockholders of the Corporation following the filing of this Second Restated Certificate of Incorporation; the initial Class II Directors shall serve for a term expiring at the second annual meeting of stockholders following the filing of this Second Restated Certificate of Incorporation; and the initial Class III Directors shall serve for a term expiring at the third annual meeting of stockholders following the filing of this Second Restated Certificate of Incorporation. Each director in each class shall hold office until his or her successor is duly elected and qualified or until his or her earlier death, resignation or removal. At each annual meeting of stockholders beginning with the first annual meeting of stockholders following the filing of this Second Restated Certificate of Incorporation, the successors of the class of directors whose term expires at that meeting shall be elected to hold office for a term expiring at the annual meeting of stockholders to be held in the third year following the year of their election, with each director in each such class to hold office until his or her successor is duly elected and qualified or until his or her earlier death, resignation or removal. If the number of directors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of directors in each class as nearly equal in number as possible and such apportionment shall be determined by the Board of Directors.

(c) Removal. Subject to the special rights of the holders of any series of Preferred Stock to elect directors, the directors of the Corporation may be removed only for cause by the affirmative vote of the holders of a majority of the voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class. For the purpose of this Second Restated Certificate of Incorporation "beneficial ownership" shall be determined in accordance with Rule 13d-3 promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

ARTICLE VI -- LIMITED LIABILITY

To the fullest extent that the DGCL or any other law of the State of Delaware (as they exist on the date hereof or as they may hereafter be amended) permits the limitation or elimination of the liability of directors and officers, no director or officer of the Corporation shall be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director or officer. No amendment to, or modification or repeal of, this Article VI shall adversely affect any right or protection of a director or officer of the Corporation existing hereunder with respect to any state of facts existing or act or omission occurring, or any cause of action, suit or claim that, but for this Article VI, would accrue or arise, prior to such amendment, modification or repeal. If, after this Second Restated Certificate of Incorporation is filed with the Secretary of the State of Delaware, the DGCL or such other law is amended to authorize corporate action further eliminating or limiting the personal liability of directors or officers, then the liability of a director or officer of the Corporation shall be eliminated or limited to the fullest extent permitted by the DGCL or such other law, as so amended.

ARTICLE VII -- MEETINGS OF STOCKHOLDERS

(a) No Action by Written Consent. From and after the first date on which investment funds or other entities affiliated with Bain Capital, L.P. and each of their respective successors, Transferees and Affiliates (each a "Sponsor Entity," and collectively, the "Sponsor Entities") cease collectively to beneficially own (directly or indirectly) more than fifty percent (50%) of the outstanding shares of Common Stock (the "Trigger Date"), any action required or permitted to be taken by the stockholders of the Corporation may be effected only at a duly called annual or special meeting of stockholders of the Corporation and may not be effected by any consent in writing by such stockholders. "Affiliate" means, with respect to any Person, any other Person that controls, is controlled by, or is under common control with such Person; provided, however, that a portfolio company that a Sponsor Entity controls or that is controlled by or is under common control with a Sponsor Entity shall not be deemed to an "Affiliate" solely as a result thereof. The term "control," as used in the definition of "Affiliate," means the power to direct or cause the direction of the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and "controlled" and "controlling" have meanings correlative to the foregoing. "Person" means an individual, any general partnership, limited partnership, limited liability company, corporation, trust, business trust, joint stock company, joint venture, unincorporated association, cooperative or association or any other legal entity or organization of whatever nature, and shall include any successor (by merger or otherwise) of such entity. "Transferee" means any Person who (i) becomes a beneficial owner of Common Stock upon having purchased such shares of Common Stock from a Sponsor Entity and (ii) is designated in writing by the transferor as a "Transferee" and a copy of such writing is provided to the Corporation at or prior to the time of such purchase; provided, however, that a purchaser of Common Stock in a registered offering or in a transaction effected pursuant to Rule 144 under the Securities Act of 1933, as amended (the "Securities Act"), (or any similar or successor provision thereto) shall not be a "Transferee."

(b) Special Meetings of Stockholders. Subject to any special rights of the holders of any series of Preferred Stock, and to the requirements of applicable law, special meetings of stockholders of the Corporation may be called only (i) by or at the direction of the chairperson of the Board of Directors, (ii) by or at the direction of the Board of Directors pursuant to a written resolution adopted by a majority of the total number of directors which the Corporation would have if there were no vacancies, or (iii) prior to the Trigger Date, by the Secretary of the Corporation at the request of the holders of fifty percent (50%) or more of the outstanding shares of Common Stock. Any business transacted at any special meeting of stockholders shall be limited to matters relating to the purpose or purposes stated in the notice of meeting.

(c) Election of Directors by Written Ballot. Election of directors need not be by written ballot.

ARTICLE VIII -- AMENDMENTS TO THE BYLAWS AND THE CERTIFICATE OF INCORPORATION

(a) Bylaws. In furtherance and not in limitation of the powers conferred by law, the Board of Directors is expressly authorized to make, alter, amend or repeal the bylaws of the Corporation subject to the power of the stockholders of the Corporation entitled to vote with respect thereto to make, alter, amend or repeal the bylaws both before and after the Trigger Date; provided, that with respect to the powers of stockholders entitled to vote with respect thereto to make, alter, amend or repeal the bylaws, (i) prior to the Trigger Date, in addition to any other vote otherwise required by law, the affirmative vote of at least a majority of the voting power of the outstanding shares of capital stock of the Corporation entitled to vote with respect thereto, voting together as a single class, shall be required to make, alter, amend or repeal the bylaws of the Corporation and (ii) from and after the Trigger Date, in addition to any other vote otherwise required by law, the affirmative vote of the holders of at least seventy-five percent (75%) of the voting power of the outstanding shares of capital stock of the Corporation entitled to vote with respect thereto, voting together as a single class, shall be required to make, alter, amend or repeal the bylaws of the Corporation.

(b) Amendments to the Certificate of Incorporation. The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Second Restated Certificate of Incorporation both before and after the Trigger Date, in the manner now or hereafter prescribed by the DGCL, and all rights conferred upon stockholders herein are granted subject to this reservation. Notwithstanding anything to the contrary contained in this Second Restated Certificate of Incorporation, and notwithstanding that a lesser percentage may be permitted from time to time by applicable law, from and after the Trigger Date, no provision of Article V, Article VI, paragraphs (a) and (b) of Article VII, this Article VIII, Article IX, Article X and Article XI may be altered, amended or repealed in any respect, nor may any provision or bylaw inconsistent therewith be adopted, unless, in addition to any other vote required by this Second Restated Certificate of Incorporation or otherwise required by law, such alteration, amendment, repeal or adoption is approved (i) prior to the Trigger Date, by the affirmative vote of the holders of at least a majority of the voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a

single class, at a meeting of the stockholders called for that purpose and (ii) from and after the Trigger Date by the affirmative vote of the holders of at least seventy-five percent (75%) of the voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, at a meeting of the stockholders called for that purpose.

ARTICLE IX -- BUSINESS COMBINATIONS

(a) Opt Out of Section 203 of the DGCL. The Corporation shall not be governed by Section 203 of the DGCL.

(b) Limitations on Business Combinations. Notwithstanding the foregoing, the Corporation shall not engage in any business combination (as defined below), at any point in time at which the Corporation's Common Stock is registered under Section 12(b) or Section 12(g) of the Exchange Act, with any interested stockholder (as defined below) for a period of three (3) years following the time that such stockholder became an interested stockholder, unless:

(i) prior to such time, the Board of Directors approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;

(ii) upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least eighty-five percent (85%) of the voting stock (as defined below) of the Corporation outstanding at the time the transaction commenced, excluding for purposes of determining the voting stock outstanding (but not the outstanding voting stock owned by the interested stockholder) those shares owned by (i) persons who are directors of the Corporation and also officers of the Corporation or (ii) employee stock plans of the Corporation in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or

(iii) at or subsequent to such time, the business combination is approved by the Board of Directors and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least two-thirds of the outstanding voting stock of the Corporation which is not owned by the interested stockholder.

(c) Definitions. For purposes of this Article IX, references to:

(i) "affiliate" means, with respect to any person, any other person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such person.

(ii) "associate," when used to indicate a relationship with any person, means: (i) any corporation, partnership, unincorporated association or other entity of which such person is a director, officer or partner or is, directly or indirectly, the owner of twenty percent (20%) or more of any class of voting stock; (ii) any trust or other estate in which

such person has at least a twenty percent (20%) beneficial interest or as to which such person serves as trustee or in a similar fiduciary capacity; and (iii) any relative or spouse of such person, or any relative of such spouse, who has the same residence as such person.

(iii) "business combination," when used in reference to the Corporation and any interested stockholder of the Corporation, means:

(1) any merger or consolidation of the Corporation or any direct or indirect majority-owned subsidiary of the Corporation (a) with the interested stockholder, or (b) with any other corporation, partnership, unincorporated association or other entity if the merger or consolidation is caused by the interested stockholder and as a result of such merger or consolidation paragraph (b) of this Article IX is not applicable to the surviving entity;

(2) any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions), except proportionately as a stockholder of the Corporation, to or with the interested stockholder, whether as part of a dissolution or otherwise, of assets of the Corporation or of any direct or indirect majority-owned subsidiary of the Corporation which assets have an aggregate market value equal to ten percent (10%) or more of either the aggregate market value of all the assets of the Corporation determined on a consolidated basis or the aggregate market value of all the outstanding stock of the Corporation;

(3) any transaction which results in the issuance or transfer by the Corporation or by any direct or indirect majority-owned subsidiary of the Corporation of any stock of the Corporation or of such subsidiary to the interested stockholder, except: (a) pursuant to the exercise, exchange or conversion of securities exercisable for, exchangeable for or convertible into stock of the Corporation or any such subsidiary which securities were outstanding prior to the time that the interested stockholder became such; (b) pursuant to a merger under Section 251(g) or Section 253 of the DGCL; (c) pursuant to a dividend or distribution paid or made, or the exercise, exchange or conversion of securities exercisable for, exchangeable for or convertible into stock of the Corporation or any such subsidiary which security is distributed, pro rata to all holders of a class or series of stock of the Corporation subsequent to the time the interested stockholder became such; (d) pursuant to an exchange offer by the Corporation to purchase stock made on the same terms to all holders of such stock; or (e) any issuance or transfer of stock by the Corporation; provided, however, that in no case under clauses (c) through (e) of this subsection (3) shall there be an increase in the interested stockholder's proportionate share of the stock of any class or series of the Corporation or of the voting stock of the Corporation (except as a result of immaterial changes due to fractional share adjustments);

(4) any transaction involving the Corporation or any direct or indirect majority-owned subsidiary of the Corporation which has the effect, directly or indirectly, of increasing the proportionate share of the stock of any class or series, or securities convertible into the stock of any class or series, of the Corporation or of any such subsidiary which is owned by the interested stockholder, except as a result of immaterial changes due to fractional share adjustments or as a result of any purchase or redemption of any shares of stock not caused, directly or indirectly, by the interested stockholder; or

(5) any receipt by the interested stockholder of the benefit, directly or indirectly (except proportionately as a stockholder of the Corporation), of any loans, advances, guarantees, pledges, or other financial benefits (other than those expressly permitted in subsections (1) through (4) above) provided by or through the Corporation or any direct or indirect majority-owned subsidiary.

(iv) "control," including the terms "controlling," "controlled by" and "under common control with," means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting stock, by contract or otherwise. A person who is the record or beneficial owner of twenty percent (20%) or more of the outstanding voting stock of the Corporation, partnership, unincorporated association or other entity shall be presumed to have control of such entity, in the absence of proof by a preponderance of the evidence to the contrary. Notwithstanding the foregoing, a presumption of control shall not apply where such person holds voting stock, in good faith and not for the purpose of circumventing this Article IX, as an agent, bank, broker, nominee, custodian or trustee for one or more record or beneficial owners who do not individually or as a group have control of such person.

(v) "interested stockholder" means any person (other than the Corporation or any direct or indirect majority-owned subsidiary of the Corporation) that (i) is the owner of fifteen percent (15%) or more of the outstanding voting stock of the Corporation, or (ii) is an affiliate or associate of the Corporation and was the owner of fifteen percent (15%) or more of the outstanding voting stock of the Corporation at any time within the three (3) year period immediately prior to the date on which it is sought to be determined whether such person is an interested stockholder, and the affiliates and associates of such person; provided, however, that the term "interested stockholder" shall not include (a) the Sponsor Entities, (b) a stockholder that becomes an interested stockholder inadvertently and (i) as soon as practicable divests itself of ownership of sufficient shares so that such stockholder ceases to be an interested stockholder and (ii) would not, at any time within the three-year period immediately prior to a business combination between the Corporation and such stockholder, have been an interested stockholder but for the inadvertent acquisition of ownership, or (c) any person whose ownership of shares in excess of the fifteen percent (15%) limitation set forth herein is the result of any action taken solely by the Corporation; provided that such person specified in this clause (c) shall be an interested stockholder if thereafter such person acquires additional shares of

voting stock of the Corporation, except as a result of further corporate action not caused, directly or indirectly, by such person. For the purpose of determining whether a person is an interested stockholder, the voting stock of the Corporation deemed to be outstanding shall include stock deemed to be owned by the person through application of the definition of "owner" below but shall not include any other unissued stock of the Corporation which may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise.

(vi) "owner," including the terms "own" and "owned," when used with respect to any stock, means a person that individually or with or through any of its affiliates or associates:

(1) beneficially owns such stock, directly or indirectly; or

(2) has (a) the right to acquire such stock (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding, or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise; provided, however, that a person shall not be deemed the owner of stock tendered pursuant to a tender or exchange offer made by such person or any of such person's affiliates or associates until such tendered stock is accepted for purchase or exchange; or (b) the right to vote such stock pursuant to any agreement, arrangement or understanding; provided, however, that a person shall not be deemed the owner of any stock because of such person's right to vote such stock if the agreement, arrangement or understanding to vote such stock arises solely from a revocable proxy or consent given in response to a proxy or consent solicitation made to ten (10) or more persons; or

(3) has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting (except voting pursuant to a revocable proxy or consent as described in item (b) of subsection (2) above), or disposing of such stock with any other person that beneficially owns, or whose affiliates or associates beneficially own, directly or indirectly, such stock.

(vii) "person" means any individual, general partnership, limited partnership, limited liability company, corporation, trust, business trust, joint stock company, joint venture, unincorporated association, cooperative or association or any other legal entity or organization of whatever nature, and shall include any successor (by merger or otherwise) of such entity.

(viii) "stock" means, with respect to any corporation, capital stock and, with respect to any other entity, any equity interest.

(ix) "voting stock" means stock of any class or series entitled to vote generally in the election of directors.

ARTICLE X -- RENOUNCEMENT OF CORPORATE OPPORTUNITY

(a) Scope. The provisions of this Article X are set forth to define, to the fullest extent permitted by applicable law, the duties of Exempted Persons (as defined below) to the Corporation with respect to certain classes or categories of business opportunities. "Exempted Persons" means each of the Sponsor Entities (other than the Corporation and its subsidiaries) and all of their respective partners, principals, directors, officers, members, managers and/or employees, including any of the foregoing who serve as officers or directors of the Corporation.

(b) Competition and Allocation of Corporate Opportunities. The Exempted Persons shall not have any fiduciary duty to refrain from engaging directly or indirectly in the same or similar business activities or lines of business as the Corporation or any of its subsidiaries. To the fullest extent permitted by applicable law, the Corporation, on behalf of itself and its subsidiaries, renounces any interest or expectancy of the Corporation and its subsidiaries in, or in being offered an opportunity to participate in, business opportunities that are from time to time available or presented to the Exempted Persons, even if the opportunity is in the line of business of the Corporation or its subsidiaries or is otherwise one that the Corporation or its subsidiaries might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so, and each such Exempted Person shall have no duty to communicate or offer such business opportunity to the Corporation (and there shall be no restriction on the Exempted Persons using the general knowledge and understanding of the Corporation and the industry in which it operates which it has gained as an Exempted Person in considering and pursuing such opportunities or in making investment, voting, monitoring, governance or other decisions relating to other entities or securities) and, to the fullest extent permitted by applicable law, shall not be liable to the Corporation or any of its subsidiaries or stockholders for breach of any fiduciary or other duty, as a director or officer or otherwise, by reason of the fact that such Exempted Person pursues or acquires such business opportunity, directs such business opportunity to another person or fails to present such business opportunity, or information regarding such business opportunity, to the Corporation or its subsidiaries, or uses such knowledge and understanding in the manner described herein.

(c) Certain Matters Deemed Not Corporate Opportunities. In addition to and notwithstanding the foregoing provisions of this Article X, a corporate opportunity shall not be deemed to belong to the Corporation if it is a business opportunity that the Corporation is not financially able or contractually permitted or legally able to undertake, or that is, from its nature, not in the line of the Corporation's business or is of no practical advantage to it or that is one in which the Corporation has no interest or reasonable expectancy.

(d) Amendment of this Article. No amendment or repeal of this Article X in accordance with the provisions of paragraph (b) of Article VIII shall apply to or have any effect on the liability or alleged liability of any Exempted Person for or with respect to any activities or opportunities of which such Exempted Person becomes aware prior to such amendment or repeal. This Article X shall not limit any protections or defenses available to, or indemnification

or advancement rights of, any director or officer of the Corporation under this Second Restated Certificate of Incorporation, the Corporation's bylaws or applicable law.

ARTICLE XI -- EXCLUSIVE JURISDICTION FOR CERTAIN CLAIMS

(a) Exclusive Forum. Unless the Board of Directors or one of its committees otherwise approves the selection of an alternate forum, the Court of Chancery of the State of Delaware (or, if, and only if, the Court of Chancery of the State of Delaware dismisses a Covered Claim (as defined below) for lack of subject matter jurisdiction, any other state or federal court in the State of Delaware that does have subject matter jurisdiction) shall, to the fullest extent permitted by applicable law, be the sole and exclusive forum for any (i) derivative claim brought in the right of the Corporation, (ii) claim asserting a breach of a fiduciary duty to the Corporation or the Corporation's stockholders owed by any current or former director, officer or other employee or stockholder of the Corporation, (iii) claim against the Corporation arising pursuant to any provision of the DGCL, this Restated Certificate of Incorporation or the bylaws of the Corporation, (iv) claim to interpret, apply, enforce or determine the validity of this Restated Certificate of Incorporation or the bylaws of the Corporation, (v) claim against the Corporation governed by the internal affairs doctrine, or (vi) other claim, not subject to exclusive federal jurisdiction and not subject to paragraph (d) below, brought in any action asserting one or more of the claims specified in clauses (a)(i) through (v) herein above (each a "Covered Claim"); provided, however, that the provisions of this Article XI(a) will not apply to claims brought to enforce any liability or duty created by the Exchange Act.

(b) Personal Jurisdiction. If any person or entity (a "Claiming Party") files an action asserting a Covered Claim in a court other than one determined in accordance with paragraph (a) above (each a "Foreign Action") without the prior approval of the Board of Directors or one of its committees, such Claiming Party shall be deemed to have consented to (i) the personal jurisdiction of the court determined in accordance with paragraph (a) in connection with any such action brought in any such court to enforce paragraph (a) (an "Enforcement Action") and (ii) having service of process made upon such Claiming Party in any such Enforcement Action by service upon such Claiming Party's counsel in the Foreign Action as agent for such Claiming Party.

(c) Notice and Consent. Any person or entity purchasing or otherwise acquiring any interest in the shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article XI and waived any argument relating to the inconvenience of the forums referenced above in connection with any Covered Claim.

(d) Federal Forum. Unless the Corporation consents in writing to the selection of an alternative forum, the federal district courts of the United States shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. Any person or entity purchasing or otherwise acquiring any interest in any security of the Corporation shall be deemed to have notice of and consented to this provision.

ARTICLE XII -- SEVERABILITY

If any provision or provisions of this Second Restated Certificate of Incorporation shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever: (i) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Second Restated Certificate of Incorporation (including, without limitation, each portion of any paragraph of this Second Restated Certificate of Incorporation containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and (ii) to the fullest extent possible, the provisions of this Second Restated Certificate of Incorporation (including, without limitation, each such portion of any paragraph of this Second Restated Certificate of Incorporation containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to permit the Corporation to protect its directors, officers, employees and agents from personal liability in respect of their good faith service to or for the benefit of the Corporation to the fullest extent permitted by law.

* * *

IN WITNESS WHEREOF, the undersigned has caused this Second Restated Certificate of Incorporation to be executed by the officer below this _____ day of _____, 2026.

BOB'S DISCOUNT FURNITURE, INC.

By: _____
Name:
Title:

AMENDED AND RESTATED BYLAWS
OF
BOB'S DISCOUNT FURNITURE, INC.

SECTION 1 - STOCKHOLDERS

Section 1.1. Annual Meeting.

An annual meeting of the stockholders of Bob's Discount Furniture, Inc., a Delaware corporation (the "Corporation"), for the election of directors to succeed those whose terms expire and for the transaction of such other business as may properly come before the meeting shall be held at the place, if any, within or without the State of Delaware, on the date and at the time that the board of directors of the Corporation (the "Board of Directors") shall each year fix. Unless stated otherwise in the notice of the annual meeting of the stockholders of the Corporation, such annual meeting shall be at the principal office of the Corporation. The Board of Directors may, in its sole discretion, determine that the meeting shall not be held at any place, but may instead be held solely or in part by any permissible means of remote communication, including electronic transmission or telephonic means (a "virtual meeting") in accordance with the General Corporation Law of the State of Delaware (the "DGCL").

Section 1.2. Advance Notice of Nominations and Proposals of Business.

(a) Nominations of persons for election to the Board of Directors and proposals for other business to be transacted by the stockholders at an annual meeting of stockholders may be made (i) pursuant to the Corporation's notice with respect to such meeting (or any supplement thereto), (ii) by or at the direction of the Board of Directors or any committee thereof or (iii) by any stockholder of record of the Corporation who (A) was a stockholder of record at the time of the giving of the notice contemplated in Section 1.2(b), (B) is entitled to vote at such meeting, (C) has complied with the notice procedures set forth in this Section 1.2, and (D) to the extent that Rule 14a-19 under the Securities Exchange Act of 1934 (as amended from time to time, the "Exchange Act") applies, has complied with the requirements of Rule 14a-19 under the Exchange Act. Subject to Section 1.2(i) and except as otherwise required by law, clause (iii) of this Section 1.2(a) shall be the exclusive means for a stockholder to make nominations or propose other business (other than nominations and proposals properly brought pursuant to applicable provisions of federal law, including the Exchange Act and the rules and regulations of the Securities and Exchange Commission (the "SEC") thereunder) before an annual meeting of stockholders.

(b) Except as otherwise required by law, for nominations or proposals to be properly brought before an annual meeting by a stockholder pursuant to clause (iii) of Section 1.2(a), (i) the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation with the information contemplated by Section 1.2(c) including, where applicable, delivery to the Corporation of timely and completed questionnaires as contemplated by Section 1.2(c), and (ii) the business must be a proper matter for stockholder action under the DGCL. The notice requirements of this Section 1.2 shall be deemed satisfied by

a stockholder with respect to business other than a nomination if the stockholder has notified the Corporation of his, her or its intention to present a proposal at an annual meeting in compliance with applicable rules and regulations promulgated under the Exchange Act and such stockholder's proposal has been included in a proxy statement prepared by the Corporation to solicit proxies for such annual meeting.

(c) To be timely for purposes of Section 1.2(b), a stockholder's notice must be delivered to the Secretary of the Corporation at the principal executive offices of the Corporation on a date (i) not later than the close of business on the ninetieth (90^{th}) day nor earlier than the close of business on the one hundred twentieth (120^{th}) day prior to the anniversary date of the prior year's annual meeting or (ii) if there was no annual meeting in the prior year or if the date of the current year's annual meeting is more than thirty (30) days before or after the anniversary date of the prior year's annual meeting, on or before ten (10) days after the day on which the date of the current year's annual meeting is first disclosed in a public announcement. In no event shall any adjournment or postponement of an annual meeting or the announcement thereof commence a new time period for the delivery of such notice. For the avoidance of doubt, a stockholder shall not be entitled to make additional or substitute nominations following the expiration of the time periods set forth in these bylaws. The notice from a stockholder must state (i) as to each nominee that the stockholder proposes for election or reelection as a director, (A) all information relating to such nominee that would be required to be disclosed in solicitations of proxies for the election of such nominee as a director pursuant to Regulation 14A under the Exchange Act and such nominee's written consent to serve as a director if elected, and (B) a description of all direct and indirect compensation and other material monetary arrangements, agreements or understandings during the past three years, and any other material relationship, if any, between or concerning such stockholder, any Stockholder Associated Person (as defined below) or any of their respective affiliates or associates, on the one hand, and the proposed nominee or any of his or her affiliates or associates, on the other hand; (ii) as to each proposal that the stockholder seeks to bring before the meeting, a brief description of such proposal, the reasons for making the proposal at the meeting, the text of the proposal (including the text of any resolutions proposed for consideration and in the event that it includes a proposal to amend the bylaws of the Corporation, the language of the proposed amendment) and any direct or indirect material interest that the stockholder or any Stockholder Associated Person (as defined below) has in the proposal; and (iii) (A) the name and address of the stockholder giving the notice and the Stockholder Associated Persons, if any, on whose behalf the nomination or proposal is made, (B) the class (and, if applicable, series) and number of shares of stock of the Corporation that are, directly or indirectly, owned beneficially or of record by the stockholder or any Stockholder Associated Person, (C) any option, warrant, convertible security, stock appreciation right or similar instrument, right, agreement, arrangement or understanding with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class (or, if applicable, series) of shares of stock of the Corporation or with a value derived in whole or in part from the value of any class (or, if applicable, series) of shares of stock of the Corporation, whether or not such instrument, right, agreement, arrangement or understanding shall be subject to settlement in the underlying class or series of capital stock of the Corporation or otherwise, and any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of stock of the Corporation (each, a "Derivative

Instrument"), in each case that is directly or indirectly owned beneficially or of record by such stockholder or any Stockholder Associated Person, (D) any proxy, contract, arrangement, understanding or relationship pursuant to which such stockholder or any Stockholder Associated Person has a right to vote any securities of the Corporation, (E) any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which such stockholder or any Stockholder Associated Person is a general partner or beneficially owns, directly or indirectly, an interest in a general partner, (F) any performance-related fees (other than an asset-based fee) that such stockholder or any Stockholder Associated Person is entitled to based on any increase or decrease in the value of the shares of stock of the Corporation or Derivative Instruments, (G) any direct or indirect material legal, economic or financial interest of the stockholder or any Stockholder Associated Person in the outcome of any vote to be taken at any annual or special meeting of stockholders of the Corporation, (H) any other information relating to such stockholder or any Stockholder Associated Person, if any, required to be disclosed in a proxy statement or other filing required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in an election contest pursuant to and in accordance with Section 14(a) of the Exchange Act and the rules and regulations of the SEC thereunder, (I) a representation that the stockholder is a holder of record of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to propose such business or nomination and has complied with the provisions of this Section 1.2(c), (J) a certification as to whether or not the stockholder and all Stockholder Associated Persons have complied with all applicable federal, state and other legal requirements in connection with the stockholder's and each Stockholder Associated Person's acquisition of shares of capital stock or other securities of the Corporation and the stockholder's and each Stockholder Associated Person's acts or omissions as a stockholder (or beneficial owner of securities) of the Corporation, and (K) whether the stockholder intends to (x) deliver a proxy statement and form of proxy to holders of, in the case of a proposal, at least the percentage of the Corporation's voting shares required under applicable law to carry the proposal or, in the case of a nomination or nominations, a sufficient number of holders of the Corporation's voting shares reasonably believed by such stockholder to be sufficient to elect such nominee or nominees, (y) solicit proxies in support of director nominees other than persons nominated by or at the direction of the Board of Directors or any committee thereof, in accordance with Rule 14a-19 under the Exchange Act or (z) otherwise solicit proxies or votes from stockholders in support of such proposal or nomination. For purposes of these bylaws, a "Stockholder Associated Person" of any stockholder means (i) any "affiliate" or "associate" (as those terms are defined in Rule 12b-2 under the Exchange Act) of such stockholder, (ii) any beneficial owner of any capital stock or other securities of the Corporation owned of record or beneficially by such stockholder, (iii) any person directly or indirectly controlling, controlled by or under common control with any such Stockholder Associated Person referred to in clause (i) or (ii) above, and (iv) any person acting in concert in respect of any matter involving the Corporation or its securities with either such stockholder or any beneficial owner of any capital stock or other securities of the Corporation owned of record or beneficially by such stockholder. In addition, in order for a nomination to be properly brought before an annual or special meeting by a stockholder pursuant to clause (iii) of Section 1.2(a), any nominee proposed by a stockholder shall complete a questionnaire, in a form provided by the Corporation, and deliver a signed copy of such completed questionnaire to the Corporation

within ten (10) days of the date that the Corporation makes available to the stockholder seeking to make such nomination or such nominee the form of such questionnaire. The Corporation may require any proposed nominee to furnish such other information as may be reasonably requested by the Corporation to determine the eligibility of the proposed nominee to serve as an independent director of the Corporation or that could be material to a reasonable stockholder's understanding of the independence, or lack thereof, of the nominee. A stockholder shall further update and supplement its notice of any nomination to be brought before a meeting, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 1.2 shall be true and correct (i) as of the record date for the meeting and (ii) as of the date that is ten (10) business days prior to the meeting or any adjournment, recess, rescheduling or postponement thereof. Such update and supplement shall be delivered to the Secretary of the Corporation (i) not later than three (3) business days after the later of (A) the record date and (B) the date notice of the record date is first publicly announced (in the case of the update and supplement required to be made as of the record date for the meeting) and (ii) not later than seven (7) business days prior to (A) the date for the meeting, if practicable (or, if not practicable, on the first practicable date prior to the meeting), or (B) any adjournment, recess, rescheduling or postponement thereof (in the case of the update and supplement required to be made as of ten (10) business days prior to the meeting or any adjournment, recess, rescheduling or postponement thereof). For the avoidance of doubt, any information provided in such update or supplement shall not be deemed to cure any deficiencies in a notice previously delivered pursuant to this Section 1.2(c) and shall not extend the time period for the delivery of notice pursuant to this Section 1.2(c). If a stockholder giving notice fails to provide such update or supplement within the required period, the information as to which such update or supplement relates may be deemed not to have been provided in accordance with this Section 1.2(c). The information required to be included in a notice pursuant to this Section 1.2(c) shall not include any ordinary course business activities of any broker, dealer, commercial bank, trust company or other nominee who is directed to prepare and submit the notice required by this Section 1.2(c) on behalf of a beneficial owner of the shares held of record by such broker, dealer, commercial bank, trust company or other nominee and who is not otherwise affiliated or associated with such beneficial owner.

(d) Subject to the certificate of incorporation of the Corporation (the "Certificate of Incorporation"), Section 1.2(i) and applicable law, only persons nominated in accordance with the procedures stated in this Section 1.2 shall be eligible for election as and to serve as members of the Board of Directors and the only business that shall be conducted at an annual meeting of stockholders is the business that has been brought before the meeting in accordance with the procedures set forth in this Section 1.2. The chairperson of the meeting shall have the power and the duty to determine whether a nomination or any proposal has been made according to the procedures stated in this Section 1.2 and, if the chairperson of the meeting determines that any nomination or proposal does not comply with this Section 1.2, unless otherwise required by law, the chairperson of the meeting is authorized to disregard the nomination or proposal shall be disregarded.

(e) For purposes of this Section 1.2, "public announcement" means disclosure in a press release reported by the Dow Jones News Service, Associated Press or a comparable

news service or in a document publicly filed or furnished by the Corporation with or to the SEC pursuant to Section 13, 14 or 15(d) of the Exchange Act.

(f) Notwithstanding the foregoing provisions of this Section 1.2, a stockholder shall also comply with applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to matters set forth in this Section 1.2. Nothing in this Section 1.2 shall affect any rights, if any, of stockholders to request inclusion of nominations or proposals in the Corporation's proxy statement pursuant to applicable provisions of federal law, including the Exchange Act.

(g) Notwithstanding the foregoing provisions of this Section 1.2, unless otherwise required by law, if the stockholder (or a qualified representative of the stockholder) does not appear at the annual or special meeting of stockholders of the Corporation to present a nomination or proposed business or does not provide the information required by Section 1.2(c), including any required supplement thereto, the chairperson of the meeting is authorized to disregard such nomination or proposal, in which case such proposed business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 1.2, to be considered a qualified representative of the stockholder, a person must be a duly authorized officer, manager or partner of such stockholder or must be authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of stockholders.

(h) Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. Nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting (1) by or at the direction of the Board of Directors or any committee thereof or (2) provided that the Board of Directors has determined that directors shall be elected at such meeting, by any stockholder of the Corporation who is a stockholder of record at the time the notice provided for in this Section 1.2 is delivered to the Secretary of the Corporation, who is entitled to vote at the meeting upon such election and who complies with the notice procedures set forth in this Section 1.2. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board of Directors, any such stockholder entitled to vote in such election of directors may nominate a person or persons (as the case may be) for election to such position(s) as specified in the Corporation's notice of meeting, if the stockholder's notice required by paragraph (b) of this Section 1.2 shall be delivered to the Secretary of the Corporation at the principal executive offices of the Corporation not earlier than the close of business on the one hundred twentieth (120th) day prior to such special meeting and not later than the close of business on the later of the ninetieth (90th) day prior to such special meeting or the tenth (10th) day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. In no event shall the public announcement of an adjournment or

postponement of a special meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above.

(i) All provisions of this Section 1.2 are subject to, and nothing in this Section 1.2 shall in any way limit the exercise, or the method or timing of the exercise of, the rights of any person granted by the Corporation to nominate directors, which rights may be exercised without compliance with the provisions of this Section 1.2.

(j) Without limiting any other provisions and requirements of this Section 1.2, unless otherwise required by law, if (i) any stockholder provides notice pursuant to Rule 14a-19(b) under the Exchange Act (for the avoidance of doubt, such notice must be delivered within the time period provided for in this Section 1.2(c) to be considered timely) and (ii) such stockholder subsequently either (A) notifies the Corporation that such stockholder no longer intends to solicit proxies in support of director nominees other than the Corporation's nominees in accordance with Rule 14a-19 under the Exchange Act or (B) fails to comply with the requirements of Rule 14a-19(a)(2) or Rule 14a-19(a)(3) under the Exchange Act, then such stockholder's nominations shall be deemed null and void and the Corporation shall disregard any proxies or votes solicited for such stockholder's nominees. Upon request by the Corporation, if any stockholder provides notice pursuant to Rule 14a-19(b) under the Exchange Act, such stockholder shall deliver to the Corporation, no later than five (5) business days prior to the applicable meeting, reasonable evidence that it has met the requirements of Rule 14a-19(a)(3) under the Exchange Act.

Section 1.3. Special Meetings; Notice.

Special meetings of the stockholders of the Corporation may be called only to the extent and in the manner set forth in the Certificate of Incorporation. Notice of every special meeting of the stockholders of the Corporation shall state the purpose or purposes of such meeting. Except as otherwise required by law, the business conducted at a special meeting of stockholders of the Corporation shall be limited exclusively to the business set forth in the Corporation's notice of meeting, and the individual or group calling such meeting shall have exclusive authority to determine the business included in such notice.

Section 1.4. Notice of Meetings.

Notice of the place, if any, date and time of all meetings of stockholders of the Corporation, the record date for determining the stockholders entitled to vote at the meeting (if such date is different from the record date for stockholders entitled to notice of the meeting) and the means of remote communications, if any, by which stockholders and proxy holders may be deemed present and vote at such meeting, and, in the case of all special meetings of stockholders, the purpose or purposes of the meeting, shall be given, not less than ten (10) nor more than sixty (60) days before the date on which such meeting is to be held (unless a different time is specified by law or applicable rule or regulation), to each stockholder entitled to notice of the meeting.

The Corporation may postpone or cancel any previously called annual or special meeting of stockholders of the Corporation by making a public announcement (as defined in Section

1.2(e)) of such postponement or cancellation prior to the meeting. When a previously called annual or special meeting is postponed to another time, date or place, if any, notice of the place (if any), date and time of the postponed meeting, the record date for determining the stockholders entitled to vote at the meeting (if such date is different from the record date for stockholders entitled to notice of the meeting) and the means of remote communications, if any, by which stockholders and proxy holders may be deemed present and vote at such postponed meeting, shall be given in conformity with this Section 1.4 unless such meeting is postponed to a date that is not more than sixty (60) days after the date that the initial notice of the meeting was provided in conformity with this Section 1.4.

When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place, if any, thereof and the means of remote communication, if any, by which stockholders and proxy holders may be deemed to be present and vote at such adjourned meeting are announced at the meeting at which the adjournment is taken; provided, however, that if the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting, or if after the adjournment a new record date for stockholders entitled to vote is fixed for the adjourned meeting the Board of Directors shall fix a new record date for notice of such adjourned meeting in conformity herewith and such notice shall be given to each stockholder of record entitled to vote at such adjourned meeting as of the record date for notice of such adjourned meeting. At any adjourned meeting, any business may be transacted that may have been transacted at the original meeting.

Section 1.5. Quorum.

At any meeting of the stockholders, the holders of shares of stock of the Corporation entitled to cast a majority of the total votes entitled to be cast by the holders of all outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors ("Voting Stock"), present in person or by proxy, shall constitute a quorum for all purposes, unless or except to the extent that the presence of a larger number is required by applicable law or the Certificate of Incorporation. If a separate vote by one or more classes or series is required, the holders of shares entitled to cast a majority of the total votes entitled to be cast by the holders of the shares of the class or classes or series, present in person or represented by proxy, shall constitute a quorum entitled to take action with respect to that vote on that matter. A quorum, once established, shall not be deemed to cease to exist due to the subsequent withdrawal prior to the closing of the meeting of shares of Voting Stock that would result in less than a quorum remaining present in person or by proxy at such meeting. For the purposes of the immediately preceding sentence, an adjournment of a meeting shall not constitute the closing of such meeting.

If a quorum shall fail to attend any meeting, the chairperson of the meeting may adjourn the meeting to another place, if any, date and time. At any such adjourned meeting at which there is a quorum, any business may be transacted that might have been transacted at the meeting originally called.

Section 1.6. Organization.

The chairperson of the Board of Directors or, in the chairperson's absence, the person whom the Board of Directors designates or, in the absence of that person or the failure of the Board of Directors to designate a person, the Chief Executive Officer of the Corporation or, in his or her absence, the person chosen by the holders of a majority of the shares of capital stock entitled to vote who are present, in person or by proxy, shall call to order any meeting of the stockholders of the Corporation and act as chairperson of the meeting. In the absence of the Secretary or any Assistant Secretary of the Corporation, the secretary of the meeting shall be the person the chairperson appoints.

Section 1.7. Conduct of Business.

The chairperson of any meeting of stockholders of the Corporation shall determine the order of business and the rules of procedure for the conduct of such meeting, including the manner of voting and the conduct of discussion as the chairperson determines to be in order. The chairperson shall have the power to adjourn the meeting to another place, if any, date and time (for any reason as determined by the chairperson). The date and time of the opening and closing of the polls for each matter upon which the stockholders will vote at the meeting shall be announced at the meeting. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the chairperson of the meeting shall have the right and authority to convene and (for any or no reason) to adjourn the meeting, to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairperson, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the chairperson of the meeting, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present; (iii) limitations on attendance at or participation in the meeting to stockholders entitled to vote at the meeting, their duly authorized and constituted proxies or such other persons as the chairperson of the meeting shall determine; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (v) limitations on the time allotted to questions or comments by participants. The chairperson of the meeting of stockholders, in addition to making any other determinations that may be appropriate to the conduct of the meeting, shall, if the facts warrant, determine and declare to the meeting that a nomination or matter of business was not properly brought before the meeting and if such chairperson should so determine, such chairperson shall so declare to the meeting and any such matter or business not properly brought before the meeting shall not be transacted or considered. Unless and to the extent determined by the Board of Directors or the chairperson of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

Section 1.8. Proxies; Inspectors.

(a) At any meeting of the stockholders, every stockholder entitled to vote may vote in person or by proxy authorized by an instrument in writing or by a transmission permitted by applicable law, but no such proxy shall be voted or acted upon after three (3) years from its

date, unless the proxy provides for a longer period. A proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy that is not irrevocable by attending the meeting and voting in person or by delivering to the Secretary of the Corporation a revocation of the proxy or a new proxy bearing a later date. Any stockholder directly or indirectly soliciting proxies from other stockholders must use a proxy card color other than white, which shall be reserved for exclusive use by the Corporation.

(b) Prior to a meeting of the stockholders of the Corporation, the Corporation shall appoint one or more inspectors, who may be employees of the Corporation, to act at a meeting of stockholders of the Corporation and make a written report thereof. The Corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting of stockholders, the person presiding at the meeting may, and to the extent required by applicable law, shall, appoint one or more inspectors to act at the meeting. Each inspector, before beginning the discharge of such inspector's duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. The inspectors may appoint or retain other persons or entities to assist the inspectors in the performance of the duties of inspectors. The inspectors shall have the duties prescribed by applicable law. Unless otherwise provided by the Board of Directors, the date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting. No ballot, proxies, votes or any revocation thereof or change thereto shall be accepted by the inspectors after the closing of the polls unless the Court of Chancery of the State of Delaware upon application by a stockholder shall determine otherwise. In determining the validity and counting of proxies and ballots cast at any meeting of stockholders, the inspectors may consider such information as is permitted by applicable law. No person who is a candidate for office at an election may serve as an inspector at such election.

Section 1.9. Voting

Except as otherwise required by applicable law or any rule or regulation of any applicable stock exchange, the Certificate of Incorporation or these bylaws, all matters other than the election of directors shall be determined by a majority of the votes cast on the matter affirmatively or negatively. All elections of directors shall be determined by a plurality of the votes cast.

Section 1.10. Stock List.

A complete list of stockholders of the Corporation entitled to vote at any meeting of stockholders of the Corporation, arranged in alphabetical order for each class of stock and showing the address of each such stockholder and the number of shares registered in the name of such stockholder, shall be open to the examination of any such stockholder, for any purpose germane to a meeting of the stockholders of the Corporation, for a period of at least ten (10) days before the meeting either (i) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting or (ii) during ordinary business hours at the principal place of business of the Corporation (as

determined by the Corporation); provided, however, if the record date for determining the stockholders entitled to vote is less than ten (10) days before the meeting date, the list shall reflect the stockholders entitled to vote as of the tenth (10^{th}) day before such meeting date. Such list shall be the sole evidence of the identity of the stockholders entitled to vote at a meeting and the number of shares held by each stockholder.

SECTION 2 - BOARD OF DIRECTORS

Section 2.1. General Powers and Qualifications of Directors.

The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. In addition to the powers and authorities these bylaws expressly confer upon them, the Board of Directors may exercise all such powers of the Corporation and do all such lawful acts and things as are not by the DGCL, the Certificate of Incorporation or these bylaws required to be exercised or done by the stockholders. Directors need not be stockholders of the Corporation to be qualified for election or service as a director of the Corporation.

Section 2.2. Removal; Resignation.

The directors of the Corporation may be removed in accordance with the Certificate of Incorporation and the DGCL. Any director may resign at any time upon notice given in writing, including by electronic transmission, to the Corporation. A resignation shall be effective upon receipt, unless the resignation otherwise provides**.**

Section 2.3. Regular Meetings.

Regular meetings of the Board of Directors shall be held at the place (if any), on the date and at the time as shall have been established by the Board of Directors and publicized among all directors. A notice of a regular meeting, the date of which has been so publicized, shall not be required.

Section 2.4. Special Meetings.

Special meetings of the Board of Directors may be called by (i) the chairperson of the Board of Directors, (ii) the Chief Executive Officer of the Corporation, (iii) two or more directors then in office, or (iv) if the Board of Directors then includes a director nominated or designated for nomination by investment funds or other entities affiliated with Bain Capital, L.P. and each of their respective successors, Transferees and Affiliates (each a "Sponsor Entity," and collectively, the "Sponsor Entities"), by any director nominated or designated for nomination by a Sponsor Entity, and shall be held at the place, if any, on the date and at the time as he, she or they shall fix. Notice of the place, if any, date and time of each special meeting shall be given to each director either (a) by mailing written notice thereof not less than five (5) days before the meeting, or (b) by telephone, e-mail or other means of electronic transmission providing notice thereof not less than twenty-four (24) hours before the meeting. Any and all business may be transacted at a special meeting of the Board of Directors. "Affiliate" means, with respect to any Person, any other Person that controls, is controlled by, or is under common control with such

Person; provided, however, that a portfolio company that a Sponsor Entity controls or that is controlled by or is under common control with a Sponsor Entity shall not be deemed to an "Affiliate" solely as a result thereof. The term "control," as used in the definition of "Affiliate," means the power to direct or cause the direction of the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and "controlled" and "controlling" have meanings correlative to the foregoing. "Person" means an individual, any general partnership, limited partnership, limited liability company, corporation, trust, business trust, joint stock company, joint venture, unincorporated association, cooperative or association or any other legal entity or organization of whatever nature, and shall include any successor (by merger or otherwise) of such entity. "Transferee" means any Person who (i) becomes a beneficial owner of Common Stock upon having purchased such shares of Common Stock from a Sponsor Entity and (ii) is designated in writing by the transferor as a "Transferee" and a copy of such writing is provided to the Corporation at or prior to the time of such purchase; provided, however, that a purchaser of Common Stock in a registered offering or in a transaction effected pursuant to Rule 144 under the Securities Act of 1933, as amended, (or any similar or successor provision thereto) shall not be a "Transferee." For the purpose of these bylaws, "beneficial ownership" shall be determined in accordance with Rule 13d-3 promulgated under the Exchange Act.

Section 2.5. Quorum.

At any meeting of the Board of Directors, a majority of the total number of directors then in office shall constitute a quorum for all purposes; provided that at all times while a Sponsor Entity has the right to nominate at least one director, it shall be necessary to constitute a quorum, in addition to a majority of the total number of directors then in office that (a) at least one director nominated or designated for nomination by the Sponsor Entities be present (other than attendance for the sole purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened) and (b) for an action of the Board of Directors taken at a meeting to be valid, directors that constitute a quorum must be present (including as described in Section 2.6 below) at the time that the vote on such action is taken. For the avoidance of doubt, at all times while a Sponsor Entity has the right to nominate at least one director, if directors necessary to constitute a quorum are not present (including as described in Section 2.6 below) at the time that the vote on any action is taken, a quorum shall not be constituted with respect to such action, and any vote taken with respect to such action shall not be a valid action of the Board of Directors, notwithstanding that a quorum of the Board of Directors may have been present at the commencement of such meeting. If a quorum shall fail to attend any meeting, a majority of those present may adjourn the meeting to another place, if any, date or time, without further notice or waiver thereof.

Section 2.6. Participation in Meetings by Conference Telephone, Video Conference or Other Communications Equipment.

Members of the Board of Directors, or of any committee thereof, may participate in a meeting of the Board of Directors or committee thereof by means of conference telephone, video conference or other communications equipment by means of which all directors participating in

the meeting can hear each other director, and such participation shall constitute presence in person at the meeting.

Section 2.7. Conduct of Business.

At any meeting of the Board of Directors, business shall be transacted in the order and manner that the Board of Directors may from time to time determine, and all matters shall be determined by the vote of a majority of the directors present, provided a quorum is present at the time such matter is acted upon, except as otherwise provided in the Certificate of Incorporation or these bylaws or required by applicable law. The Board of Directors or any committee thereof may take action without a meeting if all members thereof consent thereto in writing or by electronic transmission, and the writing or writings, or electronic transmission or electronic transmissions, are filed with the minutes of proceedings of the Board of Directors or any committee thereof. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 2.8. Compensation of Directors.

The Board of Directors shall be authorized to fix the compensation of directors. The directors of the Corporation shall be paid their expenses, if any, of attendance at each meeting of the Board of Directors and may be reimbursed a fixed sum for attendance at each meeting of the Board of Directors, paid an annual retainer or paid other compensation, including equity compensation, as the Board of Directors determines. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor. Members of committees shall have their expenses, if any, of attendance of each meeting of such committee reimbursed and may be paid compensation for attending committee meetings or being a member of a committee.

SECTION 3 - COMMITTEES

The Board of Directors may designate committees of the Board of Directors, with such lawfully delegable powers and duties as it thereby confers, to serve at the pleasure of the Board of Directors and shall, for those committees, appoint a director or directors to serve as the member or members, designating, if it desires, other directors as alternate members who may replace any absent or disqualified member at any meeting of such committee. In the absence or disqualification of any member of any committee and any alternate member in such member's place, the member or members of the committee present at the meeting and not disqualified from voting, whether or not they constitute a quorum, may by unanimous vote appoint another member of the Board of Directors to act at the meeting in the place of the absent or disqualified member. All provisions of this Section 3 are subject to, and nothing in this Section 3 shall in any way limit the exercise, or method or timing of the exercise, of the rights of any person granted by the Corporation with respect to the existence, duties, composition or conduct of any committee of the Board of Directors.

SECTION 4 - OFFICERS

Section 4.1. Generally.

The officers of the Corporation shall consist of a Chief Executive Officer, President, one or more Executive Vice Presidents, one or more Senior Vice Presidents, a Secretary, one or more Assistant Secretaries, a Chief Financial Officer and/or a Treasurer, and one or more Assistant Treasurers, and such other officers or assistant officers as the Board of Directors may from time to time determine, each of whom shall be elected by the Board of Directors and have such authority, functions or duties set forth in these bylaws or as determined by the Board of Directors. The Chief Executive Officer or President may also appoint such other officers (including without limitations one or more Vice Presidents and Controllers) as may be necessary or desirable for the conduct of the business of the Corporation. Such other officers shall have such powers and duties and shall hold their officers for such terms as may be provided in these bylaws or as may be prescribed by the Board or, if such officer has been appointed by the Chief Executive Officer or President, as may be prescribed by the appointing officer. Each officer shall hold office for such term as may be prescribed by the Board of Directors and until such person's successor shall have been duly elected and qualified or until such person's earlier death, disqualification, resignation or removal. Any number of offices may be held by the same person unless the Certificate of Incorporation or these bylaws otherwise provide; provided, however, that no officer shall execute, acknowledge or verify any instrument in more than one capacity if such instrument is required by law, the Certificate of Incorporation or these bylaws to be executed, acknowledged or verified by two or more parties. Officers need not be stockholders or residents of the State of Delaware. The compensation of officers appointed by the Board of Directors shall be determined from time to time by the Board of Directors or a committee thereof or by the officers as may be designated by resolution of the Board of Directors. In its discretion and subject to applicable law, the Board of Directors may choose not to fill any office for any period as it may deem advisable.

Section 4.2. President.

Unless otherwise determined by the Board of Directors, the President shall be the Chief Executive Officer of the Corporation. Subject to the provisions of these bylaws and to the direction of the Board of Directors, the President shall have the responsibility for the general management and control of the business and affairs of the Corporation and shall perform all duties and have all powers that are commonly incident to the office of chief executive or which are delegated to the President by the Board of Directors. In the absence (or inability or refusal to act) of the chairperson of the Board, the Chief Executive Officer (if he or she shall be a director) shall preside when present at all meetings of the stockholders and the Board. The President shall have the power to sign all stock certificates, contracts and other instruments of the Corporation that are authorized and shall have general supervision and direction of all of the other officers, employees and agents of the Corporation.

Section 4.3. Executive Vice President and Senior Vice President.

Each Executive Vice President and Senior Vice President shall have the powers and duties delegated to such Executive Vice President or Senior Vice President, as applicable, by the Board of Directors or the President. An Executive Vice President may be designated by the Board of Directors to perform the duties and exercise the powers of the President in the event of the President's absence or disability.

Section 4.4. Secretary and Assistant Secretaries.

The Secretary shall issue all authorized notices for, and shall keep minutes of, all meetings of the stockholders and the Board of Directors. The Secretary shall have charge of the corporate books and shall perform other duties commonly incident to the office of Secretary and as the Board of Directors may from time to time prescribe.

Any Assistant Secretary shall perform such duties and possess such powers commonly incident to the office of Assistant Secretary and as the Board of Directors, the President or the Secretary may from time to time prescribe. In the event of the absence, inability or refusal to act of the Secretary, the Assistant Secretary (or if there shall be more than one, the Assistant Secretaries in the order determined by the Board of Directors), shall perform the duties and exercise the powers of the Secretary.

Section 4.5. Chief Financial Officer, Treasurer and Assistant Treasurers.

The Chief Financial Officer shall keep or cause to be kept the books of account of the Corporation in a thorough and proper manner and shall render statements of the financial affairs of the Corporation in such form and as often as required by the Board of Directors or the President. The Chief Financial Officer, subject to the order of the Board of Directors, shall have the custody of all funds and securities of the Corporation. The Chief Financial Officer shall perform other duties commonly incident to the office of Chief Financial Officer and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time. The President may direct the Treasurer or any Assistant Treasurer to assume and perform the duties of the Chief Financial Officer in the absence or disability of the Chief Financial Officer, and each Treasurer and Assistant Treasurer shall perform other duties commonly incident to the office of Treasurer and Assistant Treasurer and shall also perform such other duties and have such other powers as the Board of Directors, the President or the Chief Financial Officer shall designate from time to time.

Section 4.6. Delegation of Authority.

The Board of Directors may from time to time delegate the powers or duties of any officer to any other officer or agent, notwithstanding any provision hereof.

Section 4.7. Removal; Resignation.

The Board of Directors may remove any officer of the Corporation at any time, with or without cause, without prejudice to the rights, if any, of such officer under any contract to which the Corporation or any of its subsidiaries is a party. If any vacancy occurs in any office of the Corporation, the Board of Directors may elect a successor to fill such vacancy for the remainder of the unexpired term and until a successor shall have been duly chosen and qualified. Any officer appointed by the President may also be removed, with or without cause, by the President, as the case may be. Any officer may resign by delivering his or her written or electronically transmitted resignation to the Corporation addressed to the President or the Secretary, and such resignation shall be effective upon receipt, unless the resignation otherwise provides. Any vacancy occurring in any office appointed by the President may be filled by the President, as the case may be, unless the Board of Directors then determines that such officer shall thereupon be elected by the Board of Directors, in which case the Board of Directors shall elect such officer.

Section 4.8. Action with Respect to Securities of Other Companies

Unless otherwise directed by the Board of Directors, the President or any officer of the Corporation authorized by the President shall have power to vote and otherwise act on behalf of the Corporation, in person or by proxy, at any meeting of stockholders or equityholders of, or with respect to any action of, stockholders or equityholders of any other entity in which the Corporation may hold securities and otherwise to exercise any and all rights and powers which the Corporation may possess by reason of its ownership of securities in such other entity.

SECTION 5 - STOCK

Section 5.1. Certificates of Stock.

Shares of the capital stock of the Corporation may be certificated or uncertificated, subject to the sole discretion of the Board and the requirements of the DGCL. Each certificate representing capital stock of the Corporation shall be signed by or in the name of the Corporation by any two authorized officers of the Corporation. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose manual or facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, such certificate may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar on the date of issue.

Section 5.2. Transfers of Stock.

Transfers of stock shall be made only upon the transfer books of the Corporation kept at an office of the Corporation (within or without the State of Delaware) or by transfer agents designated to transfer shares of the stock of the Corporation.

Section 5.3. Lost, Stolen or Destroyed Certificates.

In the event of the loss, theft or destruction of any certificate of stock, another may be issued in its place pursuant to regulations as the Board of Directors may establish concerning proof of the loss, theft or destruction and concerning the giving of a satisfactory bond or indemnity, if deemed appropriate by the Board of Directors.

Section 5.4. Regulations.

The issue, transfer, conversion and registration of certificates of stock of the Corporation shall be governed by other regulations as the Board of Directors may establish.

Section 5.5. Record Date.

In order that the Corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall, unless otherwise required by law, not be more than sixty (60) nor less than ten (10) days before the date of such meeting. If the Board of Directors so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board of Directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any postponement or adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for determination of stockholders entitled to vote at the postponed or adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such postponed or adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance herewith at the postponed or adjourned meeting.

(b) In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which shall not be more than sixty (60) days prior to such other action. If no such record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

SECTION 6 - INDEMNIFICATION AND ADVANCEMENT OF EXPENSES

Section 6.1. Indemnification.

The Corporation shall, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, indemnify, defend and hold harmless any person (an "Indemnitee") who was or is made, or is threatened to be made, a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding"), by reason of the fact that such Indemnitee, or a person for whom the Indemnitee is the legal representative, is or was a director of the Corporation or an officer of the Corporation appointed by the Board of Directors or, while a director of the Corporation or an officer of the Corporation appointed by the Board of Directors, is or was serving at the request of the Corporation as a director, officer, employee, member, trustee or agent of another corporation or of a partnership, joint venture, trust, nonprofit entity or other enterprise (including, but not limited to, service with respect to employee benefit plans) (any such entity, an "Other Entity"), against all liability and loss suffered (including, but not limited to, expenses (including, but not limited to, attorneys' fees and expenses), judgments, fines and amounts paid in settlement actually and reasonably incurred by such Indemnitee in connection with such Proceeding) by such Indemnitee in connection therewith. Notwithstanding the preceding sentence, the Corporation shall be required to indemnify an Indemnitee in connection with a Proceeding (or part thereof) commenced by such Indemnitee only if the commencement of such Proceeding (or part thereof) by the Indemnitee was authorized by the Board of Directors or the Proceeding (or part thereof) relates to the enforcement of the Corporation's obligations under this Section 6.1.

Section 6.2. Advancement of Expenses.

The Corporation shall to the fullest extent not prohibited by applicable law pay, on an as-incurred basis, all expenses (including, but not limited to, attorneys' fees and expenses) actually and reasonably incurred by an Indemnitee in defending any Proceeding, which may be indemnifiable pursuant to this Section 6, in advance of its final disposition. Such advancement shall be unconditional, unsecured and interest free and shall be made without regard to Indemnitee's ability to repay any expenses advanced; provided, however, that, to the extent required by law, such payment of expenses in advance of the final disposition of the Proceeding shall be made only upon receipt of an unsecured undertaking by the Indemnitee to repay all amounts advanced if it should be ultimately determined that the Indemnitee is not entitled to be indemnified by the Corporation under this Section 6 or otherwise.

Section 6.3. Claims.

If a claim for indemnification (following the final disposition of such Proceeding) or advancement of expenses under this Section 6 is not paid in full within sixty (60) days after a written claim therefor by the Indemnitee has been received by the Corporation, the Indemnitee may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim to the fullest extent permitted by law. In any such action the Corporation shall have the burden of proving that the Indemnitee is not entitled to the requested indemnification or advancement of expenses under applicable law.

Section 6.4. Insurance.

The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, trustee, employee, member or agent of the Corporation, or was serving at the request of the Corporation as a director, officer, trustee, employee, member or agent of an Other Entity, against any liability asserted against the person and incurred by the person in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power or the obligation to indemnify such person against such liability under the provisions of this Section 6 or the DGCL.

Section 6.5. Non-Exclusivity of Rights; Other Indemnification.

The rights conferred on any Indemnitee by this Section 6 are not exclusive of, and shall not be read to limit, restrict or modify in any respect, any other rights (or any limitations on any other rights) to which such Indemnitee may have or hereafter acquire under any bylaw, agreement, vote of directors or stockholders or otherwise, and shall inure to the benefit of the heirs and legal representatives of such Indemnitee. This Section 6 shall not limit the right of the Corporation, to the extent and in the manner permitted by law, to indemnify and to advance expenses to Indemnitees or persons other than Indemnitees when and as authorized by appropriate corporate action, including by separate agreement with the Corporation.

Section 6.6. Amounts Received from an Other Person or Entity.

Subject to the terms of any written agreement between the Indemnitee and the Corporation, the Corporation's obligation, if any, to indemnify or to advance expenses to any Indemnitee who was or is serving at the Corporation's request as a director, officer, employee or agent of an Other Entity shall be reduced by any amount such Indemnitee may collect as indemnification or advancement of expenses from any other person or entity.

Section 6.7. Amendment or Repeal.

Any right to indemnification or to advancement of expenses of any Indemnitee arising hereunder shall not be eliminated or impaired by an amendment to or repeal of this Section 6 after the occurrence of the act or omission that is the subject of the civil, criminal, administrative or investigative action, suit, proceeding or other matter for which indemnification or advancement of expenses is sought.

Section 6.8. Reliance.

Indemnitees who after the date of the adoption of this Section 6 become or remain an Indemnitee described in Section 6.1 will be conclusively presumed to have relied on the rights to indemnity, advancement of expenses and other rights contained in this Section 6 in entering into or continuing the service. The rights to indemnification and to the advancement of expenses conferred in this Section 6 will apply to claims made against any Indemnitee described in Section 6.1 arising out of acts or omissions that occurred or occur either before or after the

adoption of this Section 6 in respect of service as a director or officer of the corporation or other service described in Section 6.1.

Section 6.9. Successful Defense.

In the event that any proceeding to which an Indemnitee is a party is resolved in any manner other than by adverse judgment against the Indemnitee (including, without limitation, settlement of such proceeding with or without payment of money or other consideration) it shall be presumed that the Indemnitee has been successful on the merits or otherwise in such proceeding for purposes of Section 145(c) of the DGCL. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

Section 6.10. Merger or Consolidation.

For purposes of this Section 6, references to the "Corporation" shall include, in addition to any resulting corporation in any merger, consolidation or similar transaction involving the Corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under this Section 6 with respect to the resulting or surviving corporation as he or she would have with respect to such constituent corporation if its separate existence had continued.

Section 6.11. Continuation of Indemnification.

The rights to indemnification and to advancement of expenses provided by, or granted pursuant to, this Section 6 shall continue notwithstanding that the person has ceased to be an Indemnitee and shall inure to the benefit of his or her estate, heirs, executors, administrators, legatees and distributees; provided, however, that the Corporation shall indemnify any such person seeking indemnity in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation.

Section 6.12. Savings Clause.

If this Section 6 or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify and advance expenses to each person entitled to indemnification under Section 6.1 to the fullest extent permitted by any applicable portion of this Section 6 that shall not have been invalidated and to the fullest extent permitted by applicable law.

SECTION 7 - NOTICES

Section 7.1. Notices.

Except as otherwise provided herein or permitted by applicable law, notices to directors and stockholders shall be in writing and delivered personally or mailed to the directors or stockholders at their addresses appearing on the books of the Corporation. If mailed, notice to a stockholder of the Corporation shall be deemed given when deposited in the mail, postage prepaid, directed to a stockholder at such stockholder's address as it appears on the records of the Corporation. Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders of the Corporation may be given by electronic transmission in the manner provided in Section 232 of the DGCL.

Section 7.2. Waivers.

A written waiver of any notice, signed by a stockholder or director, or a waiver by electronic transmission by such person or entity, whether given before or after the time of the event for which notice is to be given, shall be deemed equivalent to the notice required to be given to such person or entity. Neither the business nor the purpose of any meeting need be specified in the waiver. Attendance at any meeting shall constitute waiver of notice except attendance for the sole purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

SECTION 8 - MISCELLANEOUS

Section 8.1. Corporate Seal.

The Board of Directors may provide a suitable seal, containing the name of the Corporation, which seal shall be in the charge of the Secretary of the Corporation. If and when so directed by the Board of Directors, duplicates of the seal may be kept and used by the Treasurer or by an Assistant Secretary, Assistant Treasurer or the Chief Financial Officer.

Section 8.2. Reliance upon Books, Reports, and Records.

Each director and each member of any committee designated by the Board of Directors of the Corporation shall, in the performance of his or her duties, be fully protected in relying in good faith upon the books and records of the Corporation and upon such information, opinions, reports or statements presented to the Corporation by any of its officers, agents or employees, or committees of the Board of Directors so designated, or by any other person or entity as to matters which such director or committee member reasonably believes are within such other person's or entity's professional or expert competence and that has been selected with reasonable care by or on behalf of the Corporation.

Section 8.3. Fiscal Year.

The fiscal year of the Corporation shall be fixed by the Board of Directors.

Section 8.4. Time Periods.

In applying any provision of these bylaws that requires that an act be done or not be done a specified number of days before an event or that an act be done during a specified number of days before an event, calendar days shall be used, the day of the doing of the act shall be excluded, and the day of the event shall be included.

SECTION 9 - AMENDMENTS

These bylaws may be altered, amended or repealed in accordance with the Certificate of Incorporation and the DGCL.

SECTION 10 - SEVERABILITY

If any provision or provisions of these bylaws shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever: (i) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of these bylaws (including, without limitation, each portion of any paragraph of these bylaws containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and (ii) to the fullest extent possible, the provisions of these bylaws (including, without limitation, each such portion of any paragraph of these bylaws containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to permit the Corporation to protect its directors, officers, employees and agents from personal liability in respect of their good faith service to or for the benefit of the Corporation to the fullest extent permitted by law.

Exhibit 4.1

AMENDED AND RESTATED STOCKHOLDERS AGREEMENT

BY AND AMONG

BOB'S DISCOUNT FURNITURE, INC.

AND

THE STOCKHOLDERS

NAMED HEREIN

DATED AS OF _____, 2026

AMENDED AND RESTATED STOCKHOLDERS AGREEMENT

This Amended and Restated Stockholders Agreement (as amended, modified, supplemented or restated from time to time, this "Agreement") is made as of _____, 2026, by and among:

(i) Bob's Discount Furniture, Inc. (f/k/a BDF Holding Corp.), a Delaware corporation (the "Company");

(ii) BCPE BDF Investor, LP, a Delaware limited partnership (collectively with its Affiliates, the "Sponsor"); and

(iii) such persons (A) designated as "Managers" or "Joined Persons" under the Original Agreement (as defined below), or (B) who from time to time become a party hereto by executing a joinder hereto in a form acceptable to the board of directors of the Company (the "Board") (which joinder may specify if such Person is designated as a "Manager" or otherwise) ("Joined Persons" and, together with the Managers and the Sponsor, the "Stockholders").

RECITALS

WHEREAS, on February 12, 2014, the Company and certain of the Stockholders entered into that certain Stockholders Agreement (the "Original Agreement");

WHEREAS, the Company has effected an underwritten public offering and sale of its Common Stock for cash registered on Form S-1 under the Securities Act (the "Company IPO"), which offering constitutes an Initial Public Offering under the terms of the Original Agreement rendering certain provisions of the Original Agreement no longer applicable; and

WHEREAS, in accordance with and pursuant to Section 10.2 of the Original Agreement, the Company and the Stockholders desire to amend and restate the Original Agreement, including to eliminate those provisions of the Original Agreement that are terminating as a result of the Company IPO and to set forth their agreements regarding certain matters following the Company IPO effective immediately upon consummation of the Company IPO;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree to amend and restate the Original Agreement as follows:

1. Definitions, Representations And Warranties.

1.1. Definitions. Certain terms used in this Agreement shall have the meanings ascribed to such terms in Section 11.

2. Certain Nomination Rights.

2.1. Board Composition. Pursuant to the terms and subject to the conditions of this Section 2.1 and applicable law, the rights of the Sponsor to nominate directors to the Board shall be set forth in this Section 2. For the avoidance of doubt, no reduction in the number of shares of Common Stock beneficially owned by the Sponsor shall automatically shorten the term of any incumbent director:

(a) so long as the Sponsor beneficially owns, directly or indirectly, at least 50% of its IPO Position, the Sponsor shall be entitled to nominate a majority of directors;

(b) so long as the Sponsor beneficially owns at least 30%, but less than 50%, of its IPO Position, the Sponsor shall be entitled to nominate a number of directors equal to 40% of all directors on the Board (rounded up to the nearest whole number);

(c) so long as the Sponsor beneficially owns at least 20%, but less than 30%, of its IPO Position, the Sponsor shall be entitled to nominate a number of directors equal to 25% of all directors on the Board (rounded up to the nearest whole number);

(d) so long as the Sponsor beneficially owns at least 10%, but less than 20%, of its IPO Position, the Sponsor shall be entitled to nominate a number of directors equal to 20% of all directors on the Board (rounded up to the nearest whole number); and

(e) so long as the Sponsor beneficially owns at least 3%, but less than 10%, of its IPO Position, the Sponsor shall be entitled to nominate one director.

2.2. If any director nominated by the Sponsor pursuant to this Section 2 (each a "Sponsor Director") resigns, is removed, or is unable to serve for any reason prior to the expiration of his or her term as a director, then the Sponsor shall be entitled to designate a replacement Sponsor Director to be appointed by the Board as soon as reasonably practicable to serve the remainder of the term of the Sponsor Director whom such designee replaces.

2.3. Notwithstanding anything to the contrary in this Agreement, all directors, including Sponsor Directors shall, at all times while serving on the Board, meet the qualification requirements to serve as a director under applicable securities laws and the rules and regulations of the NYSE.

2.4. The committees of the Board shall consist of an Audit Committee, a People Committee and a Nominating and Governance Committee, and such other committees as the Board may establish from time to time. For so long as the Sponsor has the right to nominate at least one Sponsor Director pursuant to this Agreement, the Sponsor will have the right to designate at least one director serving on each of the People Committee and the Nominating and Governance Committee, provided that that composition of each committee shall comply with applicable securities laws and the rules and regulations of the NYSE. Subject to the foregoing, all members of the committees of the Board shall be selected by the Board.

2.5. The Company shall pay the reasonable out-of-pocket expenses (including travel expenses) incurred by each director in connection with attending the meetings of the Board, any board of any Subsidiary of the Company and any committee thereof. In addition, the Company shall pay such additional compensation to directors who are not employees of the Company or any of its Subsidiaries or its Affiliates, as the Board so determines.

2.6. The Company shall use commercially reasonable efforts to maintain in effect at all times directors and officers indemnity insurance coverage reasonably satisfactory to holders of a majority of the Sponsor Shares then outstanding, and the Company's and its Subsidiaries' certificate of incorporation and bylaws (and other equivalent governing documents) shall at all times provide for indemnification and exculpation of directors to the fullest extent permitted under applicable law.

2.7. The Company agrees to use its reasonable best efforts to ensure that, so long as the Sponsor has the right to nominate a Sponsor Director under this Section 2, (i) each Sponsor Director proposed by the Sponsor is included in the Board's slate of nominees to the stockholders for each Director Election Meeting, and (ii) each Sponsor Director proposed by the Sponsor is included in the proxy statement prepared by the Company in connection with soliciting proxies for every Director Election Meeting (each, a "Director Election Proxy Statement"), and at every adjournment or postponement thereof. The calculation of the number of Sponsor Directors that the Sponsor is entitled to nominate to the Board's slate for any Director Election Meeting shall be based on the Sponsor's beneficial ownership of Common Stock immediately prior to the filing of the applicable definitive Director Election Proxy Statement with the SEC. Unless the Sponsor notifies the Company otherwise prior to the mailing to shareholders of the Director Election Proxy Statement, the Sponsor Directors nominated by the Sponsor for such election shall be presumed to be the same Sponsor Directors currently serving on the Board at such time, and no further action shall be required of the Sponsor for the Board to include such Sponsor Directors on the Board's slate; provided that, in the event the Sponsor is no longer entitled to nominate the full number of Sponsor Directors then serving on the Board, the Sponsor shall provide advance written notice to the Company of which currently servicing Sponsor Director(s) shall be excluded from the Board slate, and of any other changes to the list of Sponsor Director(s) to be included in the Director Election Proxy Statement. Furthermore, the Company agrees for so long as the Company qualifies as a "controlled company" under the rules and regulations of NYSE, the Company will elect to be a "controlled company" for purposes of such rules and regulations and will disclose in its annual meeting proxy statement that it is a "controlled company" and the basis for that determination. If the Company ceases to qualify as a "controlled company" under the rules and regulations of the NYSE, the Sponsor and the Company shall take whatever action may be reasonably necessary in relation to such party, if any, to cause the Company to comply with such rules and regulations as then in effect within the timeframe for compliance available under such rules and regulations, including any applicable transition periods.

3. Transfer Restrictions. No holder of Shares (other than the Sponsor) may Transfer any Shares to any other Person without first obtaining a written consent from the Sponsor, except as provided in this Section 3.

3.1. Permitted Transfers. Notwithstanding the foregoing, a holder of Shares subject to this Section 3 may:

3.1.1. transfer, distribute, cause the disposition of or surrender (as the case may be) the Shares:

(a) as a bona fide gift or gifts, including, without limitation, to a charitable organization or educational institution, or for bona fide estate planning purposes,

(b) by will, testamentary document or intestacy,

(c) to any immediate family member or to any trust for the direct or indirect benefit of such holder or the immediate family of such holder, or if the holder of such Shares is a trust, to a trustor or beneficiary of the trust or to the estate of a beneficiary of such trust (for purposes of this Agreement, "immediate family" shall mean any relationship by blood, current or former marriage, domestic partnership or adoption, not more remote than first cousin),

(d) to a corporation, trust, partnership, limited liability company or other entity of which the holder of such Shares and/or one or more members of such holder's immediate family are, directly or indirectly, the legal and beneficial owner of all of the outstanding equity securities or similar interests,

(e) to a nominee or custodian of a person or entity to whom a disposition or transfer would be permissible under clauses (a) through (e) above,

(f) if the holder of such Shares is a corporation, partnership, limited liability company, trust or other business entity, (A) to another corporation, partnership, limited liability company, trust or other business entity that is an affiliate (as defined in Rule 405 promulgated under the Securities Act of 1933, as amended) of the holder, or to any investment fund or other entity controlling, controlled by, managing or managed by or under common control with the undersigned or affiliates of the holder of such Shares (including, for the avoidance of doubt, where the holder is a partnership, to its general partner or a successor partnership or fund, or any other funds managed by such partnership), or (B) as part of a distribution to members or other transfer or distribution to general or limited partners or shareholders of, or other holders of equity interest in, the holder of such Shares,

(g) by operation of law, such as pursuant to a qualified domestic order, divorce settlement, divorce decree or separation agreement,

(h) to the Company from an employee of the Company upon death, disability or termination of employment, in each case, of such employee,

(i) to the Company in connection with the vesting, settlement, or exercise of restricted stock units, options, warrants or other rights to purchase shares of Common Stock (including, in each case, by way of "net" or "cashless" exercise), including for the payment of exercise price and tax and remittance payments due as a result of the vesting, settlement, or exercise of such restricted stock units, options, warrants or rights, provided that any such shares of Common Stock received upon such exercise, vesting or settlement shall be subject to the terms of this Agreement,

(j) pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction that is approved by the Board and made to all holders of the Company's capital stock involving a Change of Control (as defined below) of the Company (for purposes hereof, "Change of Control" shall mean the transfer (whether by tender offer, merger, consolidation or other similar transaction), in one transaction or a series of related transactions, to a person or group of affiliated persons, of shares of capital stock if, after such transfer, such person or group of affiliated persons would hold at least a majority of the out-standing voting securities of the Company (or the surviving entity)); provided that in the event that such tender offer, merger, consolidation or other similar transaction is not completed, the Shares shall remain subject to the provisions of this this Section 3;

provided that in the case of any transfer or distribution pursuant to Sections 3.1.1(a), 3.1.1(b), 3.1.1(c), 3.1.1(d), 3.1.1(e), 3.1.1(f) or 3.1.1(g), such transfer shall not involve a disposition for value and each donee, devisee, transferee or distributee shall execute a joinder hereto in a form acceptable to the Company.

3.2. Period.

3.2.1. Senior Managers. The foregoing provisions of Section 3.1 shall expire with respect to Shares beneficially owned by Senior Managers upon the expiration of the Restricted Period; provided that, prior to the expiration of the Restricted Period they may Transfer Shares pursuant to a Public Offering to which Section 7.1.2 applies, and provided, further that following the expiration of the Restricted Period, Senior Managers may only Transfer such Shares to the extent the Transfer Percentage with respect to such Senior Manager does not exceed the Sponsor Transfer Percentage as of the date of consummation of such Transfer. Following the consummation of the Company IPO, if any Senior Manager wishes to Transfer Shares in accordance with the proviso in the first sentence of this Section 3.2.1, such Senior Manager shall be entitled to obtain prior to such Transfer, and rely upon, a statement from the Company of the number of Shares that such Senior Manager may Transfer in compliance with this Section 3.2.1.

3.2.2. Other Stockholders. The foregoing provisions of Section 3.1 shall expire with respect to all holders of Shares other than those beneficially owned by Senior Managers or the Sponsor upon the 270th day following the signing of an underwriting agreement relating to the Company IPO; provided that, following such date, holders may only Transfer such Shares to the extent the Transfer Percentage with respect to each Stockholder does not exceed the percentage applicable as of each such transfer date set forth on Schedule 3.2.2 hereto as of the date of consummation of such Transfer. Following the expiration of the Restricted Period,

holders may only Transfer such Shares to the extent the Transfer Percentage with respect to each Stockholder does not exceed the greater of the Sponsor Transfer Percentage or the percentage applicable as of each such transfer date set forth on Schedule 3.2.2, in each case as of the date of consummation of such Transfer. Following the consummation of the Company IPO, if any holder of Shares wishes to Transfer Shares in accordance with the proviso in the first sentence of this Section 3.2.2, such holder shall be entitled to obtain prior to such Transfer, and rely upon, a statement from the Company of the number of Shares that such holder may Transfer in compliance with this Section 3.2.2.

4. [INTENTIONALLY OMITTED].

5. [INTENTIONALLY OMITTED]

6. [INTENTIONALLY OMITTED]

7. Registration Rights. The Company will perform and comply, and cause each of its Subsidiaries to perform and comply, with such of the following provisions as are applicable to it. Each holder of Shares will perform and comply with such of the following provisions as are applicable to such holder.

7.1. Demand Registration Rights.

7.1.1. General. The Sponsor, by notice to the Company specifying the intended method or methods of disposition, may request that the Company effect the registration under the Securities Act for a Public Offering on Form S-1 or any similar long-form registration or on Form S-3 or any similar short-form registration of all or a specified part of the Registrable Securities held by the Sponsor. All registrations requested pursuant to this Section 7.1.1 are referred to herein as "Demand Registrations." The Sponsor may request that the registration be made pursuant to Rule 415 under the Securities Act (a "Shelf Registration") and, if the Company is a well known seasoned issuer at the time any request for a Demand Registration is submitted to the Company, that such Shelf Registration be an automatic shelf registration statement (as defined in Rule 405 under the Securities Act). Upon receipt of any Demand Registration, the Company will use its best efforts to effectuate the registration under the Securities Act of the Registrable Securities which the Company has been requested to register by the Sponsor.

7.1.2. Piggyback Registration Rights. In the event that the Sponsor exercises any registration rights pursuant to Section 7.1.1 or the Company otherwise determines to effect a registration for a Public Offering of all or a specified part of the Registrable Securities held by the Sponsor, then:

(a) Promptly upon receipt of a request for a Demand Registration pursuant to Section 7.1.1 (but in no event more than two (2) Business Days thereafter (or such shorter period as may be reasonably requested by the Sponsor in connection with an underwritten "block trade")), the Company shall deliver a written notice (a "Registration Notice") of any such request to each Senior Manager, and, after the expiration of the Restricted Period, each Manager

and each Joined Person who then holds Registrable Securities (each a "Piggyback Holder"), which notice shall specify, if applicable, the amount of Registrable Securities to be registered.

(b) Each Piggyback Holder, shall, only to the extent consistent with applicable law and subject to Section 3, Section 7.1.2(c) and Section 7.1.2(d), have the right to participate in such registration or Shelf Underwritten Offering on a *pro rata* basis with the Sponsor based on the number of Registrable Securities held by such Piggyback Holder as of such time.

(c) The Company shall include in such Demand Registration all Registrable Securities with respect to which the Company has received valid written requests for inclusion in accordance with this Section 7.1.2 within three (3) Business Days (or such shorter period as may be reasonably requested in connection with an underwritten "block trade") after the date that the Registration Notice has been delivered.

(d) Each holder of Registrable Securities who elects to participate in a Public Offering pursuant to this Section 7.1.2 shall, if requested by the Company or the Sponsor, enter into a customary registration rights agreement, lockup agreement or similar agreement.

7.1.3. Form; Procedures.

(a) Each registration requested pursuant to Section 7.1.2 shall be effected by the filing of a registration statement on Form S-1 or Form S-3 (or any other form which includes substantially the same information as would be required to be included in a registration statement on such form as currently constituted), unless the use of a different form has been agreed to in writing by the Sponsor.

(b) As promptly as practicable after the Company receives written notice of a request for a Shelf Registration from the Sponsor, the Company shall file with the Securities and Exchange Commission a Shelf Registration Statement. The Company shall use its best efforts to cause any Shelf Registration Statement to be declared effective under the Securities Act as soon as practicable after filing, and once effective, the Company shall cause such Shelf Registration Statement to remain continuously effective for such time period as is specified in such request, but for no time period longer than the period ending on the earliest of (A) the third anniversary of the date of filing of such Shelf Registration Statement, (B) the date on which all Registrable Securities covered by such Shelf Registration Statement have been sold pursuant to the Shelf Registration Statement and (C) the date as of which there are no longer any Registrable Securities covered by such Shelf Registration Statement in existence.

(c) At any time during which a Shelf Registration Statement covering Registrable Securities is effective, if the Sponsor delivers a notice to the Company (a "Take-Down Notice") stating that it intends to effect an underwritten offering of all or part of its Registrable Securities included by it on the Shelf Registration Statement (a "Shelf Underwritten Offering"), then the Company shall amend or supplement the Shelf Registration Statement as may be necessary in order to enable such Registrable Securities to be distributed pursuant to the Shelf Underwritten Offering and otherwise use its best efforts to facilitate such Shelf

Underwritten Offering as expeditiously as possible and in any event within twenty days after the receipt of the Take-Down Notice.

7.1.4. Payment of Expenses. The Company shall pay all reasonable expenses of the Sponsor incurred in connection with each registration of Registrable Securities and each Shelf Underwritten Offering requested pursuant to this Section 7.1, which shall include one legal counsel selected by Sponsor, other than underwriting discount and commission, if any, and applicable transfer taxes, if any. The Company shall pay its internal expenses (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expense of any annual audit or quarterly review, the expense of any liability insurance and the expenses and fees for listing the securities to be registered on each securities exchange on which similar securities issued by the Company are then listed.

7.2. Certain Other Provisions.

7.2.1. Underwriter's Cutback In connection with any registration of shares, the underwriter may determine that marketing factors (including an adverse effect on the per-share offering price) require a limitation of the number of shares to be underwritten. Notwithstanding any contrary provision of this Section 7 and subject to the terms of this Section 7.2.1, the underwriter may limit the number of shares which would otherwise be included in such registration by excluding any or all Registrable Securities offered by the Piggyback Holders from such registration (it being understood that the number of shares, if any, which the Company may seek to have registered on its own behalf in such registration shall not be subject to exclusion, in whole or in part, under this Section 7.2.1). Upon receipt of notice from the underwriter of the need to reduce the number of shares to be included in the registration, the Company shall advise all holders of the Company's securities that would otherwise be permitted under this Agreement to be registered and underwritten pursuant hereto, and the number of shares of such securities, including Registrable Securities, that may be included in the registration shall be allocated in the following manner, unless the underwriter in its sole discretion shall determine in good faith that marketing factors require a different allocation: shares, other than Registrable Securities, requested to be included in such registration by shareholders shall be excluded unless the Company has, with the consent of the Sponsor, granted registration rights which are to be treated on an equal basis with Registrable Securities for the purpose of the exercise of the underwriter cutback; and, if a limitation on the number of shares is still required, the number of Registrable Securities that may be included in such registration shall be allocated among holders thereof in proportion, as nearly as practicable, to the respective amounts of Registrable Securities which each shareholder who is eligible to participate in such offering under the terms of this Agreement holds; provided, that Registrable Securities that are held by Managers shall only be included to the extent the underwriter in its sole discretion determines in good faith that the marketability of the offering would not be adversely affected by inclusion of such securities. For purposes of any underwriter cutback, all Registrable Securities held by any holder of Registrable Securities shall also include any Registrable Securities held by the partners, retired partners, shareholders, estate planning vehicles, or affiliated entities of such holder, or the estates and family members of any such holder or such partners and retired partners, any trusts for the benefit of any of the foregoing persons and, at the election of such holder or such partners, retired partners, trusts or

affiliated entities, any estate planning vehicle or any charitable organization to which any of the foregoing shall have contributed Registrable Securities prior to the execution of the underwriting agreement in connection with such underwritten offering, and such holder and other Persons shall be deemed to be a single selling holder, and any pro rata reduction with respect to such selling holder shall be based upon the aggregate amount of Registrable Securities owned by all such Persons deemed such selling holder, as defined in this sentence. No securities excluded from the underwriting by reason of the underwriter's marketing limitation shall be included in such registration.

7.2.2. Other Actions. If and in each case when the Company is required to use its best efforts to effect a registration of any Registrable Securities as provided in this Section 7, the Company shall take appropriate and customary actions in furtherance thereof, including: (a) promptly filing with the Commission a registration statement and using reasonable best efforts to cause such registration statement to become effective; (b) preparing and filing with the Commission such amendments and supplements to such registration statements and related prospectuses as may be required to comply with the Securities Act and to keep such registration statements effective (provided that before filing a registration statement or prospectus or any amendments or supplements thereto, the Company shall furnish to the counsel selected by the Board or the Sponsor covered by such registration statement copies of all such documents proposed to be filed) (i) in the case of Shelf Registration Statements, until the earlier of (A) the date as of which all Registrable Securities have been sold pursuant to the Shelf Registration Statement (but in no event prior to the applicable period referred to in Section 4(3) of the Securities Act and Rule 174 thereunder) and (B) such shares are no longer Registrable Securities and (ii) in the case of all other registration statements, for a period not to exceed 180 days from the date of effectiveness or such earlier time as the Registrable Securities covered by such registration statement shall have been disposed of in accordance with the intended method of distribution therefor or the expiration of the time when a prospectus relating to such registration is required to be delivered under the Securities Act; (c) use its best efforts to register or qualify such Registrable Securities under the state securities or "blue sky" laws of such jurisdictions as the sellers shall reasonably request; and (d) otherwise cooperate reasonably with, and take such customary actions as may reasonably be requested by the holders of Registrable Securities in connection with, such registration, including participation in due diligence sessions, drafting sessions, management presentations and "road shows" by its and its Subsidiaries' respective directors, officers and employees.

7.2.3. Selection of Underwriters and Counsel. The underwriters and legal counsel to be retained in connection with any Public Offering shall be selected by the Board or, in the case of an offering following a request therefor under Section 7.1.1 the Sponsor.

7.3. Indemnification and Contribution.

7.3.1. Indemnities of the Company. In the event of any registration of any Registrable Securities or other debt or equity securities of the Company or any of its Subsidiaries under the Securities Act pursuant to this Section 7 or otherwise, and in connection with any registration statement or any other disclosure document produced by or on behalf of the

Company or any of its Subsidiaries including reports required and other documents filed under the Exchange Act, and other documents pursuant to which any debt or equity securities of the Company or any of its Subsidiaries are sold (whether or not for the account of the Company or its Subsidiaries), the Company will, and hereby does, and will cause each of its Subsidiaries, jointly and severally, to indemnify and hold harmless each seller of Registrable Securities, any Person who is or might be deemed to be a controlling Person of the Company or any of its Subsidiaries within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, their respective direct and indirect partners, advisory board members, directors, officers, trustees, members and shareholders, and each other Person, if any, who controls any such seller or any such holder within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act (each such person being referred to herein as a "Covered Person"), against any losses, claims, damages or liabilities (or actions or proceedings, whether commenced or threatened, in respect thereof), joint or several, to which such Covered Person may be or become subject under the Securities Act, the Exchange Act, any other securities or other law of any jurisdiction, the common law or otherwise, insofar as such losses, claims, damages or liabilities (or actions or proceedings, whether commenced or threatened, in respect thereof) arise out of, are based upon or are related to (a) any untrue statement or alleged untrue statement of any material fact contained or incorporated by reference in any registration statement under the Securities Act, any preliminary prospectus or final prospectus included therein, or any related summary prospectus, or any amendment or supplement thereto, or any document incorporated by reference therein, or any other such disclosure document (including reports and other documents filed under the Exchange Act and any document incorporated by reference therein) or other document or report, (b) any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading or (c) any violation or alleged violation by the Company or any of its Subsidiaries of any federal, state, foreign or common law rule or regulation applicable to the Company or any of its Subsidiaries and relating to any action or inaction in connection with any such registration, disclosure document or other document or report, and will reimburse such Covered Person for any legal or any other expenses incurred by it in connection with investigating or defending any such loss, claim, damage, liability, action or proceeding; provided, however, that neither the Company nor any of its Subsidiaries shall be liable to any Covered Person in any such case to the extent that any such loss, claim, damage, liability, action or proceeding arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in such registration statement, any such preliminary prospectus, final prospectus, summary prospectus, amendment or supplement, incorporated document or other such disclosure document or other document or report, in reliance upon and in conformity with written information furnished to the Company or to any of its Subsidiaries through an instrument duly executed by such Covered Person specifically stating that it is intended for use in the preparation thereof The indemnities of the Company and of its Subsidiaries contained in this Section 7.3.1 are in addition to any other rights to indemnification that any Covered Person may have pursuant to law or contract and shall remain in full force and effect regardless of any investigation made by or on behalf of such Covered Person and shall survive any transfer of securities and the termination of this Agreement.

7.3.2. Indemnities to the Company. The Company and any of its Subsidiaries may require, as a condition to including any securities in any registration statement filed pursuant to this Section 7, that the Company and any of its Subsidiaries shall have received an undertaking satisfactory to it from the prospective seller of such securities, to indemnify and hold harmless the Company and any of its Subsidiaries, each director of the Company or any of its Subsidiaries, each officer of the Company or any of its Subsidiaries who shall sign such registration statement and each other Person (other than such seller), if any, who controls the Company and any of its Subsidiaries within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act and each other prospective seller of such securities with respect to any statement in or omission from such registration statement, any preliminary prospectus, final prospectus or summary prospectus included therein, or any amendment or supplement thereto, or any other disclosure document (including reports and other documents filed under the Exchange Act or any document incorporated therein) or other document or report, if such statement or omission was made in reliance upon and in conformity with written information furnished to the Company or any of its Subsidiaries through an instrument executed by such seller specifically stating that it is intended for use in the preparation of such registration statement, preliminary prospectus, final prospectus, summary prospectus, amendment or supplement, incorporated document or other document or report. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of the Company, any of its Subsidiaries or any such director, officer or controlling Person and shall survive any transfer of securities.

7.3.3. Claim Procedure. Any Person entitled to indemnification hereunder shall(i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (provided that the failure to give prompt notice shall impair any Person's right to indemnification hereunder only to the extent such failure has prejudiced the indemnifying party) and (ii) unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party. If such defense is assumed, the indemnifying party shall not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent shall not be unreasonably withheld, conditioned or delayed). An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim shall not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of any indemnified party a conflict of interest may exist between such indemnified party and any other of such indemnified parties with respect to such claim. In such instance, the conflicted indemnified parties shall have a right to retain one separate counsel, chosen by the holders of a majority of the Registrable Securities included in the registration if such holders are indemnified parties, at the expense of the indemnifying party.

7.3.4. Contribution. If the indemnification provided for in Sections 7.3.1 or 7.3.2 is unavailable to a party that would have been entitled to indemnification pursuant to the foregoing provisions of this Section 7.3 (an "Indemnitee") in respect of any losses, claims, damages or liabilities (or actions or proceedings, whether commenced or threatened, in respect thereof) referred to therein, then each party that would have been an indemnifying party

thereunder shall, in lieu of indemnifying such Indemnitee, contribute to the amount paid or payable by such Indemnitee as a result of such losses, claims, damages or liabilities (or actions or proceedings in respect thereof) in such proportion as is appropriate to reflect the relative fault of such indemnifying party on the one hand and such Indemnitee on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions or proceedings in respect thereof). The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by such indemnifying party or such Indemnitee and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The parties hereto agree that it would not be just or equitable if contribution pursuant to this Section 7.3.4 were determined by *pro rata* allocation or by any other method of allocation which does not take account of the equitable considerations referred to in the preceding sentence. The amount paid or payable by a contributing party as a result of the losses, claims, damages or liabilities (or actions or proceedings in respect thereof) referred to above in this Section 7.3.4 shall include any legal or other expenses reasonably incurred by such Indemnitee in connection with investigating or defending any such action or claim. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

7.3.5. Limitation on Liability of Holders of Registrable Securities. The liability of each holder of Registrable Securities in respect of any indemnification or contribution obligation of such holder arising under this Section 7.3 shall not in any event exceed an amount equal to the net proceeds received by such holder (after deduction of all underwriters' discounts and commissions) from the disposition of the Registrable Securities disposed of by such holder pursuant to such registration.

8. Remedies.

8.1. Generally. The Company and each holder of Shares shall have all remedies available at law, in equity or otherwise in the event of any breach or violation of this Agreement or any default hereunder by the Company or any holder of Shares. The parties hereto acknowledge and agree that in the event of any breach of this Agreement, in addition to any other remedies which may be available, each of the parties hereto shall be entitled to specific performance of the obligations of the other parties hereto and, in addition, to such other equitable remedies (including preliminary or temporary relief) as may be appropriate in the circumstances.

9. Legends.

9.1. Restrictive Legend. Each certificate representing Shares shall have the following legend endorsed conspicuously thereupon:

"THE SALE, ENCUMBRANCE OR OTHER DISPOSITION THE SHARES OF STOCK REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO THE PROVISIONS OF AN AMENDED AND RESTATED STOCKHOLDERS

AGREEMENT TO WHICH THE ISSUER AND CERTAIN OF ITS STOCKHOLDERS ARE PARTY, A COPY OF WHICH MAY BE INSPECTED AT THE PRINCIPAL OFFICE OF THE ISSUER OR OBTAINED FROM THE ISSUER WITHOUT CHARGE."

Any person who acquires Shares which are not subject to all or part of the terms of this Agreement shall have the right to have such legend (or the applicable portion thereof) removed from certificates representing such Shares.

9.2. 1933 Act Legends. Each certificate representing Shares shall have the following legend endorsed conspicuously thereupon:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE WERE ISSUED WITHOUT REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") AND MAY NOT BE SOLD, ASSIGNED, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION UNDER THE ACT COVERING THE TRANSFER OR AN OPINION OF COUNSEL, SATISFACTORY TO THE ISSUER, THAT REGISTRATION UNDER THE ACT IS NOT REQUIRED."

9.3. Stop Transfer Instruction. The Company will instruct any transfer agent not to register the Transfer of any Shares until the conditions specified in the foregoing legends are satisfied.

9.4. Termination of 1933 Act Legend. The requirement imposed by Section 9.2 shall cease and terminate as to any particular Shares (a) when, in the opinion of Ropes & Gray LLP, or other counsel reasonably acceptable to the Company, such legend is no longer required in order to assure compliance by the Company with the Securities Act or (b) when such Shares have been effectively registered under the Securities Act or transferred pursuant to Rule 144. Wherever (i) such requirement shall cease and terminate as to any Shares or (ii) such Shares shall be freely transferable under Rule 144 without being subject to volume or other limitations, the holder thereof shall be entitled to receive from the Company, without expense, new certificates not bearing the legend set forth in Section 9.2.

10. Amendment, Termination, Etc.

10.1. Oral Modifications. This Agreement may not be orally amended, modified, extended or terminated, nor shall any oral waiver of any of its terms be effective.

10.2. Written Modifications. This Agreement may be amended, modified, extended or terminated, and the provisions hereof may be waived, only by an agreement in writing signed by holders of a majority of the Sponsor Shares and the Company; provided, however, that no amendment, modification, extension, termination or waiver of this Agreement

shall be made which materially, disproportionally and adversely affects the interests of any Manager or any Joined Person relative to the other Stockholders without the prior written consent of such Manager or such Joined Person, as applicable. Each such amendment, modification, extension, termination and waiver shall be binding upon each party hereto and each holder of Shares subject hereto. In addition, each party hereto and each holder of Shares subject hereto may waive any right hereunder by an instrument in writing signed by such party or holder.

10.3. Effect of Termination. No termination under this Agreement shall relieve any Person of liability for breach prior to termination.

11. Definitions. For purposes of this Agreement:

11.1. Certain Matters of Construction. In addition to the definitions referred to or set forth below in this Section 11:

(a) The words "hereof", "herein", "hereunder" and words of similar import shall refer to this Agreement as a whole and not to any particular Section or provision of this Agreement, and reference to a particular Section of this Agreement shall include all subsections thereof;

(b) Definitions shall be equally applicable to both nouns and verbs and the singular and plural forms of the terms defined;

(c) The masculine, feminine and neuter genders shall each include the other; and

(d) The words "include," "includes" or "including" shall be deemed to be followed by the words "without limitation."

11.2. Definitions. The following terms shall have the following meanings:

"2014 Stock Option Plan" shall mean the Company's 2014 Stock Option Plan, effective as of the date hereof or thereafter, as amended from time to time.

"Adverse Claim" shall have the meaning set forth in Section 7-302 of the applicable Uniform Commercial Code.

"Affiliate" shall mean, with respect to any specified Person, (a) any other Person which directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, such specified Person (for the purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise) and (b) with respect to any natural Person, any member of the Family Group of such natural Person.

"Award Stock" shall have the meaning set forth in the 2014 Stock Option Plan.

"Awards" shall have the meaning set forth in the 2014 Stock Option Plan.

"Commission" shall mean the Securities and Exchange Commission.

"Common Stock" shall mean the Company's common stock, par value $0.0001 per share, or, in the event that the outstanding shares of common stock are hereafter recapitalized, converted into or exchanged for different stock or securities of the Company or its Affiliates, such other stock or securities.

"Convertible Securities" shall mean any evidence of indebtedness, shares of stock (other than Common Stock) or other securities (other than Warrants or Options) which are directly or indirectly convertible into or exchangeable or exercisable for shares of Common Stock.

"Director Election Meeting" means any annual or special meeting of the shareholders of the Company at which directors are to be elected to the Board.

"Director Election Proxy Statement" shall have the meaning set forth in Section 2.7.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as in effect from time to time.

"Family Group" shall mean (a) in the case of any Stockholder that is an individual, such Stockholder's spouse and descendants (by birth or adoption) and any trust solely for the benefit of such Stockholder and/or such Stockholder's spouse and/or such Stockholder's descendants (by birth or adoption), or any corporation or partnership used for purposes of estate planning in which the direct and beneficial owner of all of the equity interests is such Stockholder and/or a member of such Stockholder's Family Group; and (b) in the case of any Stockholder that is a trust, the trust's beneficiaries as described in clause (a) above.

"Emeritus Shares" shall mean the Management Shares held by Mr. Robert Kaufman.

"IPO Position" shall mean [ ], which is the number of shares held by the Sponsor at the time of effectiveness of the registration statement relating to the Company IPO, without regard for any shares that may have been sold to the underwriters in connection with the Company IPO.

"Joined Shares" shall mean all shares of Common Stock originally issued to, or issued with respect to shares originally issued to, or held by, a Joined Person, whenever issued.

"Management Shares" shall mean all shares of Common Stock originally issued to, or issued with respect to shares originally issued to, or held by, a Manager, whenever issued, including (a) all shares of Common Stock issued upon the exercise, conversion or exchange of any Awards and (b) all shares of Common Stock issued pursuant to Rollover Agreements.

"Manager" shall mean any Person (a) who is a recipient of any Award under the 2014 Stock Option Plan (whenever granted), (b) who is a Joined Person designated as a "Manager" or (c) who is listed on the signature page hereof as a "Manager".

"NYSE" shall mean the New York Stock Exchange.

"Options" shall mean the options to acquire Common Stock issued or issuable under the 2014 Stock Option Plan.

"Person" shall mean an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization and a government or any branch, department, agency, political subdivision or official thereof.

"Public Offering" shall mean a public offering and sale of Common Stock for cash pursuant to an effective registration statement under the Securities Act.

"Registrable Securities" shall mean (a) all shares of Common Stock, (b) all shares of Common Stock issuable upon exercise, conversion or exchange of any Warrant, Options or Convertible Security and (c) all shares of Common Stock directly or indirectly issued or issuable with respect to the securities referred to in clauses (a) or (b) above by way of stock dividend or stock split or in connection with a combination of shares, recapitalization, merger, consolidation or other reorganization, in each case constituting Shares. As to any particular Registrable Securities (other than the Emeritus Shares), such shares shall cease to be Registrable Securities when: (i) such shares shall have been Transferred in accordance with the terms of this Agreement by a holder of Shares; (ii) a registration statement with respect to the sale of such securities shall have become effective under the Securities Act and such securities shall have been disposed of in accordance with such registration statement; (iii) such securities shall have been Transferred pursuant to Rule 144; (iv) (x) such securities are transferrable pursuant to Rule 144 without limitation imposed by section (e) and (f) of Rule 144 and (y) no report is required to be made pursuant to section 16 of the Exchange Act or the rules thereunder regarding the any transfer of such securities or (v) such securities shall have ceased to be outstanding.

"Restricted Period" shall mean the period of time from the signing of an underwriting agreement relating to the Company IPO until the first anniversary of such date.

"Rollover Agreement" shall mean any contribution and exchange agreement entered into between the Company and any Manager from time to time (as each may be amended from time to time in accordance with its terms) pursuant to which the applicable Manager acquired Shares.

"Rule 144" shall mean Rule 144 under the Securities Act (or any successor Rule).

"Securities Act" shall mean the Securities Act of 1933, as in effect from time to time.

"Senior Managers" shall mean all officers, directors or shareholders with reporting obligations pursuant to Section 16 of the Exchange act, except for the Sponsor and its nominees and Affiliates, as well as any holder of Emeritus Shares.

"Shares" shall mean all of the Sponsor Shares, the Management Shares and the Joined Shares.

"Shelf Registration Statement" means a registration statement filed with the Securities and Exchange Commission on either (a) Form S-3 (or any successor form or other appropriate form under the Securities Act) or (b) if the Company is not permitted to file a registration statement on Form S-3, an evergreen registration statement on Form S-l (or any successor form or other appropriate form under the Securities Act), in each case for an offering to be made on a continuous basis pursuant to Rule 415 under the Securities Act (or any similar rule that may be adopted by the Securities and Exchange Commission) covering the Registrable Securities, as applicable.

"Sponsor Director" shall have the meaning set forth in Section 2.2.

"Sponsor Shares" shall mean all shares of Common Stock originally issued to, or issued with respect to shares originally issued to, or at any time held by, the Sponsor, whenever issued, including all shares of Common Stock issued upon the exercise, conversion or exchange of any Warrants, Options or Convertible Securities.

"Sponsor Transfer Percentage" shall mean, in connection with any Transfer of Shares following the Company IPO, as of the date of consummation of such Transfer, a fraction (expressed as a percentage) (i) the numerator of which is the aggregate number of Sponsor Shares Transferred by the Sponsor from and including the date of the Company IPO to and including the date of such Transfer, and (ii) the IPO Position.

"Subsidiary" shall mean any Person in which the Company owns, directly or indirectly, stock or other equity securities or interests possessing fifty percent or more of the total combined voting power of such Person or otherwise has the power to direct the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise.

"Transfer" shall mean any direct or indirect sale, transfer, assignment, pledge, encumbrance or other transfer or disposition (whether with or without consideration and whether voluntary, involuntary or by operation of law, including to the Company or any of its Subsidiaries) of any interest.

"Transfer Percentage" shall mean, in connection with any Transfer of Shares following the Company IPO, as of the date of consummation of such Transfer, a fraction (expressed as a percentage) (i) the numerator of which is the aggregate number of Shares Transferred by a Stockholder in all Transfers from and including the date of the Company IPO to and including the date of such Transfer, and (ii) the denominator of which is the aggregate number of Shares held by such Stockholder at the time of effectiveness of the registration statement relating to the Company IPO.

"Warrants" shall mean any warrants to subscribe for, purchase or otherwise directly acquire Common Stock.

12. Miscellaneous.

12.1. Authority; Effect. Each party hereto represents and warrants to and agrees with each other party that the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized on behalf of such party and do not violate any agreement or other instrument applicable to such party or by which its assets are bound. This Agreement does not, and shall not be construed to, give rise to the creation of a partnership among any of the parties hereto or constitute any such party's membership in a joint venture or other association.

12.2. Survival of Representations and Warranties; Termination of Covenants. All representations and warranties contained in this Agreement or made in writing by any party in connection herewith shall survive the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby. In the event any provision of this Agreement is terminated, such termination shall not relieve any party from liability for its prior breach of this Agreement or for failure by it to perform its obligations hereunder.

12.3. [Intentionally Omitted].

12.4. Confidentiality. Each Stockholder other than the Sponsor shall not use or disclose to any Person, directly or indirectly, any confidential information of the Company (other than to monitor its investment in the Company) at any time hereafter unless such confidential information becomes available to the public or in the public domain without breach of this Agreement; provided, however, that nothing in this Section 12.4 shall preclude a Stockholder from disclosing such confidential information: (a) as required by any law, regulation, governmental body or authority or by court order, provided that such Stockholder notifies the Company and takes steps necessary to minimize the extent of such disclosure and maintain the confidentiality of the information disclosed; or (b) to a court which is determining the rights of the parties under this Agreement, provided that such Stockholder notifies the Company and takes steps necessary to minimize the extent of such disclosure and maintain the confidentiality of the information disclosed.

12.5. Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given when (a) delivered personally (in which case, it will be effective upon delivery), (b) sent by confirmed cable, telecopy, telegram, facsimile, electronic mail (in which case, it will be effective upon receipt of confirmation of good transmission), (c) sent by overnight courier service (in which case, it will be effective on the business day immediately following the date deposited with such courier service), or (d) mailed by certified or registered mail, return receipt requested, with postage prepaid (in which case, it will be effective upon receipt of confirmation of receipt of delivery), to the parties at the addresses (or facsimile numbers) listed below (or at such other address for a party as shall be specified by like notice). Notice to the holder of record of any Shares shall be deemed to be notice to the holder of such Shares for all purposes hereof.

If to the Company:

Bob's Discount Furniture, Inc.
434 Tolland Turnpike
Manchester, CT 06042
Attention: Chief Legal Officer
Email: legal@mybobs.com

with copies (which shall not constitute notice) to:

Ropes & Gray LLP
Prudential Tower
800 Boylston Street
Boston, Massachusetts 02199
Attention: Craig E. Marcus
Rachel D. Phillips
Email: craig.marcus@ropesgray.com
rachel.phillips@ropesgray.com

If to the Sponsor:

c/o Bain Capital Partners, LLC
200 Clarendon Street
Boston, MA 02116
Attention: Jennifer Davis
Email:

with a copy (which shall not constitute notice) to:

Ropes & Gray LLP
Prudential Tower
800 Boylston Street
Boston, Massachusetts 02199
Attention: Craig E. Marcus
Rachel D. Phillips
Email: craig.marcus@ropesgray.com
rachel.phillips@ropesgray.com

If to a Manager, to such person at the address, facsimile number or electronic mail address set forth in the stock record book of the Company.

12.6. Binding Effect, Etc. Except for the 2014 Stock Option Plan, the Rollover Agreements and the restrictions applicable to Transfers of the Shares set forth in other agreements, plans or other documents, this Agreement (together with all exhibits, schedules and joinders to this Agreement) constitutes the entire agreement of the parties hereto with respect to its subject matter, supersedes all prior or contemporaneous oral or written agreements or

discussions with respect to such subject matter, and shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, representatives, successors and assigns.

12.7. Descriptive Headings. The descriptive headings of this Agreement are for convenience of reference only, are not to be considered a part hereof and shall not be construed to define or limit any of the terms or provisions hereof.

12.8. Counterparts; Electronic Delivery. This Agreement may be executed in multiple counterparts (including by means of telecopied signature pages or signature pages in "pdf", ".tif" or similar format sent as an attachment to an electronic mail message), each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. This Agreement and any signed agreement or instrument entered into in connection with this Agreement, and any amendments hereto or thereto, to the extent delivered by means of electronic mail in ".pdf", ".tif" or similar format (any such delivery, an "Electronic Delivery"), shall be treated in all manners and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall re-execute original forms thereof and deliver them (by means other than Electronic Delivery) to all other parties. No party hereto or to any such agreement or instrument shall raise (a) the use of Electronic Delivery to deliver a signature or (b) the fact that any signature or agreement or instrument was transmitted or communicated through the use of Electronic Delivery, as a defense to the formation of a contract, and each such party forever waives any such defense, except to the extent such defense related to lack of authenticity.

12.9. Severability. In the event that any provision hereof would, under applicable law, be invalid or unenforceable in any respect, such provision shall be construed by modifying or limiting it so as to be valid and enforceable to the maximum extent compatible with, and possible under, applicable law. The provisions hereof are severable, and in the event any provision hereof should be held invalid or unenforceable in any respect, it shall not invalidate, render unenforceable or otherwise affect any other provision hereof.

13. Governing Law.

13.1. Governing Law. This Agreement shall be governed by and construed in accordance with the domestic substantive laws of the State of Delaware without giving effect to any choice or conflict of laws provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction.

13.2. Consent to Jurisdiction. Each party to this Agreement, (a) hereby irrevocably submits to the exclusive jurisdiction of the Delaware Court of Chancery and, thereafter any state or federal courts sitting in the State of Delaware from which appeal can validly be taken, for the purpose of any action, claim, cause of action or suit (in contract, tort or otherwise), inquiry, proceeding or investigation arising out of or based upon this Agreement or relating to the subject matter hereof, (b) hereby waives to the extent not prohibited by applicable law, and agrees not to assert, and agrees not to allow any of its Affiliates to assert, by way of

motion, as a defense or otherwise, in any such action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that any such proceeding brought in one of the above-named courts is improper, or that this Agreement or the subject matter hereof or thereof may not be enforced in or by such court and (c) hereby agrees not to commence or maintain any action, claim, cause of action or suit (in contract, tort or otherwise), inquiry, proceeding or investigation arising out of or based upon this Agreement or relating to the subject matter hereof or thereof other than before one of the above-named courts nor to make any motion or take any other action seeking or intending to cause the transfer or removal of any such action, claim, cause of action or suit (in contract, tort or otherwise), inquiry, proceeding or investigation to any court other than one of the above-named courts whether on the grounds of inconvenient forum or otherwise. Notwithstanding the foregoing, to the extent that any party hereto is or becomes a party in any litigation in connection with which it may assert indemnification rights set forth in this agreement, the court in which such litigation is being heard shall be deemed to be included in clause (a) above. Each party hereto hereby consents to service of process in any such proceeding in any manner permitted by Delaware law, and agrees that service of process by registered or certified mail, return receipt requested, at its address specified pursuant to Section 12.5 hereof is reasonably calculated to give actual notice.

13.3. WAIVER OF JURY TRIAL. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW WHICH CANNOT BE WAIVED, EACH PARTY HERETO HEREBY WAIVES AND COVENANTS THAT IT WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE) ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE OR ACTION, CLAIM, CAUSE OF ACTION OR SUIT (IN CONTRACT, TORT OR OTHERWISE), INQUIRY, PROCEEDING OR INVESTIGATION ARISING OUT OF OR BASED UPON THIS AGREEMENT OR THE SUBJECT MATTER HEREOF OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE TRANSACTIONS CONTEMPLATED HEREBY, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING. EACH PARTY HERETO ACKNOWLEDGES THAT IT HAS BEEN INFORMED BY THE OTHER PARTIES HERETO THAT THIS SECTION 13.3 CONSTITUTES A MATERIAL INDUCEMENT UPON WHICH THEY ARE RELYING AND WILL RELY IN ENTERING INTO THIS AGREEMENT. ANY PARTY HERETO MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 13.3 WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF EACH SUCH PARTY TO THE WAIVER OF ITS RIGHT TO TRIAL BY JURY.

13.4. Exercise of Rights and Remedies. No delay of or omission in the exercise of any right, power or remedy accruing to any party as a result of any breach or default by any other party under this Agreement shall impair any such right, power or remedy, nor shall it be construed as a waiver of or acquiescence in any such breach or default, or of any similar breach or default occurring later; nor shall any such delay, omission nor waiver of any single breach or default be deemed a waiver of any other breach or default occurring before or after that waiver.

[Signatures Appear on the Following Pages]

IN WITNESS WHEREOF, each of the undersigned has duly executed this Agreement (or caused this Agreement to be executed on its behalf by its officer or representative thereunto duly authorized) as of the date first above written.

The Company:

BOB'S DISCOUNT FURNITURE, INC.

By: _____
Name:
Title:

The Sponsor:

BCPE BDF INVESTOR, LP

By: BCPE BDF GP, LLC,
ITS GENERAL PARTNER

By: _____
Name:
Title:

SCHEDULE 3.2.2

Applicable Percentage:

November 9, 2026 – November 15, 2026	2%
November 16, 2026 – November 22, 2026	4%
November 23, 2026 – November 29, 2026	6%
November 30, 2026 – December 6, 2026	8%
December 7, 2026 – December 13, 2026	10%
December 14, 2026 – December 20, 2026	12%
December 21, 2026 – December 27, 2026	14%
December 28, 2026 – January 3, 2027	16%
January 4, 2027 – January 10, 2027	18%
January 11, 2027 – January 17, 2027	20%
January 18, 2027 – January 24, 2027	22%
January 25, 2027 – January 31, 2027	24%
February 1, 2027 – February 7, 2027	26%
February 8, 2027 – February 14, 2027	28%
February 15, 2027 – February 21, 2027	30%
February 22, 2027 – February 28, 2027	32%
March 1, 2027 – March 7, 2027	34%
March 8, 2027 – March 14, 2027	36%
March 15, 2027 – March 21, 2027	38%
March 22, 2027 – March 28, 2027	40%
March 29, 2027 – April 4, 2027	42%
April 5, 2027 – April 11, 2027	44%
April 12, 2027 – April 18, 2027	46%
April 19, 2027 – April 25, 2027	48%
April 26, 2027 – May 2, 2027	50%
May 3, 2027 – May 9, 2027	52%
May 10, 2027 – May 16, 2027	54%
May 17, 2027 – May 23, 2027	56%
May 24, 2027 – May 30, 2027	58%
May 31, 2027 – June 6, 2027	60%
June 7, 2027 – June 13, 2027	62%
June 14, 2027 – June 20, 2027	64%
June 21, 2027 – June 27, 2027	66%
June 28, 2027 – July 4, 2027	68%
July 5, 2027 – July 11, 2027	70%
July 12, 2027 – July 18, 2027	72%
July 19, 2027 – July 25, 2027	74%
July 26, 2027 – August 1, 2027	76%
August 2, 2027 – August 8, 2027	78%
August 9, 2027 – August 15, 2027	80%

August 16, 2027 – August 22, 2027	82%
August 23, 2027 – August 29, 2027	84%
August 30, 2027 – September 5, 2027	86%
September 6, 2027 – September 12, 2027	88%
September 13, 2027 – September 219, 2027	90%
September 20, 2027 – September 26, 2027	92%
September 27, 2027 – October 3, 2027	94%
October 4, 2027 – October 10, 2027	96%
October 11, 2027 – October 17, 2027	98%
October 18, 2027 – October 24, 2027	100%

Exhibit 5.1

ROPES & GRAY LLP
1211 AVENUE OF THE AMERICAS
NEW YORK, NY 10036-8704
WWW.ROPESGRAY.COM

January 26, 2026

Bob's Discount Furniture, Inc.
434 Tolland Turnpike
Manchester, Connecticut 06042

Ladies and Gentlemen:

We have acted as counsel to Bob's Discount Furniture, Inc., a Delaware corporation (the "Company"), in connection with the Registration Statement on Form S-1 (File No. 333-292627) (as amended through the date hereof, the "Registration Statement") filed by the Company with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"), for the registration of up to 22,367,500 shares of the Company's common stock, $0.0001 par value per share (the "Common Stock"), including up to 2,917,500 shares of Common Stock that may be purchased at the option of the representatives of the underwriters named in the Underwriting Agreement (as defined below). Of the shares of Common Stock to be registered pursuant to the Registration Statement, 19,450,000 shares are being offered by the Company (the "Company Shares") and up to 2,917,500 shares are being offered by the selling stockholder (the "Selling Stockholder Shares" and, together with the Company Shares, collectively the "Shares"). The Shares are proposed to be sold pursuant to an underwriting agreement (the "Underwriting Agreement") to be entered into among the Company, the selling stockholder, and J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC, RBC Capital Markets, LLC and UBS Securities LLC, as representatives of the underwriters named therein.

In connection with this opinion letter, we have examined such certificates, documents and records and have made such investigation of fact and such examination of law as we have deemed appropriate in order to enable us to render the opinions set forth herein. In conducting such investigation, we have relied, without independent verification, upon certificates of officers of the Company, public officials and other appropriate persons.

The opinions expressed below are limited to the Delaware General Corporation Law.

Based upon and subject to the foregoing, we are of the opinion that the Company Shares have been duly authorized and, when issued and delivered pursuant to the (i) Underwriting Agreement against payment of the consideration set forth therein, will be, validly issued, fully paid and non-assessable and (ii) the Selling Stockholder Shares have been duly authorized and are validly issued, fully paid and non-assessable.

We hereby consent to your filing this opinion as an exhibit to the Registration Statement and to the use of our name therein and in the related prospectus under the caption "Legal Matters." In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission thereunder.

This opinion may be used only in connection with the offer and sale of the Shares while the Registration Statement is in effect.

Very truly yours,

/s/ Ropes & Gray LLP

Ropes & Gray LLP

FORM OF INDEMNIFICATION AGREEMENT

This Indemnification Agreement (this "Agreement") is made and entered into as of _____, _____, by and among Bob's Discount Furniture, Inc., a Delaware corporation (the "Company"), and [*NAME OF DIRECTOR/OFFICER*] ("Indemnitee").

WHEREAS, in light of the litigation costs and risks to directors and officers resulting from their service to companies, and the desire of the Company to attract and retain qualified individuals to serve as directors and officers, it is reasonable, prudent and necessary for the Company to indemnify and advance expenses on behalf of the Company's directors and/or officers to the fullest extent permitted by Delaware corporate law so that they will serve or continue to serve the Company free from undue concern regarding such risks;

WHEREAS, the Company has requested that Indemnitee serve or continue to serve as a director and/or officer of the Company and may have requested or may in the future request that Indemnitee serve one or more Bob's Entities (as hereinafter defined) as a director or an officer or in other capacities;

WHEREAS, one of the conditions that Indemnitee requires in order to serve as a director and/or officer of the Company is that Indemnitee be so indemnified; and

WHEREAS, Indemnitee may have certain rights to indemnification, advancement of expenses and/or insurance provided by one or more of the Affiliate Indemnitors (as hereinafter defined) (or their affiliates) and/or any insurer providing insurance coverage under any policy purchased or maintained by such Affiliate Indemnitors (or their affiliates), which Indemnitee, the Company and the Affiliate Indemnitors (or their affiliates) intend to be secondary to the primary obligation of the Company to indemnify Indemnitee as provided herein, with the Company's acknowledgement of and agreement to the foregoing being a material condition to Indemnitee's willingness to serve as a director and/or officer the Company.

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

1. Services by Indemnitee. Indemnitee agrees to serve as a director and/or officer of the Company. Indemnitee may at any time and for any reason resign from such position (subject to any contractual obligation the Indemnitee may have under any other agreement).

2. Indemnification - General. On the terms and subject to the conditions of this Agreement, the Company shall, to the fullest extent permitted by law, indemnify Indemnitee with respect to, and hold Indemnitee harmless from and against, all losses, damages, liabilities, judgments, fines, penalties, costs, amounts paid in settlement, Expenses (as hereinafter defined) and other amounts that Indemnitee reasonably incurs and that result from, arise in connection with or are by reason of Indemnitee's Corporate Status (as hereinafter defined) and shall advance Expenses to Indemnitee. The obligations of the Company shall continue after such time as Indemnitee ceases to serve as a director and/or officer of the Company or in any other Corporate Status and include, without limitation, claims for monetary damages against Indemnitee in

respect of any actual or alleged liability or other loss of Indemnitee, to the fullest extent permitted under Delaware corporate law (including, if applicable, Section 145 of the Delaware General Corporation Law) as in existence on the date hereof and as amended from time to time.

3. Proceedings Other Than Proceedings by or in the Right of the Company. If in connection with or by reason of Indemnitee's Corporate Status, Indemnitee was, is, or is threatened to be made, a party to or a participant in any Proceeding (as hereinafter defined) other than a Proceeding by or in the right of the Company to procure a judgment in its favor, the Company shall, to the fullest extent permitted by law, indemnify Indemnitee with respect to, and hold Indemnitee harmless from and against, all Expenses, losses, damages, liabilities, judgments, penalties, fines and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such liabilities, judgments, penalties, fines and amounts paid in settlement) reasonably incurred by Indemnitee or on behalf of Indemnitee in connection with such Proceeding or any claim, issue or matter therein.

4. Proceedings by or in the Right of the Company. If in connection with or by reason of Indemnitee's Corporate Status, Indemnitee was, is, or is threatened to be made, a party to or a participant in any Proceeding by or in the right of the Company to procure a judgment in the Company's favor, the Company shall, to the fullest extent permitted by law, indemnify Indemnitee with respect to, and hold Indemnitee harmless from and against, all Expenses reasonably incurred by Indemnitee or on behalf of Indemnitee in connection with such Proceeding or any claim, issue or matter therein.

5. Mandatory Indemnification in Case of Successful Defense. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of Indemnitee's Corporate Status, a party to (or a participant in) and is successful, on the merits or otherwise, in defense of any Proceeding or any claim, issue or matter therein (including, without limitation, any Proceeding brought by or in the right of the Company), the Company shall, to the fullest extent permitted by law, indemnify Indemnitee with respect to, and hold Indemnitee harmless from and against, all Expenses reasonably incurred by Indemnitee or on behalf of Indemnitee in connection therewith. If Indemnitee is not wholly successful in defense of such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall, to the fullest extent permitted by law, indemnify Indemnitee against all Expenses reasonably incurred by Indemnitee or on behalf of Indemnitee in connection with each successfully resolved claim, issue or matter. For purposes of this Section 5 and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, on substantive or procedural grounds, or settlement of any such claim prior to a final judgment by a court of competent jurisdiction with respect to such Proceeding, shall be deemed to be a successful result as to such claim, issue or matter; provided, however, that any settlement of any claim, issue or matter in such a Proceeding shall not be deemed to be a successful result as to such claim, issue or matter if such settlement is effected by Indemnitee without the Company's prior written consent, which consent shall not be unreasonably withheld, delayed or conditioned.

6. Partial Indemnification. If Indemnitee is entitled under any provision of this Agreement or otherwise to indemnification by the Company for some or a portion of the Expenses, liabilities, judgments, penalties, fines and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such liabilities, judgments, penalties, fines and amounts paid in settlement) incurred by Indemnitee or on behalf of Indemnitee in connection with a Proceeding or any claim, issue or matter therein, in whole or in part, the Company shall, to the fullest extent permitted by law, indemnify Indemnitee to the fullest extent to which Indemnitee is entitled to such indemnification.

7. Indemnification for Additional Expenses Incurred to Secure Recovery or as Witness.

(a) The Company shall, to the fullest extent permitted by law, indemnify Indemnitee with respect to, and hold Indemnitee harmless from and against, any and all Expenses and, if requested by Indemnitee, shall advance on an as-incurred basis (as provided in Section 8 of this Agreement) such Expenses to Indemnitee, which are incurred by Indemnitee in connection with any action or proceeding or part thereof brought by Indemnitee for (i) indemnification or advance payment of Expenses by the Company under this Agreement, any other agreement, the Certificate of Incorporation or By-laws of the Company as now or hereafter in effect, or pursuant to indemnification agreements in effect as of the date hereof; or (ii) recovery under any director and officer liability insurance policies maintained by any Bob's Entity.

(b) To the extent that Indemnitee is, by reason of Indemnitee's Corporate Status, a witness (or is forced or asked to respond to discovery requests) in any Proceeding to which Indemnitee is not a party, the Company shall, to the fullest extent permitted by law, indemnify Indemnitee with respect to, and hold Indemnitee harmless from and against, and the Company will advance on an as-incurred basis (as provided in Section 8 of this Agreement), all Expenses reasonably incurred by Indemnitee or on behalf of Indemnitee in connection therewith.

8. Advancement of Expenses. The Company shall, to the fullest extent permitted by law, pay on a current and as-incurred basis all Expenses incurred by Indemnitee in connection with any Proceeding in any way connected with, resulting from or relating to Indemnitee's Corporate Status. Such Expenses shall be paid in advance of the final disposition of such Proceeding, without regard to whether Indemnitee will ultimately be entitled to be indemnified for such Expenses and without regard to whether an Adverse Determination (as hereinafter defined) has been or may be made. Upon submission of a request for advancement of Expenses pursuant to Section 9(c) of this Agreement, Indemnitee shall be entitled to advancement of Expenses as provided in this Section 8, and such advancement of Expenses shall continue until such time (if any) as there is a final non-appealable judicial determination that Indemnitee is not entitled to indemnification. Indemnitee shall repay such amounts advanced if and to the extent that it shall ultimately be determined in a decision by a court of competent jurisdiction from which no appeal can be taken that Indemnitee is not entitled to be indemnified by the Company

for such Expenses. Such repayment obligation shall be unsecured and shall not bear interest. The Company shall not impose on Indemnitee additional conditions to advancement or require from Indemnitee additional undertakings regarding repayment. Indemnitee shall, in all events, be entitled to advancement of Expenses, without regard to Indemnitee's ultimate entitlement to indemnification, until the final determination of the Proceeding.

9. Indemnification Procedures.

(a) Notice of Proceeding. Indemnitee agrees to notify the Company promptly upon being served with any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification or advancement of Expenses hereunder. Any failure by Indemnitee to notify the Company will not relieve the Company of its advancement or indemnification obligations under this Agreement unless, and only to the extent that, the Company can establish that such omission to notify resulted in actual and material prejudice to it, which prejudice cannot be reversed or otherwise eliminated without any material negative effect on the Company, and the omission to notify the Company will, in any event, not relieve the Company from any liability which it may have to indemnify Indemnitee otherwise than under this Agreement. If, at the time of receipt of any such notice, the Company has a director and officer liability insurance policy in effect, the Company will promptly notify the relevant insurer in accordance with the procedures and requirements of such policy.

(b) Defense; Settlement. Indemnitee shall have the sole right and obligation to control the defense or conduct of any claim or Proceeding with respect to Indemnitee. The Company shall not, without the prior written consent of Indemnitee, which may be provided or withheld in Indemnitee's sole discretion, effect any settlement of any Proceeding against Indemnitee or which, in the opinion of Independent Counsel, could have been brought against Indemnitee or which potentially or actually imposes any cost, liability, exposure or burden on Indemnitee unless (i) such settlement solely involves the payment of money or performance of any obligation by persons other than Indemnitee or any Affiliate Indemnitor affiliated with Indemnitee and includes an unconditional, full release of Indemnitee and Affiliate Indemnitors by all relevant parties from all liability on any matters that are the subject of such Proceeding and an acknowledgment that Indemnitee denies all wrongdoing in connection with such matters and (ii) the Company has fully indemnified the Indemnitee with respect to, and held Indemnitee harmless from and against, all Expenses and other amounts incurred by Indemnitee or on behalf of Indemnitee in connection with such Proceeding. The Company shall not be obligated to indemnify Indemnitee against amounts paid in settlement of a Proceeding against Indemnitee if such settlement is effected by Indemnitee without the Company's prior written consent, which consent shall not be unreasonably withheld, delayed or conditioned, unless such settlement solely involves the payment of money or performance of any

obligation by persons other than the Company and includes an unconditional release of the Company by any party to such Proceeding other than the Indemnitee from all liability on any matters that are the subject of such Proceeding and an acknowledgment that the Company denies all wrongdoing in connection with such matters; provided, however, that if a Change in Control has occurred, the Company shall be liable for indemnification of Indemnitee for amounts paid in settlement if the Independent Counsel (selected pursuant to Section 9(e) of this Agreement) has approved the settlement.

(c) Request for Advancement; Request for Indemnification.

(i) To obtain advancement of Expenses under this Agreement, Indemnitee shall submit to the Company a written request therefor, together with such invoices or other supporting information as may be reasonably requested by the Company and reasonably available to Indemnitee, and, only to the extent required by applicable law which cannot be waived, an unsecured written undertaking to repay amounts advanced in the event of a decision by a court of competent jurisdiction from which no appeal can be taken that Indemnitee is not entitled to be indemnified by the Company for such Expenses. The Company shall make advance payment of Expenses to Indemnitee no later than five (5) business days after receipt of the written request for advancement (and each subsequent request for advancement) by Indemnitee. If, at the time of receipt of any such written request for advancement of Expenses, the Company has a director and officer insurance policy in effect, the Company will promptly notify the relevant insurer in accordance with the procedures and requirements of such policy. The Company shall thereafter keep such insurer informed of the status of the Proceeding or other claim (with assistance from the Indemnitee as reasonably required) and take such other actions, as appropriate to secure coverage of Indemnitee for such claim.

(ii) To obtain indemnification under this Agreement, at any time before or after submission of a request for advancement pursuant to Section 9(c)(i) of this Agreement, Indemnitee may submit a written request for indemnification hereunder. The time at which Indemnitee submits a written request for indemnification shall be determined by the Indemnitee in the Indemnitee's sole discretion. Once Indemnitee submits such a written request for indemnification (and only at such time that Indemnitee submits such a written request for indemnification), a Determination (as hereinafter defined) shall thereafter be made, as provided in and only to the extent required by Section 9(d) of this Agreement. In no event shall a Determination be made, or required to be made, as a condition to or otherwise in connection with any advancement of Expenses pursuant to Section 8 and Section 9(c)(i) of this Agreement. If, at the time of receipt of any such request for indemnification, the Company has a director and officer insurance policy in effect, the Company will promptly notify the relevant insurer and take such other actions as necessary or appropriate to secure coverage of Indemnitee for such claim in accordance with the procedures and requirements of such policies.

(d) Determination. The Company agrees that Indemnitee shall be indemnified to the fullest extent permitted by law and that no Determination shall be required in connection with such indemnification unless specifically

required by applicable law which cannot be waived. In no event shall a Determination be required in connection with indemnification for Expenses pursuant to Section 7 of this Agreement or incurred in connection with any Proceeding or portion thereof with respect to which Indemnitee has been successful on the merits or otherwise. Any decision that a Determination is required by law in connection with any other indemnification of Indemnitee, and any such Determination, shall be made within twenty (20) days after receipt of Indemnitee's written request for indemnification pursuant to Section 9(c)(ii) and such Determination shall be made either (i) by the Disinterested Directors (as hereinafter defined), even though less than a quorum, so long as Indemnitee does not request that such Determination be made by Independent Counsel (as hereinafter defined), or (ii) if so requested by Indemnitee, in Indemnitee's sole discretion, by Independent Counsel in a written opinion to the Company and Indemnitee. If a Determination is made that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within five (5) business days after such Determination. Indemnitee shall reasonably cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such Determination. Any Expenses incurred by Indemnitee in so cooperating with the Disinterested Directors or Independent Counsel, as the case may be, making such determination shall be advanced and borne by the Company (irrespective of the Determination as to Indemnitee's entitlement to indemnification). If the person, persons or entity empowered or selected under this Section 9(d) to determine whether Indemnitee is entitled to indemnification shall not have made a determination within twenty (20) days after receipt by the Company of the request therefor, the requisite determination of entitlement to indemnification shall, to the fullest extent not prohibited by law, be deemed to have been made and Indemnitee shall be entitled to such indemnification, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law; provided, however, that such twenty (20) day period may be extended for a reasonable time, not to exceed an additional twenty (20) days, if the person, persons or entity making the determination with respect to entitlement to indemnification in good faith requires such additional time for the obtaining or evaluating of documentation and/or information relating thereto; and provided, further, that the foregoing provisions of this Section 9(d) shall not apply if the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 9(e).

(e) Independent Counsel. In the event Indemnitee requests that the Determination be made by Independent Counsel pursuant to Section 9(d) of

this Agreement, the Independent Counsel shall be selected as provided in this Section 9(e). The Independent Counsel shall be selected by Indemnitee (unless Indemnitee shall request that such selection be made by the Board of Directors, in which event the Board of Directors shall make such selection on behalf of the Company, subject to the remaining provisions of this Section 9(e)), and Indemnitee or the Company, as the case may be, shall give written notice to the other, advising the Company or Indemnitee of the identity of the Independent Counsel so selected. The Company or Indemnitee, as the case may be, may, within five (5) days after such written notice of selection shall have been received, deliver to Indemnitee or the Company, as the case may be, a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 15 of this Agreement, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If a written objection is so made and substantiated, the Independent Counsel so selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court of competent jurisdiction has determined that such objection is without merit. If, within ten (10) days after submission by Indemnitee of a written request for indemnification pursuant to Section 9(c)(ii) of this Agreement and after a request for the appointment of Independent Counsel has been made, no Independent Counsel shall have been selected and not objected to, either the Company or Indemnitee may petition a court of competent jurisdiction for resolution of any objection which shall have been made by the Company or Indemnitee to the other's selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by the court or by such other person as the court shall designate, and the person with respect to whom all objections are so resolved or the person so appointed shall act as Independent Counsel under Section 9(d) of this Agreement. Upon the due commencement of any judicial proceeding or arbitration pursuant to Section 9(f) of this Agreement, Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing). Any expenses incurred by or in connection with the appointment of Independent Counsel shall be borne by the Company (irrespective of the Determination of Indemnitee's entitlement to indemnification) and not by Indemnitee.

(f) Consequences of Determination; Remedies of Indemnitee. The Company shall be bound by and shall have no right to challenge a Favorable Determination. If an Adverse Determination is made, or if for any other reason the Company does not make timely indemnification payments or advances of Expenses, Indemnitee shall have the right to commence a Proceeding before a court of competent jurisdiction to challenge such Adverse Determination and/or to require the Company to make such payments or advances (and the Company shall have the right to defend its position in such Proceeding and to appeal any adverse

judgment in such Proceeding). Indemnitee shall be entitled to be indemnified for all Expenses incurred in connection with such a Proceeding and to have such Expenses advanced by the Company in accordance with Section 8 of this Agreement. If Indemnitee fails to challenge an Adverse Determination within twenty (20) business days, or if Indemnitee challenges an Adverse Determination and such Adverse Determination has been upheld by a final judgment of a court of competent jurisdiction from which no appeal can be taken, then, to the extent and only to the extent required by such Adverse Determination or final judgment, the Company shall not be obligated to indemnify Indemnitee under this Agreement.

(g) Presumptions; Burden and Standard of Proof. The parties intend and agree that, to the extent permitted by law, in connection with any Determination with respect to Indemnitee's entitlement to indemnification hereunder by any person, including a court:

(i) it will be presumed that Indemnitee is entitled to indemnification under this Agreement (notwithstanding any Adverse Determination), and the Company or any other person or entity challenging such right will have the burden of proof to overcome that presumption in connection with the making by any person, persons or entity of any determination contrary to that presumption;

(ii) the termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that Indemnitee did not act in good faith and in a manner which Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe that Indemnitee's conduct was unlawful;

(iii) Indemnitee will be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Company, including financial statements, or on information supplied to Indemnitee by the officers, employees, or committees of the board of directors of the Company, or on the advice of legal counsel or other advisors (including financial advisors and accountants) for the Company or on information or records given in reports made to the Company by an independent certified public accountant or by an appraiser or other expert or advisor selected by the Company; and

(iv) the knowledge and/or actions, or failure to act, of any director, officer, agent or employee of the Company or relevant enterprises will not be imputed to Indemnitee in a manner that limits or otherwise adversely affects Indemnitee's rights hereunder.

The provisions of this Section 9(g) shall not be deemed to be exclusive or to limit in any way the other circumstances in which Indemnitee may be deemed to have met the applicable standard of conduct set forth in this Agreement.

10. Remedies of Indemnitee.

(a) In the event that (i) a determination is made pursuant to Section 9(d) of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 8 and Section 9(c)(i) of this Agreement, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section 9(d) of this Agreement within twenty (20) days after receipt by the Company of the request for indemnification, (iv) payment of indemnification is not made pursuant to Section 5, 6 or 7 of this Agreement within five (5) business days after receipt by the Company of a written request therefor, (v) payment of indemnification pursuant to Section 3 or 4 of this Agreement is not made within five (5) business days after a determination has been made that Indemnitee is entitled to indemnification, or (vi) the Company or any other person takes or threatens to take any action to declare this Agreement void or unenforceable, or institutes any litigation or other action or Proceeding designed to deny, or to recover from, the Indemnitee the benefits provided or intended to be provided to the Indemnitee hereunder, Indemnitee shall be entitled to an adjudication by a court of his entitlement to such indemnification or advancement of Expenses. Alternatively, Indemnitee, at his option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association in New York (or JAMS in New York, if requested by the Indemnitee). Indemnitee shall commence such proceeding seeking adjudication or arbitration within one hundred eighty (180) days following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 10(a). The Company shall not oppose Indemnitee's right to seek any such adjudication or award in arbitration.

(b) In the event that a determination shall have been made pursuant to Section 9(d) of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding or arbitration commenced pursuant to this Section 10 shall be conducted in all respects as a de novo trial, or arbitration, on the merits, in which (i) Indemnitee shall not be prejudiced by reason of that adverse determination, and (ii) the Company shall bear the burden of establishing that Indemnitee is not entitled to indemnification.

(c) If a determination shall have been made pursuant to Section 9(d) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 10, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under Delaware corporate law.

(d) The Company shall, to the fullest extent not prohibited by law, be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 10 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all the provisions of this Agreement.

11. Insurance; Subrogation; Other Rights of Recovery, etc.

(a) The Company shall use its reasonable best efforts to purchase and maintain a policy or policies of insurance with reputable insurance companies with A.M. Best ratings of "A" or better, providing Indemnitee with coverage for any liability asserted against, and incurred by, Indemnitee or on Indemnitee's behalf by reason of Indemnitee's Corporate Status, or arising out of Indemnitee's status as such, whether or not the Company would have the power to indemnify Indemnitee against such liability. Such insurance policies shall have coverage terms and policy limits at least as favorable to Indemnitee as the insurance coverage provided to any other director and/or officer of the Company. If the Company has such insurance in effect at the time it receives from Indemnitee any notice of the commencement of an action, suit, proceeding or other claim, the Company shall give prompt notice of the commencement of such action, suit, proceeding or other claim to the insurers and take such other actions in accordance with the procedures set forth in the policy as required or appropriate to secure coverage of Indemnitee for such action, suit, proceeding or other claim. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of Indemnitee, all amounts payable as a result of such action, suit, proceeding or other claim in accordance with the terms of such policy. The Company shall continue to provide such insurance coverage to Indemnitee for a period of at least seven (7) years after Indemnitee ceases to serve as a director or in any other Corporate Status.

(b) In the event of any payment by the Company under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee against any other Bob's Entity, and Indemnitee hereby agrees, as a condition to obtaining any advancement or indemnification from the Company, to assign the Company all of Indemnitee's rights to obtain from such other Bob's Entity such amounts to the extent that they have been paid by the Company to or for the benefit of Indemnitee as advancement or indemnification under this Agreement and are adequate to indemnify Indemnitee with respect to the costs, Expenses or other items to the full extent that Indemnitee is entitled to indemnification or other payment hereunder; and Indemnitee will (upon request by the Company) execute all papers required and use reasonable best efforts to take all action reasonably necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit or enforce such rights.

(c) The Company hereby acknowledges that the rights to indemnification, advancement of expenses and/or insurance provided pursuant to this Agreement may also be provided to certain Indemnitees by one or more of their respective affiliates (other than the Bob's Entities) or their insurers (collectively, and including, in the case of BCPE BDF Investor, LP, each of its respective partners, shareholders, members, affiliates, associated investment funds, directors, officers, fiduciaries, managers, controlling persons, employees and agents and each of the partners, shareholders, members, affiliates, associated investment funds, directors, officers, fiduciaries, managers, controlling persons, employees and agents of the foregoing, the "Affiliate Indemnitors"). The Company hereby agrees that, as between the Company, on the one hand, and the Affiliate Indemnitors, on the other hand, (i) the Company is the full indemnitor of first resort and the Affiliate Indemnitors are the full indemnitors of second resort with respect to all such indemnifiable claims against such Indemnitees, whether arising under this Agreement or otherwise (i.e., the obligations of the Company to such Indemnitees are primary and any obligation of the Affiliate Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by such Indemnitees are secondary), (ii) upon receipt by the Company of an undertaking by or on behalf of such Indemnitees to repay such amount if it shall be determined that the Indemnitee is not entitled to be indemnified as authorized by this Agreement or otherwise, the Company shall be required to advance the full amount of expenses incurred by such Indemnitees and shall be liable for the full amount of all expenses, judgments, penalties, fines and amounts paid in settlement to the extent legally permitted and as required by the terms of this Agreement (or any other agreement between the Company and such Indemnitees), without regard to any rights such Indemnitees may have against the Affiliate Indemnitors and (iii) the Company irrevocably waives, relinquishes and releases the Affiliate Indemnitors from any and all claims against the Affiliate Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company agrees to indemnify the Affiliate Indemnitors directly for any amounts that the Affiliate Indemnitors pay as indemnification or advancement on behalf of any such Indemnitee and for which such Indemnitee may be entitled to indemnification from the Company in connection with serving as a director and/or officer of the Company. The Company further agrees that no advancement or payment by the Affiliate Indemnitors on behalf of any such Indemnitee with respect to any claim for which such Indemnitee has sought indemnification from the Company shall affect the foregoing and the Affiliate Indemnitors shall be subrogated to the extent of such advancement or payment to all of the rights of recovery of such Indemnitee against the Company, and the Company shall cooperate with the Affiliate Indemnitors in pursuing such rights.

(d) Except as provided in Sections 11(c), the Company shall not be liable to pay or advance to Indemnitee any amounts otherwise indemnifiable under this Agreement or under any other indemnification agreement if, and to the extent

that, Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

(e) The Company's obligation to indemnify or advance Expenses hereunder to Indemnitee in respect of or relating to Indemnitee's service at the request of the Company as a director, officer, employee, fiduciary, trustee, representative, partner or agent of any other Bob's Entity shall be reduced by any amount Indemnitee has actually received as payment of indemnification or advancement of Expenses from such other Bob's Entity, except to the extent that such indemnification payments and advance payment of Expenses when taken together with any such amount actually received from other Bob's Entities or under director and officer insurance policies maintained by one or more Bob's Entities are inadequate to fully pay all costs, Expenses or other items to the full extent that Indemnitee is otherwise entitled to indemnification or other payment hereunder.

(f) Except as provided in Sections 11(c), 11(d) and 11(e) of this Agreement, the rights to indemnification and advancement of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time, whenever conferred or arising, be entitled under applicable Delaware corporate law, under the Bob's Entities' organizational documents, or under any other agreement, vote of stockholders or resolution of directors of any Bob's Entity, or otherwise. Indemnitee's rights under this Agreement are present contractual rights that fully vest upon Indemnitee's first service as a director and/or officer of the Company. The Parties hereby agree that Sections 11(c), 11(d) and 11(e) of this Agreement shall be deemed exclusive and shall be deemed to modify, amend and clarify any right to indemnification or advancement provided to Indemnitee under any other contract, agreement or document with any Bob's Entity.

(g) No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in Indemnitee's Corporate Status prior to such amendment, alteration or repeal. To the extent that a change in the General Corporation Law of the State of Delaware (or other applicable law), whether by statute or judicial decision, permits greater indemnification or advancement of Expenses than would be afforded currently under the Bob's Entities' organizational documents and this Agreement, it is the intent of the parties hereto that Indemnitee enjoy by this Agreement the greater benefits so afforded by such change. No change in applicable law shall have the effect of reducing the benefits available to Indemnitee hereunder based on Delaware law as in effect on the date hereof or as such benefits may improve as a result of amendments to Delaware law that become effective after the date hereof. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

12. Employment Rights; Successors; Third Party Beneficiaries.

(a) This Agreement shall not be deemed an employment contract between the Company and Indemnitee. This Agreement shall continue in force as provided above after Indemnitee has ceased to serve as a director and/or officer of the Company or any other Corporate Status.

(b) This Agreement shall be binding upon the Company and its successors and assigns and shall inure to the benefit of Indemnitee and Indemnitee's heirs, executors and administrators. If the Company or any of its successors or assigns shall (i) consolidate with or merge into any other corporation or entity and shall not be the continuing or surviving corporation or entity of such consolidation or merger or (ii) transfer all or substantially all of its properties and assets to any individual, corporation or other entity, then, and in each such case, proper provisions shall be made so that the successors and assigns of the Company shall assume all of the obligations set forth in this Agreement.

(c) The Affiliate Indemnitors are express third party beneficiaries of this Agreement, are entitled to rely upon this Agreement, and may specifically enforce the Company's obligations hereunder (including but not limited to the obligations specified in Section 11 of this Agreement) as though a party hereunder.

13. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (i) the validity, legality and enforceability of the remaining provisions of this Agreement (including without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; (ii) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (iii) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

14. Exception to Right of Indemnification or Advancement of Expenses. Notwithstanding any other provision of this Agreement and except as provided in Section 7(a) of this Agreement or as may otherwise be agreed by the Company, Indemnitee shall not be entitled to indemnification or advancement of Expenses under this Agreement with respect to any Proceeding brought by Indemnitee (other than (i) a Proceeding by Indemnitee (i) by way of defense or counterclaim or other similar portion of a Proceeding, (ii) to enforce any other rights of Indemnitee to indemnification, advancement or contribution from the Company under this Agreement, or under any other contract, by-laws or charter or under statute or other law, including any rights under Section 145 of the Delaware General Corporation Law, or (iii) after a Change in Control), unless the bringing of such Proceeding or making of such claim shall have been approved by the Board of Directors or similar governing body of the Company.

15. Definitions. For purposes of this Agreement:

(a) "Board of Directors" means the board of directors of the Company.

(b) "Bob's Entity" means the Company, any of its respective subsidiaries and any other corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise with respect to which Indemnitee serves as a director, officer, employee, partner, representative, fiduciary, trustee or agent, or in any similar capacity, at the request of the Company.

(c) "By-laws" means, in each case, the bylaws or similar governing document of the relevant entity as amended from time to time.

(d) "Certificate of Incorporation" means, in each case, the certificate of incorporation, articles of incorporation or similar constituting document or the relevant entity, as amended from time to time.

(e) "Change in Control" shall be deemed to have occurred if (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")), other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company or a corporation owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company, is or becomes the "Beneficial Owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 20% or more of the total voting power represented by the Company's then outstanding Voting Securities, or (ii) during any period of two consecutive years, individuals who at the beginning of such period constitute the Board and any new director whose election by the Board of Directors or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof, or (iii) the stockholders of the Company approve a merger or consolidation of the Company with any other corporation, other than a merger or consolidation that would result in the Voting Securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into Voting Securities of the surviving entity) at least 80% of the total voting power represented by the Voting Securities of the Company or such surviving entity outstanding immediately after such merger or consolidation, or the stockholders of the Company approve a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company (in one transaction or a series of transactions) of all or substantially all of the Company's assets.

(f) "Corporate Status" describes the status of a person by reason of such person's past, present or future service as a director, officer, employee, fiduciary, trustee,

or agent of the Company (including, without limitation, one who serves at the request of the Company as a director, officer, employee, fiduciary, trustee or agent of any other Bob's Entity), in all cases whether or not Indemnitee is acting or serving in any such capacity or has such status at the time any Expenses are incurred for which indemnification, advancement or any other right can be provided by this Agreement.

(g) "Determination" means a determination that either (x) there is a reasonable basis for the conclusion that indemnification of Indemnitee is proper in the circumstances because Indemnitee met a/the particular standard(s) of conduct (a "Favorable Determination") or (y) there is no reasonable basis for the conclusion that indemnification of Indemnitee is proper in the circumstances because Indemnitee met a/the particular standard(s) of conduct (an "Adverse Determination"). An Adverse Determination shall include the decision that a Determination was required in connection with indemnification and the decision as to the applicable standard of conduct.

(h) "Disinterested Director" means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee and does not otherwise have an interest materially adverse to any interest of the Indemnitee.

(i) "Expenses" shall mean all direct and indirect costs, fees and expenses of any type or nature whatsoever and shall specifically include, without limitation, all reasonable attorneys' fees, retainers, court costs, transcript costs, fees and costs of experts, witness fees and costs, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, any federal, state, local or foreign taxes imposed on Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, ERISA excise taxes and penalties, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness, in, or otherwise participating in, a Proceeding or an appeal resulting from a Proceeding, including, but not limited to, the premium for appeal bonds, attachment bonds or similar bonds and all interest, assessments and other charges paid or payable in connection with or in respect of any such Expenses, and shall also specifically include, without limitation, all reasonable attorneys' fees and all other expenses incurred by or on behalf of Indemnitee in connection with preparing and submitting any requests or statements for indemnification, advancement, contribution or any other right provided by this Agreement. Expenses, however, shall not include amounts of judgments or fines against Indemnitee.

(j) "Independent Counsel" means, at any time, any law firm, or a member of a law firm, that (a) is experienced in matters of corporation law and (b) is not, at such time, or has not been in the five years prior to such time, retained to represent:

(i) any Bob's Entity or Indemnitee in any matter material to either such party (other than with respect to matters concerning Indemnitee under this Agreement, or of other indemnities under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement. The Company agrees to pay the reasonable fees and expenses of the Independent Counsel referred to above and to fully indemnify such counsel against any and all Expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto and to be jointly and severally liable therefor.

(k) "Proceeding" includes any actual, threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation (formal or informal), inquiry, administrative hearing or any other actual, threatened, pending or completed proceeding, whether brought by or in the right of any Bob's Entity or otherwise and whether civil, criminal, administrative or investigative in nature, in which Indemnitee was, is, may be or will be involved as a party, witness or otherwise, by reason of Indemnitee's Corporate Status or by reason of any action taken by Indemnitee or of any inaction on Indemnitee's part while acting as director, officer, employee, fiduciary, trustee or agent of any Bob's Entity (in each case whether or not Indemnitee is acting or serving in any such capacity or has such status at the time any liability or expense is incurred for which indemnification or advancement of Expenses can be provided under this Agreement). If Indemnitee believes in good faith that a given situation may lead to or culminate in the institution of a Proceeding, this shall be considered a Proceeding under this paragraph.

(l) "Voting Securities" means any securities of the Company that vote generally in the election of directors.

16. Construction. Whenever required by the context, as used in this Agreement the singular number shall include the plural, the plural shall include the singular, and all words herein in any gender shall be deemed to include (as appropriate) the masculine, feminine and neuter genders.

17. Reliance. The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce Indemnitee to serve as a director and/or officer of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as a director and/or officer of the Company.

18. Modification and Waiver. No supplement, modification or amendment of this Agreement shall be binding unless executed in a writing identified as such by all of the parties

hereto. Except as otherwise expressly provided herein, the rights of a party hereunder (including the right to enforce the obligations hereunder of the other parties) may be waived only with the written consent of such party, and no waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

19. Notice Mechanics. All notices, requests, demands or other communications hereunder shall be in writing and shall be deemed to have been duly given if (i) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, or (ii) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed:

(a) If to Indemnitee to:

[*DIRECTOR/OFFICER CONTACT INFORMATION*]

(b) If to the Company, to:

c/o Bob's Discount Furniture, Inc.
434 Tolland Turnpike
Manchester, CT 06042
Attn: Chief Legal Officer

with a copy to: Ropes & Gray LLP
Prudential Tower, 800 Boylston Street
Boston, MA 02199-3600
Attn: Craig Marcus, Rachel Phillips

or to such other address as may have been furnished (in the manner prescribed above) as follows: (a) in the case of a change in address for notices to Indemnitee, furnished by Indemnitee to the Company and (b) in the case of a change in address for notices to the Company, furnished by the Company to Indemnitee.

20. Contribution. To the fullest extent permissible under Delaware corporate law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for reasonably incurred Expenses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect (i) the relative benefits received by the Company and Indemnitee as a result of the event(s) and/or transaction(s) giving cause to such Proceeding; and/or (ii) the relative fault of the Company (and its other directors, officers, employees and agents) and Indemnitee in connection with such event(s) and/or transaction(s).

21. Governing Law; Submission to Jurisdiction; Appointment of Agent for Service of Process. This Agreement and the legal relations among the parties shall, to the fullest extent permitted by law, be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules. The Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the Court of Chancery of the State of Delaware (the "Delaware Court"), and not in any other state or federal court in the United States of America or any court in any other country, (ii) consent to submit to the exclusive jurisdiction of the Delaware Court for purposes of any action or proceeding arising out of or in connection with this Agreement, (iii) waive any objection to the laying of venue of any such action or proceeding in the Delaware Court, and (iv) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Delaware Court has been brought in an improper or otherwise inconvenient forum.

22. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

23. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

Company:

BOB'S DISCOUNT FURNITURE, INC.

By:_____
Name:
Title:

Indemnitee:

_____
Name: [*NAME OF INDEMNITEE*]

[Signature Page to Indemnification Agreement]

Exhibit 10.2

REVOLVING CREDIT AGREEMENT

dated as of February 12, 2014

among

BDF INTERMEDIATE, LLC,
as Holdings,

BDF ACQUISITION CORP.,
as a Borrower and as the Borrower Representative,

The Subsidiary Borrowers
from Time to Time Parties Hereto,

The Several Lenders
from Time to Time Parties Hereto,

ROYAL BANK OF CANADA,
as the Administrative Agent, the Collateral Agent and Letter of Credit Issuer,

RBC CAPITAL MARKETS[1] and
UBS SECURITIES LLC,
as Joint Lead Arrangers and Bookrunners,

and

UBS SECURITIES LLC,
as Syndication Agent

[1] RBC Capital Markets is a brand name for the capital markets activities of Royal Bank of Canada and its affiliates.

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CREDIT AGREEMENT

CREDIT AGREEMENT, dated as of February 12, 2014, among BDF INTERMEDIATE, LLC, a Delaware limited liability company **("Holdings"),** BDF ACQUISITION CORP., a Delaware corporation (the **"Company"),** the Subsidiary Borrowers from time to time parties hereto, the lending institutions from time to time parties hereto (each a **"Lender"** and, collectively, the **"Lenders"),** ROYAL BANK OF CANADA, as the Administrative Agent and the Collateral Agent (such terms and each other capitalized term used but not defined in this preamble having the meaning provided in Section 1).

WHEREAS, pursuant to that certain Securities Purchase Agreement, dated as of December 23, 2013 (as amended, restated, supplemented, or otherwise modified from time to time in accordance with the terms thereof and including all annexes and schedules thereto, the **"Acquisition Agreement"),** among the sellers party thereto (the **"Seller"),** Bob's Discount Furniture Holdings I, LLC, a Delaware limited liability company **("Bob's** I"), Bob's Discount Furniture Holdings II, LLC, a Delaware limited liability company **("Bob's 11"),** SKM BDF Acquisition Corp., a Delaware corporation, KarpReilly, LLC, a Delaware limited liability company, as representative of the Seller and the Company (as successor to the obligations of BDF Holding Corp., a Delaware corporation, under the Acquisition Agreement), pursuant to which the Company will acquire, directly or indirectly, the equity interests of the Acquired Companies as described in the Acquisition Agreement;

WHEREAS, to fund, in part, the Acquisition, it is intended that the Sponsor and the other Initial Investors will contribute an amount in cash to Holdings and/or a direct or indirect parent thereof in exchange for Capital Stock (such contribution, the **"Equity Investments")** together with the investment of equity rolled over or invested in connection with the Acquisition by the existing management and other existing shareholders, which shall be no less than 37.5% of the sum of (i) the aggregate gross proceeds of the First Lien Term Loans, the Second Lien Facility and the Revolving Credit Facility borrowed on the Closing Date (excluding (A) the effects of any exercise of the Flex Provisions (as defined in the Fee Letter) of the Fee Letter and (B) amounts drawn under the Revolving Credit Facility for working capital purposes, to fund Transaction Expenses or to replace, backstop or cash collateralize existing letters of credit), plus (ii) the amount of any existing Capitalized Lease Obligations outstanding on the Closing Date, plus (iii) the Equity Investments, minus (iv) the aggregate amount of cash on hand of Holdings and its Subsidiaries on the Closing Date (the **"Minimum Equity Amount");**

WHEREAS, to consummate the Acquisition, it is intended that the Borrowers will incur (i) First Lien Term Loans under a term loan facility established pursuant to the First Lien Term Loan Credit Documents (the **"First Lien Term Facility")** generating aggregate gross proceeds of $180,000,000 and (ii) Second Lien Loans under a term loan facility established pursuant to the Second Lien Credit Documents (the **"Second Lien Facility")** generating aggregate gross proceeds of $80,000,000;

WHEREAS, in connection with the foregoing, the Company has requested (a) that the Lenders extend credit in the form of Revolving Credit Loans made available to the Borrowers at any time and from time to time prior to the Revolving Credit Maturity Date in Dollars in an aggregate principal amount at any time outstanding not in excess of $40,000,000 (as such amount may be increased pursuant to Section 2.14) less the sum of (1) the aggregate Letters of Credit Outstanding at such time and (2) the aggregate principal amount of all Swingline Loans outstanding at such time, (b) the Letter of Credit Issuer to issue Letters of Credit at any time and from time to time prior to the L/C Facility Maturity Date, in an aggregate Stated Amount at any time outstanding not in excess of $10,000,000, and (c) the Swingline Lender to extend credit to the Borrowers in the form of Swingline Loans at any time and from time to time prior to the Swingline Maturity Date, in an aggregate principal amount at any time outstanding not in excess of $7,500,000;

WHEREAS, the proceeds of Revolving Credit Loans (to the extent permitted under Section 9.13) will be used, together with (i) the net proceeds of the Second Lien Facility, (ii) a portion of the net proceeds of the First Lien Term Facility, and (iii) the net proceeds of the Equity Investments on the Closing Date will be applied to fund the Acquisition and the Refinancing and to pay the Transaction Expenses; and

WHEREAS, the Lenders and Letter Credit Issuer are willing to make available to the applicable Borrowers such revolving credit and letter of credit facilities upon the terms and subject to the conditions set forth herein;

NOW, THEREFORE, in consideration of the premises and the covenants and agreements contained herein, the parties hereto hereby agree as follows:

Section 1. Definitions

1.1 Defined Terms. As used herein, the following terms shall have the meanings specified in this Section 1. 1 unless the context otherwise requires (it being understood that defined terms in this Agreement shall include in the singular number the plural and in the plural the singular):

"ABL Priority Collateral" shall mean the "ABL Priority Collateral" as defined m the ABL/Term Loan Intercreditor Agreement.

"ABL/Term Loan Intercreditor Agreement" shall mean an Intercreditor Agreement substantially in the form of Exhibit H (with such changes to such form as may be reasonably acceptable to the Administrative Agent and the Borrower Representative) among the Administrative Agent, the Collateral Agent, the First Lien Term Loan Administrative Agent, the First Lien Term Loan Collateral Agent, the Second Lien Administrative Agent, the Second Lien Collateral Agent and the representatives for purposes thereof for holders of one or more classes of Indebtedness.

"ABR" shall mean for any day a fluctuating rate per annum equal to the highest of (i) the Federal Funds Effective Rate *plus* 1/2 of 1%, (ii) the rate of interest in effect for such day as announced from time to time by the Administrative Agent as its "prime rate" at its principal office in New York City, and (iii) the rate per annum determined in the manner set forth in clause (ii) of the definition of LIBOR Rate *plus* 1%. Any change in the ABR due to a change in such rate announced by the Administrative Agent or in the Federal Funds Effective Rate shall take effect at the opening of business on the day specified in the announcement of such change.

"ABR Loan" shall mean each Loan bearing interest based on the ABR.

"Accelerated Borrowing Base Delivery Period" shall mean when any of the following have occurred and are continuing: (a) any Cash Dominion Period, (b) any period commencing on the date Excess Availability was less than 20% of the Line Cap for five (5) consecutive Business Days' and ending on the date thereafter that Excess Availability on each day during any period of 30 consecutive calendar days shall be at least 20% of the Line Cap, (c) any period commencing on the day that any Specified Default occurs and is continuing for so long as such Specified Default has not been cured or waived, or (d) if any Overadvance Loans are outstanding.

"Account(s)" means "accounts" as defined in the UCC, and includes without limitation a right to payment of a monetary obligation, whether or not earned by performance, (a) for property that has been or is to be sold, leased, licensed, assigned, or otherwise disposed of, (b) for services rendered or to be rendered or (c) arising out of the use of a credit or charge card or information contained on or for use with

the card. The term "Account" does not include (a) rights to payment evidenced by chattel paper or an instrument, (b) commercial tort claims, (c) deposit accounts, (d) investment property, (e) letter-of-credit rights or letters of credit or (f) rights to payment for money or funds advanced other than rights arising out of the use of a credit or charge card or information contained on or for use with the card.

"Account Debtor" means a Person who is obligated under an Account, Chattel Paper or General Intangible.

"ACH" means automated clearing house transfers.

"Acquired Company" shall mean any "Acquired Company" under and as defined in the Acquisition Agreement, and **"Acquired Companies"** means the "Acquired Companies" under and as defined in the Acquisition Agreement.

"Acquired Company Representations" shall mean the representations and warranties made by an Acquired Company with respect to itself and its subsidiaries in the Acquisition Agreement as are material to the interests of the Lenders, but only to the extent that the Company (or one of the Company's Affiliates) has the right (taking into account any applicable cure provisions) to terminate its obligations under the Acquisition Agreement or decline to consummate the Acquisition as a result of a breach of such representations and warranties in the Acquisition Agreement.

"Acquired EBITDA" shall mean, with respect to any Acquired Entity or Business or any Converted Restricted Subsidiary (any of the foregoing, a **"Pro Forma Entity")** for any period, the amount for such period of Consolidated EBITDA of such Pro Forma Entity (determined using such definitions as if references to the Company and the Restricted Subsidiaries therein were to such Pro Forma Entity and its Restricted Subsidiaries), all as determined on a consolidated basis for such Pro Forma Entity in accordance with GAAP.

"Acquired Entity or Business" shall have the meaning provided in the definition of the term Consolidated EBITDA.

"Acquired Indebtedness" shall mean, with respect to any specified Person, (i) Indebtedness of any other Person existing at the time such other Person is merged, consolidated, or amalgamated with or into or became a Restricted Subsidiary of such specified Person, including Indebtedness incurred in connection with, or in contemplation of, such other Person merging, consolidating, or amalgamating with or into or becoming a Restricted Subsidiary of such specified Person, and (ii) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"Acquisition" shall mean the transactions contemplated by the Acquisition Agreement.

"Acquisition Agreement" shall have the meaning provided in the preamble to this Agreement.

"Adjusted Total Revolving Credit Commitment" shall mean at any time the Total Revolving Credit Commitment less the aggregate Revolving Credit Commitments of all Defaulting Lenders.

"Administrative Agent" shall mean Royal Bank of Canada, as the administrative agent for the Lenders under this Agreement and the other Credit Documents, or any successor administrative agent pursuant to Section 12.9.

"Administrative Agent's Office" shall mean the Administrative Agent's address and, as appropriate, account as set forth on Schedule 13.2 or such other address or account as the Administrative Agent may from time to time notify the Borrower Representative and the Lenders.

"Administrative Questionnaire" shall have the meaning provided in Section 13.6(b)(ii)(D).

"Affiliate" shall mean, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with such Person. A Person shall be deemed to control another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise.

"Agent Parties" shall have the meaning provided in Section 13.l 7(b).

"Agents" shall mean the Administrative Agent, the Collateral Agent, the Syndication Agent and each Joint Lead Arranger and Bookrunner.

"Agreement" shall mean this Credit Agreement.

"Agreement Currency" shall have the meaning provided in Section 13.19.

"AHYDO Payment" means any mandatory prepayment pursuant to the terms of any Indebtedness that is intended or designed to cause such Indebtedness not to be treated as an "applicable high yield discount obligation" within the meaning of Code Section 163(i).

"Applicable Margin" shall mean a percentage per annum equal to:

(i) with respect to Tranche A Loans:

(A) until the first Adjustment Date, the percentages per annum set forth in Pricing Level II in the table below;

(B) on the first day of each fiscal quarter thereafter (each, an **"Adjustment Date"),** commencing with the fiscal quarter beginning on or about July 1, 2014, the Applicable Margin shall be determined from the pricing grid below based upon average daily Excess Availability for the most recently ended three-month period immediately preceding such Adjustment Date, as calculated by the Administrative Agent as of the last day of such three-month period; provided that if any Borrowing Base Certificates are at any time restated or otherwise revised (including as a result of an audit) or if the information set forth in any Borrowing Base Certificate otherwise proves to be false or incorrect such that the Applicable Margin would have been higher than was otherwise in effect during any period, interest due under this Agreement shall be recalculated at such higher rate for any applicable periods and so long as an Event of Default described in Section 11.5 has not occurred with respect to any Borrower, such shortfall shall be due and payable within five Business Days following the written demand thereof by the Administrative Agent and no Default shall be deemed to have occurred as a result of such non-payment until the expiration of such five Business Day period.

Pricing Level	Average Excess Availability	ABR Rate Tranche A Loans	LIBOR Rate Tranche A Loans
I	Greater than $26,600,000	0.50%	1.50%
II	Less than or equal to $26,600,000 but greater than or equal to $13,300,000	0.75%	1.75%
III	Less than $13,300,000	1.00%	2.00%

(ii) with respect to Tranche B Loans, 3.25% for ABR Loans and 4.25% for LIBOR Loans; and

(iii) with respect to Overadvance Loans, 4.00% for ABR Loans and 5.00% for LIBOR Loans.

Notwithstanding the foregoing, the Applicable Margin in respect of any Class of Extended Revolving Credit Commitments or Revolving Credit Loans made pursuant to any Extended Revolving Credit Commitments shall be the applicable percentages per annum set forth in the relevant Extension Amendment.

"Approved Fund" shall mean any Fund that is administered or managed by (i) a Lender, (ii) an Affiliate of a Lender, or (iii) an entity or an Affiliate of an entity that administers, advises or manages a Lender.

"Asset Sale" shall mean:

(i) the sale, conveyance, transfer, or other disposition, whether in a single transaction or a series of related transactions, of property or assets (including by way of a Sale Leaseback) (each a **"disposition")** of the Company or any Restricted Subsidiary, or

(ii) the issuance or sale of Equity Interests of any Restricted Subsidiary (other than preferred stock of Restricted Subsidiaries issued in compliance with Section 10.1), whether in a single transaction or a series of related transactions, in each case, other than:

(a) any disposition of Cash Equivalents or Investment Grade Securities or obsolete, worn out or surplus property or property that is no longer economically practical in its business or commercially desirable to maintain or used or useful equipment in the ordinary course of business or any disposition of inventory, immaterial assets, or goods (or other assets) in the ordinary course of business;

(b) [reserved];

(c) the incurrence of Liens that are permitted to be incurred pursuant to Section 10.2, sales, transfers and other dispositions permitted by Section 10.3 or the making of any Restricted Payment or Permitted Investment (other than pursuant to clause (i) of the definition thereof), that is permitted to be made, and is made, pursuant to Section 10.5;

(d) any disposition of assets or issuance or sale of Equity Interests of any Restricted Subsidiary in any transaction or series of transactions with an aggregate Fair Market Value of less than $2,500,000;

(e) any disposition of property or assets or issuance of securities by (1) a Restricted Subsidiary to the Company or (2) by the Company or a Restricted Subsidiary to another Restricted Subsidiary;

(f) to the extent allowable under Section 1031 of the Code, or any comparable or successor provision, any exchange of like property (excluding any boot thereon) for use in a Similar Business;

(g) any disposition in connection with a Permitted Reorganization;

(h) any issuance, sale or pledge of Equity Interests in, or Indebtedness, or other securities of, an Unrestricted Subsidiary;

(i) foreclosures, condemnation, or any similar action on assets or casualty or insured damage to assets;

(j) [reserved];

(k) any financing transaction with respect to property built or acquired by the Company or any Restricted Subsidiary after the Closing Date, including Sale Leasebacks and asset securitizations permitted by this Agreement;

(l) the Company and any Restricted Subsidiary may (i) terminate or otherwise collapse its cost sharing agreements with the Company or any Subsidiary and settle any crossing payments in connection therewith, (ii) convert any intercompany Indebtedness to Equity Interests, (iii) transfer any intercompany Indebtedness to the Company or any Restricted Subsidiary, (iv) settle, discount, write off, forgive or cancel any intercompany Indebtedness or other obligation owing by Company or any Restricted Subsidiary, (v) settle, discount, write off, forgive or cancel any Indebtedness owing by any present or former consultants, directors, officers or employees of any Parent Entity, Holdings, the Company or any Subsidiary or any of their successors or assigns or (vi) surrender or waive contractual rights and settle or waive contractual or litigation claims;

(m) the sale or discount of accounts receivable or notes receivable or the conversion of accounts receivable to notes receivable, in each case, in the ordinary course of business and relating only to accounts receivable which, if included in the Borrowing Base, the Credit Parties receive not less than the amounts borrowed or available to be borrowed under the Borrowing Base;

(n) (i) the sale, licensing, sub-licensing or other disposition of Intellectual Property or other general intangibles in the ordinary course of business, (ii) the sale, licensing, sub-licensing or other disposition of Intellectual Property or other general intangibles pursuant to Intercompany License Agreements, (iii) the expiration of any patent or copyright in accordance with its statutory term;

(o) the unwinding of any Hedging Obligations or obligations in respect of Cash Management Services;

(p) sales, transfers, and other dispositions of Investments in joint ventures to the extent required by, or made pursuant to, customary buy/sell arrangements between the joint venture parties set forth in joint venture arrangements and similar binding arrangements;

(q) the lapse or abandonment of Intellectual Property rights in the ordinary course of business, which in the reasonable business judgment of the Borrower Representative are not material to the conduct of the business of the Company and the Restricted Subsidiaries taken as a whole;

(r) the issuance of directors' qualifying shares and shares issued to foreign nationals as required by applicable law;

(s) dispositions of property (other than ABL Priority Collateral) to the extent that (1) such property is exchanged for credit against the purchase price of similar replacement property that is promptly purchased or (2) the proceeds of such Asset Sale are promptly applied to the purchase price of such replacement property (which replacement property is actually promptly purchased);

(t) (i) leases, subleases, licenses, or sublicenses (and terminations thereof), in each case in the ordinary course of business and which do not materially interfere with the business of the Company and the Restricted Subsidiaries, taken as a whole and (ii) Intercompany License Agreements;

(u) dispositions of non-core assets acquired in connection with any Permitted Acquisition or Investment permitted hereunder;

(v) dispositions set forth on Schedule 1.1(a);

(w) any disposition of assets that do not constitute Collateral in any transaction or series of transactions with an aggregate Fair Market Value of less than $2,500,000;

(x) (i) bulk sales or other dispositions of Inventory of the Company or a Restricted Subsidiary not in the ordinary course of business in connection with Store closings, at arm's length so long as either (A) Excess Availability is greater than 50% of the Line Cap or (B) Borrower Representative has delivered to the Administrative Agent an updated Borrowing Base Certificate excluding such Inventory and (ii) sales or other dispositions by the Company or any Restricted Subsidiary of assets in connection with the closing or sale of a Store in the ordinary course of business of the Borrower and its Subsidiaries which consist of leasehold interests in the premises of such Store, the equipment and fixtures located at such premises and the books and records relating directly to the operations of such Store; provided that as to each and all such sales and closings, each such sale shall be on commercially reasonable prices and terms in a bona fide arm's length transaction; provided, that in each case of clauses (i) and (ii), all Net Cash Proceeds received in connection therewith are applied to the Obligations if then required in accordance with Section 5.2; and

(y) licenses for the conduct of licensed departments within the Stores of the Company or any Restricted Subsidiary in the ordinary course of business.

"Asset Sale Prepayment Event" shall mean any Asset Sale of ABL Priority Collateral; provided, further, that with respect to any Asset Sale Prepayment Event, the Borrowers shall not be obligated to make any prepayment otherwise required by Section 5.2 unless and until the aggregate amount of Net Cash Proceeds from all such Asset Sale Prepayment Events, after giving effect to the reinvestment rights set forth herein, exceeds $1,000,000 (the **"Prepayment Trigger")** in any fiscal year

of the Company, but then from all such Net Cash Proceeds (excluding amounts below the Prepayment Trigger).

"Assignment and Acceptance" shall mean an assignment and acceptance substantially in the form of Exhibit F, or such other form as may be approved by the Administrative Agent.

"Authorized Officer" shall mean, with respect to any Person, any individual holding the position of chairman of the board (if an officer), the Chief Executive Officer, President, the Chief Financial Officer, the Treasurer, the Controller, the Vice President-Finance, a Director, a Manager, or any other senior officer or agent with express authority to act on behalf of such Person designated as such by the board of directors or other managing authority of such Person.

"Auto-Extension Letter of Credit" shall have the meaning provided in Section 3.2(d).

"Available Commitment" shall mean an amount equal to the excess, if any, of (i) the amount of the Total Revolving Credit Commitment over (ii) the sum of the aggregate principal amount of (a) all Revolving Credit Loans (but not Swingline Loans) then outstanding and (b) the aggregate Letters of Credit Outstanding at such time.

"Bankruptcy Code" shall have the meaning provided in Section 11.5.

"Benefited Lender" shall have the meaning provided in Section 13.8(a).

"Blocked Account" has the meaning provided in Section 9.9(c).

"Blocked Account Agreement" has the meaning provided in Section 9.9(c).

"Blocked Account Banks" means the banks with whom deposit accounts or securities accounts are maintained and with whom a Blocked Account Agreement has been, or is required to be, executed in accordance with the terms hereof.

"Board" shall mean the Board of Governors of the Federal Reserve System of the United States (or any successor).

"Bob's I" shall have the meaning provided in the preamble to this Agreement.

"Bob's II" shall have the meaning provided in the preamble to this Agreement.

"Borrower" or **"Borrowers"** shall mean, individually or collectively, the Company and/or any Subsidiary Borrower as the context requires.

"Borrower Representative" shall have the meaning provided in Section 2.18.

"Borrowing" shall mean (i) Loans of the same Tranche, Class and Type, made, converted, or continued on the same date and, in the case of LIBOR Loans, as to which a single Interest Period is in effect, (ii) a Swingline Loan or (iii) a Protective Advance.

"Borrowing Base" shall mean the sum of (i) Tranche A Borrowing Base, plus (ii) the Overadvance Borrowing Base, plus (iii) the Tranche B Borrowing Base. The Borrowing Base at any time shall be determined by reference to the most recent Borrowing Base Certificate delivered to the Administrative Agent pursuant to Section 9.1(h), as adjusted to give effect to Borrowing Base Reserves (in accordance with and subject to the limitations of Section 2.19) following such delivery.

Notwithstanding the foregoing, for purposes of this definition and the definition of "Pro Forma Availability Condition", no Accounts or Inventory being acquired pursuant to a Permitted Acquisition or permitted Investment or otherwise created, purchased, completed or owned by a business unit acquired pursuant to a Permitted Acquisition or permitted Investment will be included in the Borrowing Base unless (i) the Administrative Agent, in its Credit Judgment, confirms that such Accounts or Inventory conform to standards of eligibility as fixed and revised from time to time by the Administrative Agent pursuant to this Agreement, and (ii) to the extent required by the Administrative Agent, an audit of such Accounts and an appraisal of such Inventory is conducted and then only so long as such Accounts or Inventory, as the case may be, would otherwise satisfy the applicable eligibility criteria; provided, that until the earlier of (x) 90 days following the date on which a Permitted Acquisition or other permitted Investment is consummated (or such longer period as agreed to by the Administrative Agent in its discretion) and (y) the date on which the requirements of clauses (i) and (ii) above are satisfied with respect to Accounts and Inventory being acquired in such Permitted Acquisition or other permitted Investment, or otherwise created, purchased, completed or owned by a business unit acquired pursuant to such Permitted Acquisition or permitted Investment, an amount of such Accounts and Inventory that would otherwise constitute Eligible Credit Card Receivables or Eligible Inventory as shall be agreed upon between the Borrower Representative and the Administrative Agent in its discretion shall be included in the Borrowing Base (including, with respect to the definition of "Pro Forma Availability Condition" for purposes of computing aggregate Excess Availability on a Pro Forma Basis as provided therein).

"Borrowing Base Certificate" has the meaning provided in Section 9.1(h).

"Borrowing Base Reserve" means the sum (without duplication of any other reserve or items that are otherwise addressed or excluded through eligibility criteria, and without duplication of any of the factors taken into account in determining "value") of (a) the Rent and Charges Reserve; (b) the Inventory Reserves (including, without limitation, reserves for Shrink); (c) the Cash Management Services Reserve; (d) the Secured Hedge Reserve; (e) the aggregate amount of liabilities secured by Liens on Collateral included in the Borrowing Base, which Liens are senior in priority to Collateral Agent's Liens; and (e) such additional reserves, in such amounts and with respect to such matters, as the Administrative Agent in its Credit Judgment may elect to establish from time to time (including, without limitation, reserves relating to gift cards, customer deposits, freight/duty charges and in-transit inventory errors).

"Borrowing Subsidiary Agreement" shall mean a Borrowing Subsidiary Agreement substantially in the form of Exhibit M.

"Business Day" shall mean any day excluding Saturday, Sunday, and any other day on which banking institutions in New York City are authorized by law or other governmental actions to close, and, if such day relates to any interest rate settings as to a LIBOR Loan, any fundings, disbursements, settlements, and payments in respect of any such LIBOR Loan, or any other dealings to be carried out pursuant to this Agreement in respect of any such LIBOR Loan, such day shall be a day on which dealings in deposits in Dollars are conducted by and between banks in the applicable London interbank market.

"Canadian Dollars" shall mean the lawful currency of Canada.

"Capital Expenditures" shall mean, for any period, the aggregate of all expenditures (whether paid in cash or accrued as liabilities and including in all events all amounts expended or capitalized under Capital Leases) by the Company and the Restricted Subsidiaries during such period that, in conformity with GAAP, are or are required to be included as additions during such period to property, plant, or

equipment reflected in the consolidated balance sheet of the Company and the Restricted Subsidiaries (including capitalized software expenditures, customer acquisition costs and incentive payments, conversion costs, and contract acquisition costs).

"Capital Lease" shall mean, as applied to any Person, any lease of any property (whether real, personal, or mixed) by that Person as lessee that, in conformity with GAAP, is, or is required to be, accounted for as a capital lease on the balance sheet of that Person; provided that all leases of any Person that are or would be characterized as operating leases in accordance with GAAP immediately prior to the Closing Date (whether or not such operating leases were in effect on such date) shall continue to be accounted for as operating leases (and not as Capital Leases) for purposes of this Agreement regardless of any change in GAAP following the date that would otherwise require such leases to be recharacterized as Capital Leases.

"Capital Stock" shall mean (i) in the case of a corporation, corporate stock, (ii) in the case of an association or business entity, any and all shares, interests, participations, rights, or other equivalents (however designated) of corporate stock, (iii) in the case of a partnership or limited liability company, partnership or membership 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 (it being understood and agreed, for the avoidance of doubt, that "cash-settled phantom appreciation programs" in connection with employee benefits that do not require a dividend or distribution shall not constitute Capital Stock).

"Capitalized Lease Obligation" shall mean, at the time any determination thereof is to be made, the amount of the liability in respect of a Capital Lease that would at such time be required to be capitalized and reflected as a liability on a balance sheet (excluding the footnotes thereto) prepared in accordance with GAAP; provided that all obligations of any Person that are or would be characterized as operating lease obligations in accordance with GAAP immediately prior to the Closing Date (whether or not such operating lease obligations were in effect on such date) shall continue to be accounted for as operating lease obligations (and not as Capitalized Lease Obligations) for purposes of this Agreement regardless of any change in GAAP following the date that would otherwise require such obligations to be recharacterized as Capitalized Lease Obligations.

"Cash Collateralize" shall mean to pledge and deposit with or deliver to the Administrative Agent, for the benefit of one or more of the Letter of Credit Issuer or the Lenders, as collateral for L/C Obligations or obligations of the Lenders to fund participations in respect of L/C Obligations, cash or deposit account balances or, if the Administrative Agent and the Letter of Credit Issuer shall agree in their sole discretion, other credit support. **"Cash Collateral"** shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

"Cash Dominion Period" means any period (a) commencing on the day that any Cash Dominion Trigger Default occurs and is continuing for so long as such Cash Dominion Trigger Default has not been cured or waived; or (b) commencing on a day in respect of which, Excess Availability for the previous five (5) consecutive Business Days was less than $5,000,000 and continuing until the first day thereafter to occur in respect of which Excess Availability for the previous thirty (30) consecutive days has been at least $5,000,000.

"Cash Dominion Trigger Default" means the occurrence of any Event of Default specified in Section 11.1, Section 11.2 (solely as it relates to a material inaccuracy of any representation contained in any Borrowing Base Certificate, Section 11.3(a) (solely as it relates to the Borrowers' failure to comply

with the covenants set forth in Section 9.9 and Section 10.11), Section 11.3(b), Section 11.4(a)(i) or (b) and Section 11.5.

"Cash Equivalents" shall mean:

(i) Dollars,

(ii) (a) Euro, Pounds Sterling, Canadian Dollars, or any national currency of any Participating Member State in the European Union or (b) local currencies held from time to time in the ordinary course of business,

(iii) securities issued or directly and fully and unconditionally guaranteed or insured by the United States government or any country that is a member state of the European Union or any agency or instrumentality thereof the securities of which are unconditionally guaranteed as a full faith and credit obligation of such government with maturities of 24 months or less from the date of acquisition,

(iv) certificates of deposit, time deposits, and eurodollar time deposits with maturities of one year or less from the date of acquisition, bankers' acceptances with maturities not exceeding one year, and overnight bank deposits, in each case with any commercial bank having capital and surplus of not less than $250,000,000 in the case of U.S. banks and $100,000,000 in the case of foreign banks,

(v) repurchase obligations for underlying securities of the types described in clauses (iii), (iv), and (ix) entered into with any financial institution meeting the qualifications specified in clause (iv) above,

(vi) commercial paper rated at least P-2 by Moody's or at least A-2 by S&P and in each case maturing within 24 months after the date of creation thereof,

(vii) marketable short-term money market and similar securities having a rating of at least P-2 or A-2 from either Moody's or S&P, respectively (or, if at any time neither Moody's nor S&P shall be rating such obligations, an equivalent rating from another nationally recognized ratings agency) and in each case maturing within 24 months after the date of creation or acquisition thereof,

(viii) readily marketable direct obligations issued by any state, commonwealth, or territory of the United States or any political subdivision or taxing authority thereof having one of the two highest rating categories obtainable from either Moody's or S&P with maturities of 24 months or less from the date of acquisition,

(ix) Indebtedness or preferred stock issued by Persons with a rating of "A" or higher from S&P or "A2" or higher from Moody's with maturities of 24 months or less from the date of acquisition,

(x) solely with respect to any Foreign Subsidiary: (a) obligations of the national government of the country in which such Foreign Subsidiary maintains its chief executive office and principal place of business provided such country is a member of the Organization for Economic Cooperation and Development, in each case maturing within one year after the date of investment therein, (b) certificates of deposit of, bankers acceptances of, or time deposits with, any commercial bank which is organized and existing under the laws of the country in which such

Foreign Subsidiary maintains its chief executive office and principal place of business provided such country is a member of the Organization for Economic Cooperation and Development, and whose short-term commercial paper rating from S&P is at least "A-2" or the equivalent thereof or from Moody's is at least "P-2" or the equivalent thereof (any such bank being an **"Approved Foreign Bank"),** and in each case with maturities of not more than 24 months from the date of acquisition, and (c) the equivalent of demand deposit accounts which are maintained with an Approved Foreign Bank, in each case, customarily used by corporations for cash management purposes in any jurisdiction outside the United States to the extent reasonably required in connection with any business conducted by such Foreign Subsidiary organized in such jurisdiction,

(xi) in the case of investments by any Foreign Subsidiary or investments made in a country outside the United States, Cash Equivalents shall also include investments of the type and maturity described in clauses (i) through (ix) above of foreign obligors, which investments have ratings, described in such clauses or equivalent ratings from comparable foreign rating agencies, and

(xii) investment funds investing 90% of their assets in securities of the types described in clauses (i) through (ix) above.

Notwithstanding the foregoing, Cash Equivalents shall include amounts denominated in currencies other than those set forth in clauses (i) and (ii) above; provided that such amounts are converted into any currency listed in clauses (i) and (ii) as promptly as practicable and in any event within ten Business Days following the receipt of such amounts.

"Cash Management Agreement" shall mean any agreement or arrangement to provide Cash Management Services.

"Cash Management Bank" shall mean (i) any Person that, at the time it enters into a Cash Management Agreement, is an Agent or a Lender or an Affiliate of an Agent or a Lender or (ii) with respect to any Cash Management Agreement entered into prior to the Closing Date, any Person that is a Lender or an Affiliate of a Lender on the Closing Date.

"Cash Management Services Reserve" means the aggregate amount of reserves established by the Administrative Agent from time to time during the continuance of a Cash Dominion Period in respect of Secured Cash Management Obligations, including reserves which the Administrative Agent shall establish in the amounts set forth in written notices from any Cash Management Bank party to a Secured Cash Management Agreement. The amount of any Cash Management Services Reserve established by the Administrative Agent (x) shall have a reasonable relationship to the Secured Cash Management Obligation that is the basis for such Reserve as determined by the Administrative Agent in its Credit Judgment as being appropriate to reflect the reasonably anticipated liabilities and obligations of the Credit Parties with respect to Cash Management Services then provided or outstanding and (y) shall not be duplicative of other Borrowing Base Reserves then in effect.

"Cash Management Services" shall mean any one or more of the following types of services or facilities (i) commercial credit cards, merchant card services, purchase or debit cards, including non-card e-payables services, or electronic funds transfer services, (ii) treasury management services (including controlled disbursement, overdraft automatic clearing house fund transfer services, return items, and interstate depository network services) and (iii) any other demand deposit or operating account

relationships or other cash management services, including pursuant to any Cash Management Agreements.

"Cash Receipts" shall have the meaning provided in Section 2.18(d).

"CFC" shall mean a Subsidiary of the Company that is a "controlled foreign corporation" within the meaning of Section 957 of the Code.

"CFC Holding Company" shall mean a Domestic Subsidiary of the Company that has no material assets other than the equity or debt of one or more Foreign Subsidiaries that are CFCs.

"Change in Law" shall mean (i) the adoption of any law, treaty, order, policy, rule, or regulation after the Closing Date, (ii) any change in any law, treaty, order, policy, rule, or regulation or in the interpretation or application thereof by any Governmental Authority after the Closing Date or (iii) compliance by any Lender with any guideline, request, directive, or order issued or made after the Closing Date by any central bank or other governmental or quasi-governmental authority (whether or not having the force of law). For purposes of this definition, (a) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, regulations, guidelines, or directives thereunder or issued in connection therewith and (b) all requests, rules, guidelines, requirements, or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority), or the United States or foreign regulatory authorities pursuant to Basel III, shall in each case described in clauses (a) and (b) above be deemed to be a Change in Law and have gone into effect after the date hereof, regardless of the date enacted, adopted, issued, or implemented.

"Change of Control" shall mean and be deemed to have occurred if (i) the Permitted Holders shall at any time not own, in the aggregate, directly or indirectly, beneficially and of record, at least 35% of the voting power of the outstanding Voting Stock of the Company; (ii) any Person, entity, or "group" (within the meaning of Section 13(d) or 14(d) of the Securities Exchange Act of 1934, as amended), other than the Permitted Holders, shall at any time have acquired direct or indirect beneficial ownership of a percentage of the voting power of the outstanding Voting Stock of the Company that exceeds 35% thereof, unless, in case of clause (i) or clause (ii) above, the Permitted Holders have, at such time, the right or the ability by voting power, contract, or otherwise to elect or designate for election at least a majority of the board of directors of the Company; (iii) at any time, a Change of Control (as defined in the First Lien Term Loan Agreement or the Second Lien Credit Agreement) shall have occurred; or (iv) at any time prior to a Qualifying IPO of the Company, Holdings shall cease to beneficially own, directly or indirectly, 100% of the issued and outstanding equity interests of the Company.

"Class" (i) when used in reference to any Loan or Borrowing, shall refer to whether such Loan, or the Loans comprising such Borrowing, are Revolving Credit Loans, Incremental Revolving Credit Loans, Extended Revolving Credit Loans (of the same Extension Series), or Swingline Loans and (ii) when used in reference to any Commitment, refers to whether such Commitment is a Revolving Credit Commitment, an Incremental Revolving Credit Commitment or an Extended Revolving Credit Commitment (of the same Extension Series).

"Closing Date" shall mean February 12, 2014.

"Code" shall mean the Internal Revenue Code of 1986.

"Collateral" shall mean all property pledged or mortgaged or purported to be pledged or mortgaged pursuant to the Security Documents, excluding in all events Excluded Property.

"Collateral Agent" shall mean Royal Bank of Canada, as collateral agent under the Security Documents, or any successor collateral agent pursuant to Section 12.9; any Affiliate or designee of Royal Bank of Canada may act as the Collateral Agent under any Credit Document.

"Commitment Fee" shall have the meaning provided in Section 4.1(a).

"Commitment Fee Rate" shall mean a rate per annum equal to 0.375%; provided that the rate per annum applicable to the unused portion of the Overadvance Borrowing Base (if any) shall be 0.750% per annum.

"Commitments" shall mean, with respect to each Lender (to the extent applicable), such Lender's Initial Revolving Credit Commitment, Incremental Revolving Credit Commitment or Extended Revolving Credit Commitment.

"Commodity Exchange Act" shall mean the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

"Communications" shall have the meaning provided in Section 13.17(a).

"Company" shall have the meaning provided in the preamble to this Agreement.

"Company Material Adverse Effect" shall have the meaning provided to the term "Material Adverse Effect" in the Acquisition Agreement.

"Compliance Certificate" shall mean a certificate of a Financial Officer of the Borrower Representative delivered pursuant to Section 9.1(d) for the applicable Test Period.

"Concentration Account" shall have the meaning provided in Section 9.9(d).

"Confidential Information" shall have the meaning provided in Section 13.16.

"Confidential Information Memorandum" shall mean the Confidential Information Memorandum of the Company dated January 2014.

"Consolidated Depreciation and Amortization Expense" shall mean with respect to any Person for any period, the total amount of depreciation and amortization expense, including the amortization of deferred financing fees or costs, debt issuance costs, commissions, fees, and expenses, capitalized expenditures, customer acquisition costs, the amortization of original issue discount resulting from the issuance of Indebtedness at less than par and incentive payments, conversion costs, and contract acquisition costs of such Person and its Restricted Subsidiaries for such period on a consolidated basis and otherwise determined in accordance with GAAP.

"Consolidated EBITDA" shall mean, with respect to any Person for any period, the Consolidated Net Income of such Person for such period:

(i) increased (without duplication) by:

(a) provision for taxes based on income or profits or capital, including, without limitation, U.S. federal, state, non-U.S., franchise, excise, value added, and similar taxes and

foreign withholding taxes of such Person paid or accrued during such period deducted, including any penalties and interest related to such taxes or arising from any tax examinations (and not added back) in computing Consolidated Net Income, *plus*

(b) Fixed Charges of such Person for such period (including (1) net losses on Hedging Obligations or other derivative instruments entered into for the purpose of hedging interest rate risk and (2) costs of surety bonds in connection with financing activities, in each case, to the extent included in Fixed Charges), together with items excluded from the definition of Consolidated Interest Expense and any non-cash interest expense, to the extent the same were deducted (and not added back) in calculating such Consolidated Net Income, *plus*

(c) Consolidated Depreciation and Amortization Expense of such Person for such period to the extent the same were deducted in computing Consolidated Net Income, *plus*

(d) any expenses, fees, charges, or losses (other than depreciation or amortization expense) related to any Equity Offering, Permitted Investment, Restricted Payment, acquisition, disposition, recapitalization, or the incurrence of Indebtedness permitted to be incurred by this Agreement (including a refinancing thereof) (whether or not successful and including any such transaction consummated prior to the Closing Date), including (1) such fees, expenses, or charges related to the incurrence of the Second Lien Loans, the First Lien Term Loans and the Loans hereunder and all Transaction Expenses, (2) such fees, expenses, or charges related to the offering of the Credit Documents and any other credit facilities, and (3) any amendment or other modification of the Second Lien Facility, the First Lien Term Facility, the Loans hereunder or thereunder, or other Indebtedness, and, in each case, deducted (and not added back) in computing Consolidated Net Income, *plus*

(e) any other non-cash charges, expenses or losses, including any non-cash expense relating to the vesting of warrants and any write offs, write downs, expenses, losses, or items to the extent the same were deducted (and not added back) in computing Consolidated Net Income (provided that if any such non-cash charges represent an accrual or reserve for potential cash items in any future period, the cash payment in respect thereof in such future period shall be deducted from Consolidated EBITDA to such extent, and excluding amortization of a prepaid cash item that was paid in a prior period), *plus*

(f) the amount of any minority interest expense consisting of Subsidiary income attributable to minority equity interests of third parties in any non-Wholly Owned Subsidiary deducted (and not added back) in such period in calculating Consolidated Net Income, *plus*

(g) the amount of management, monitoring, consulting, and advisory fees (including termination fees) and related indemnities and expenses paid or accrued in such period to the Initial Investors or any of their respective Affiliates, *plus*

(h) costs of surety bonds incurred in such period in connection with financing activities, *plus*

(i) the amount of "run-rate" cost savings, operating expense reductions, and synergies that are projected by the Borrower Representative in good faith to result from actions either taken or expected to be taken within 18 months of the determination to take such action, net of the amount of actual benefits realized prior to or during such period from such actions (which cost savings, operating expense reductions, and synergies shall be calculated on a Pro Forma

Basis as though such cost savings, operating expense reductions, or synergies had been realized on the first day of such period); provided that an Authorized Officer of the Borrower Representative shall have certified to the Administrative Agent that such cost savings are reasonably identifiable and factually supportable; provided further that amounts added back to Consolidated EBITDA pursuant to this clause (i)(i), when taken together with amounts described in clause (b) of proviso to the definition of "Pro Forma Adjustment" and clause (xvi) of the definition of "Consolidated Net Income" shall not exceed 25% of Consolidated EBITDA for any Test Period, *plus*

(j) [reserved], *plus*

(k) any costs or expense incurred by the Company or a Restricted Subsidiary pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement or any stock subscription or shareholder agreement, to the extent that such cost or expenses are funded with cash proceeds contributed to the capital of the Company or net cash proceeds of an issuance of Equity Interests of the Company (other than Disqualified Stock) solely to the extent that such net cash proceeds are excluded from the calculation set forth in clause (iii) of Section 10.5(a) and have not been relied on for purposes of any incurrence of Indebtedness pursuant to clause (l)(i) of Section 10.1, *plus*

(l) the amount of expenses relating to payments made to option holders of any direct or indirect parent company of the Company or any of its direct or indirect parent companies in connection with, or as a result of, any distribution being made to shareholders of such Person or its direct or indirect parent companies, which payments are being made to compensate such option holders as though they were shareholders at the time of, and entitled to share in, such distribution, in each case to the extent permitted under this Agreement, *plus*

(m) with respect to any joint venture that is not a Restricted Subsidiary, an amount equal to the proportion of those items described in clauses (a) and (c) above relating to such joint venture corresponding to the Company's and the Restricted Subsidiaries' proportionate share of such joint venture's Consolidated Net Income (determined as if such joint venture were a Restricted Subsidiary), *plus*

(n) costs associated with, or in anticipation of, or preparation for, compliance with the requirements of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith or other enhanced accounting functions and Public Company Costs, *plus*

(o) cash receipts (or any netting arrangements resulting in reduced cash expenses) not included in Consolidated EBITDA in any period solely to the extent that the corresponding non-cash gains relating to such receipts were deducted in the calculation of Consolidated EBITDA pursuant to paragraph (2) below for any previous period and not added back, *plus*

(p) to the extent not already included in the Consolidated Net Income, (1) any expenses and charges that are reimbursed by indemnification or other similar provisions in connection with any investment or any sale, conveyance, transfer, or other Asset Sale of assets permitted hereunder and (2) to the extent covered by insurance and actually reimbursed, or, so long as the Borrower Representative has made a determination that there exists reasonable evidence that such amount will in fact be reimbursed by the insurer and only to the extent that such amount is (A) not denied by the applicable carrier in writing within 180 days and (B) in fact reimbursed within 365 days of the date of such evidence (with a deduction for any amount so

added back to the extent not so reimbursed within such 365 days), expenses with respect to liability or casualty events or business interruption, *plus*

(q) [reserved], *plus*

(r) charges, expenses, and other items described in the Confidential Information Memorandum or the Sponsor Model, *plus*

(s) costs related to implementation of operational and reporting systems and technology initiatives, *plus*

(t) any non-cash increase in expenses resulting from the revaluation of inventory (including any impact of changes to inventory valuation policy methods including changes in capitalization of variances) or other inventory adjustments, *plus*

(u) letter of credit fees

(ii) decreased by (without duplication):

(a) non-cash gains increasing Consolidated Net Income of such Person for such period, excluding any non-cash gains which represent the reversal of any accrual of, or cash reserve for, anticipated cash charges that reduced Consolidated EBITDA in any prior period; provided that, to the extent non cash gains are deducted pursuant to this clause (ii)(a) for any previous period and not otherwise added back to Consolidated EBITDA, Consolidated EBITDA shall be increased by the amount of any cash receipts (or any netting arrangements resulting in reduced cash expenses) in respect of such non cash gains received in subsequent periods to the extent not already included therein,

(iii) increased or decreased by (without duplication):

(a) any net gain or loss resulting in such period from currency gains or losses related to Indebtedness, intercompany balances, and other balance sheet items, plus or minus, as the case may be, and

(b) any net gain or loss resulting in such period from Hedging Obligations, and the application of Financial Accounting Standards Codification No. 815—Derivatives and Hedging (ASC 815) (formerly Financing Accounting Standards Board Statement No. 133), and its related pronouncements and interpretations, or the equivalent accounting standard under GAAP or an alternative basis of accounting applied in lieu of GAAP.

For the avoidance of doubt:

(i) to the extent included in Consolidated Net Income, there shall be excluded in determining Consolidated EBITDA for any period any adjustments resulting from the application of ASC 815 and its related pronouncements and interpretations, or the equivalent accounting standard under GAAP or an alternative basis of accounting applied in lieu of GAAP,

(ii) there shall be included in determining Consolidated EBITDA for any period, without duplication, (1) the Acquired EBITDA of any Person or business, or attributable to any property or asset acquired by the Company or any Restricted Subsidiary during such period (but not the Acquired EBITDA of any related Person or business or any Acquired EBITDA attributable to any assets or property, in each

case to the extent not so acquired) to the extent not subsequently sold, transferred, abandoned, or otherwise disposed by the Company or such Restricted Subsidiary (each such Person, business, property, or asset acquired and not subsequently so disposed of, an **"Acquired Entity or Business")** and the Acquired EBITDA of any Unrestricted Subsidiary that is converted into a Restricted Subsidiary during such period (each, a **"Converted Restricted Subsidiary"),** based on the actual Acquired EBITDA of such Acquired Entity or Business or Converted Restricted Subsidiary for such period (including the portion thereof occurring prior to such acquisition or conversion) and (2) an adjustment in respect of each Acquired Entity or Business equal to the amount of the Pro Forma Adjustment with respect to such Acquired Entity or Business for such period (including the portion thereof occurring prior to such acquisition); and

(iii) to the extent included in Consolidated Net Income, there shall be excluded in determining Consolidated EBITDA for any period the Disposed EBITDA of any Person, property, business, or asset sold, transferred, abandoned, or otherwise disposed of, closed or classified as discontinued operations by the Company or any Restricted Subsidiary during such period (each such Person, property, business, or asset so sold or disposed of, a **"Sold Entity or Business"),** and the Disposed EBITDA of any Restricted Subsidiary that is converted into an Unrestricted Subsidiary during such period (each, a **"Converted Unrestricted Subsidiary")** based on the actual Disposed EBITDA of such Sold Entity or Business or Converted Unrestricted Subsidiary for such period (including the portion thereof occurring prior to such sale, transfer, or disposition or conversion); provided that for the avoidance of doubt, notwithstanding any classification under GAAP of any Person or business in respect of which a definitive agreement for the disposition thereof has been entered into as discontinued operations, the Disposed EBITDA of such Person or business shall not be excluded pursuant to this paragraph until such disposition shall have been consummated.

Notwithstanding the foregoing, for purposes of determining Consolidated EBITDA for any four- fiscal quarter period that includes any of the fiscal quarters ending March 31, 2013, June 30, 2013, September 30, 2013 or December 31, 2013, Consolidated EBITDA for such fiscal quarters shall equal $16,362,681, $11,559,929, $11,333,843 and $12,575,274, respectively (which amounts, for the avoidance of doubt shall be subject to addbacks and adjustments pursuant to clause (i) above and shall give effect to calculations on a Pro Forma Basis in accordance with this Agreement in respect of Specified Transactions (including the cost savings and "run rate" adjustments described above or in the definition of "Consolidated Net Income" subject in each case to the applicable limitations set forth therein and that in each case may become applicable due to actions taken on or after the Closing Date)

"Consolidated First Lien Secured Debt" shall mean Consolidated Total Debt as of such date that is not Subordinated Indebtedness and is secured by a Lien on the Collateral on an equal priority basis (but without regard to the control of remedies) with liens on the Collateral securing the Obligations and the First Lien Obligations.

"Consolidated First Lien Secured Debt to Consolidated EBITDA Ratio" shall mean, as of any date of determination, the ratio of (i) Consolidated First Lien Secured Debt as of such date of determination, *minus* cash and Cash Equivalents (in each case, free and clear of all Liens other than Permitted Liens) of the Company and the Restricted Subsidiaries (other than the proceeds of any Indebtedness being incurred and giving rise to the need to calculate the Consolidated First Lien Secured Debt to Consolidated EBITDA Ratio) to (ii) Consolidated EBITDA of the Company for the Test Period then last ended, in each case with such pro forma adjustments to Consolidated First Lien Secured Debt and Consolidated EBITDA as are appropriate and consistent with the pro forma adjustment provisions set forth in the definition of Interest Coverage Ratio.

"Consolidated Interest Expense" shall mean, with respect to any Person for any period, the sum, without duplication, of:

(i) consolidated cash interest expense of such Person and its Restricted Subsidiaries for such period, to the extent such expense was deducted (and not added back) in computing Consolidated Net Income (including (a) all commissions, discounts, and other fees and charges owed with respect to letters of credit or bankers acceptances, (b) capitalized interest to the extent paid in cash, and (c) net payments, if any, pursuant to interest rate Hedging Obligations with respect to Indebtedness, and excluding (1) any one-time cash costs associated with breakage in respect of hedging agreements for interest rates, (2) all non-recurring cash interest expense consisting of liquidated damages for failure to timely comply with registration rights obligations, all as calculated on a consolidated basis in accordance with GAAP, (3) any "additional interest" owing pursuant to a registration rights agreement, (4) non-cash interest expense attributable to a parent entity resulting from push-down accounting, but solely to the extent not reducing consolidated cash interest expense in any prior period and (5) any non-cash expensing of bridge, commitment, and other financing fees that have been previously paid in cash, but solely to the extent not reducing consolidated cash interest expense in any prior period; less

(ii) cash interest income for such period.

For purposes of this definition, interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by such Person to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP.

"Consolidated Net Income" shall mean, with respect to any Person for any period, the aggregate of the Net Income, of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, and otherwise determined in accordance with GAAP; provided that, without duplication,

(i) any after-tax effect of extraordinary, non-recurring, or unusual gains or losses (less all fees and expenses relating thereto) or expenses (including relating to the Transactions), severance, relocation costs, curtailments, or modifications to pension and post-retirement employee benefits plans, start-up, transition, integration, and other restructuring and business optimization costs, charges, reserves, or expenses (including related to acquisitions after the Closing Date and to the start-up, opening, closure, and/or consolidation of stores, distribution centers, offices and facilities), new product introductions, and one-time compensation charges shall be excluded,

(ii) the Net Income for such period shall not include the cumulative effect of a change in accounting principles and changes as a result of the adoption or modification of accounting policies during such period,

(iii) any net after-tax gains or losses on disposal of disposed, abandoned, transferred, closed, or discontinued operations shall be excluded,

(iv) any after-tax effect of gains or losses (less all fees and expenses relating thereto) attributable to asset dispositions or abandonments other than in the ordinary course of business, as determined in good faith by the board of directors of the Company, shall be excluded,

(v) the Net Income for such period of any Person that is not a Subsidiary, or is an Unrestricted Subsidiary, or that is accounted for by the equity method of accounting, shall be excluded; provided that Consolidated Net Income of the Company shall be increased by the

amount of dividends or distributions or other payments that are actually paid in cash (or to the extent converted into cash or Cash Equivalents) to the referent Person or a Restricted Subsidiary thereof in respect of such period,

(vi) [reserved],

(vii) effects of adjustments (including the effects of such adjustments pushed down to the Company and the Restricted Subsidiaries) in any line item in such Person's consolidated financial statements required or permitted by Financial Accounting Standards Codification No. 805 - Business Combinations and No. 350 - Intangibles-Goodwill and Other (ASC 805 and ASC 350) (formerly Financial Accounting Standards Board Statement Nos. 141 and 142, respectively) resulting from the application of purchase accounting, including in relation to the Transactions and any acquisition that is consummated after the Closing Date or the amortization or write-off of any amounts thereof, net of taxes, shall be excluded,

(viii) (a) any after-tax effect of income (loss) from the early extinguishment of Indebtedness or Hedging Obligations or other derivative instruments (including deferred financing costs written off and premiums paid), (b) any non-cash income (or loss) related to currency gains or losses related to Indebtedness, intercompany balances, and other balance sheet items and to Hedging Obligations pursuant to ASC 815 (or such successor provision), and (c) any non-cash expense, income, or loss attributable to the movement in mark to market valuation of foreign currencies, Indebtedness, or derivative instruments pursuant to GAAP, shall be excluded,

(ix) any impairment charge, asset write-off, or write-down pursuant to ASC 350 and Financial Accounting Standards Codification No. 360 - Impairment and Disposal of Long-Lived Assets (ASC 360) (formerly Financial Accounting Standards Board Statement Nos. 142 and 144, respectively) and the amortization of intangibles arising pursuant to ASC 805 shall be excluded,

(x) (a) any non-cash compensation expense recorded from grants of stock appreciation or similar rights, phantom equity, stock options units, restricted stock, or other rights to officers, directors, managers, or employees and (b) non-cash income (loss) attributable to deferred compensation plans or trusts, shall be excluded,

(xi) any fees and expenses incurred during such period, or any amortization thereof for such period, in connection with any acquisition, Investment, recapitalization, Asset Sale, issuance, or repayment of Indebtedness, issuance of Equity Interests, refinancing transaction or amendment or modification of any debt instrument (in each case, including any such transaction consummated prior to the Closing Date, the Transactions and any such transaction undertaken but not completed) and any charges or non-recurring merger costs incurred during such period as a result of any such transaction shall be excluded,

(xii) accruals and reserves (including contingent liabilities) that are established or adjusted within twelve months after the Closing Date that are so required to be established as a result of the Transactions in accordance with GAAP, or changes as a result of adoption or modification of accounting policies, shall be excluded,

(xiii) to the extent covered by insurance or indemnification and actually reimbursed, or, so long as the Borrower Representative has made a determination that there exists reasonable evidence that such amount will in fact be reimbursed by the insurer or indemnifying party and only to the extent that such amount is (a) not denied by the applicable carrier or indemnifying

party in writing within 180 days and (b) in fact reimbursed within 365 days of the date of such evidence (with a deduction for any amount so added back to the extent not so reimbursed within 365 days), losses and expenses with respect to liability or casualty events or business interruption shall be excluded,

(xiv) any deferred tax expense associated with tax deductions or net operating losses arising as a result of the Transactions, or the release of any valuation allowance related to such items, shall be excluded,

(xv) any costs or expenses incurred during such period relating to environmental remediation, litigation, or other disputes in respect of events and exposures that occurred prior to the Closing Date shall be excluded, and

(xvi) Consolidated Net Income for any Test Period shall be increased by the aggregate amount of "run-rate" Consolidated Net Income projected by the Borrower Representative in good faith to be attributable to New Stores open during such Test Period (or following such Test Period but prior to the date for the delivery of the financial statements for such Test Period pursuant to Section 9.1(a) or (b)) (which amount shall be calculated on a Pro Forma Basis as though the full annual amount of such Consolidated Net Income attributable to such New Stores had been realized during such Test Period (without duplication of any amounts attributable to such New Stores already received in such Test Period), subject to adjustment in a manner consistent with

the methodology used in determining the pro forma New Stores adjustment set forth in the Public Lender Presentation and subject to the applicable limitation set forth in clause (i)(i) of the definition of "Consolidated EBITDA" for such Test Period).

"Consolidated Senior Secured Debt" shall mean Consolidated Total Debt as of such date that is not Subordinated Indebtedness and is secured by a Lien on the Collateral.

"Consolidated Senior Secured Debt to Consolidated EBITDA Ratio" shall mean, as of any date of determination, the ratio of (i) Consolidated Senior Secured Debt as of such date of determination, *minus* cash and Cash Equivalents (in each case, free and clear of all Liens other than Permitted Liens) of the Company and the Restricted Subsidiaries (other than the proceeds of any Indebtedness being incurred and giving rise to the need to calculate the Consolidated Senior Secured Debt to Consolidated EBITDA Ratio) to (ii) Consolidated EBITDA of the Company for the Test Period then last ended, in each case with such pro forma adjustments to Consolidated Senior Secured Debt and Consolidated EBITDA as are appropriate and consistent with the pro forma adjustment provisions set forth in the definition of Interest Coverage Ratio.

"Consolidated Total Assets" shall mean, as of any date of determination, the amount that would, in conformity with GAAP, be set forth opposite the caption "total assets" (or any like caption) on the most recent consolidated balance sheet of the Company and the Restricted Subsidiaries at such date.

"Consolidated Total Debt" shall mean, as at any date of determination, an amount equal to the sum of the aggregate amount of all outstanding Indebtedness of the Company and the Restricted Subsidiaries on a consolidated basis consisting of Indebtedness for borrowed money, Capitalized Lease Obligations and debt obligations evidenced by promissory notes and similar instruments (and excluding, for the avoidance of doubt, Hedging Obligations); provided that Consolidated Total Debt shall not include Letters of Credit, except to the extent of Unpaid Drawings thereunder.

"Consolidated Total Debt to Consolidated EBITDA Ratio" shall mean, as of any date of determination, the ratio of (i) Consolidated Total Debt as of such date of determination, *minus* cash and Cash Equivalents (in each case, free and clear of all Liens other than Permitted Liens) of the Company and the Restricted Subsidiaries (other than the proceeds of any Indebtedness being incurred and giving rise to the need to calculate the Consolidated Total Debt to Consolidated EBITDA Ratio) to (ii) Consolidated EBITDA of the Company for the Test Period then last ended, in each case with such pro forma adjustments to Consolidated Total Debt and Consolidated EBITDA as are appropriate and consistent with the pro forma adjustment provisions set forth in the definition of Interest Coverage Ratio.

"Contingent Obligations" shall mean, with respect to any Person, any obligation of such Person guaranteeing any leases, dividends, or other obligations that do not constitute Indebtedness **("primary obligations")** of any other Person (the **"primary obligor")** in any manner, whether directly or indirectly, including, without limitation, any obligation of such Person, whether or not contingent, (i) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (a) for the purchase or payment of any such primary obligation or (b) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, or (iii) to purchase property, securities, or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation against loss in respect thereof.

"Contractual Requirement" shall have the meaning provided in Section 8.3.

"Converted Restricted Subsidiary" shall have the meaning provided in the definition of the term Consolidated EBITDA.

"Converted Unrestricted Subsidiary" shall have the meaning provided in the definition of the term Consolidated EBITDA.

"Cost" means the cost of the Credit Parties' Inventory as determined in accordance with the Borrowers' accounting policies as in effect on the Closing Date and as reported on the Credit Parties' stock ledger, as such policy may be modified with the consent of the Administrative Agent, whose consent will not be unreasonably withheld.

"Credit Card Notifications" shall have the meaning provided in Section 9.9(c).

"Credit Documents" shall mean this Agreement, each Joinder Agreement, each Borrower Subsidiary Agreement, the Guarantees, the Security Documents, and any promissory notes issued by a Borrower pursuant hereto.

"Credit Event" shall mean and include the making (but not the conversion or continuation) of a Loan and the issuance of a Letter of Credit.

"Credit Facilities" shall mean, collectively, each category of Commitments and each extension of credit hereunder.

"Credit Facility" shall mean a category of Commitments and extensions of credit thereunder.

"Credit Judgment" means the Administrative Agent's reasonable judgment exercised in good faith, (i) to reflect events, conditions, contingencies or risks in each case, which, as reasonably determined by the Administrative Agent in good faith, materially adversely affect either (a) the Collateral, its value or the amount that might be received by the Agents from the sale or other disposition or realization upon

such Collateral, or (b) the assets or business of any Credit Party or (c) the security interests and liens and other rights of any Agent or any Lender in the Collateral (including the enforceability, perfection and priority thereof), (ii) to reflect claims and liabilities that the Administrative Agent reasonably determines will be required to be satisfied in connection with the realization upon such Collateral, (iii) to reflect the Administrative Agent's good faith belief that any collateral report or financial information furnished by or on behalf of any Credit Party to any of the Agents is or may have been incomplete, inaccurate, misleading or not in accordance with the terms hereof, to the extent thereof, (iv) to reflect criteria, events, conditions, contingencies or risks that, in each case, as reasonably determined by the Administrative Agent in good faith, materially adversely affect any component of the Borrowing Base or the validity or enforceability of this Agreement or the other Credit Documents or any of the material rights or remedies of the Secured Parties hereunder or thereunder or (v) in respect of any Default or an Event of Default.

"Credit Party" shall mean Holdings, the Borrowers, and the other Guarantors.

"Cure Amount" shall have the meaning provided in Section 11.15.

"Customs Broker Agreement" means an agreement in such form as may be reasonably satisfactory to the Administrative Agent and the Borrower Representative among a Borrower, a customs broker, freight forwarder, shipping company or other carrier, and the Collateral Agent, in which the customs broker or other carrier acknowledges that it has control over and holds the documents evidencing ownership of the subject Inventory or other property for the benefit of the Collateral Agent, and agrees, upon notice from the Collateral Agent (which notice shall be delivered only upon the occurrence and

during the continuance of an Event of Default), to hold and dispose of the subject Inventory and other property solely as directed by the Collateral Agent.

"DDAs" means any checking or other demand deposit account maintained by the Credit Parties. All funds in such DDAs shall be conclusively presumed to be Collateral and proceeds of Collateral and the Agents, and the Lenders shall have no duty to inquire as to the source of the amounts on deposit in the DDAs.

"Debt Service Charges" means, for any period, the sum of (a) Consolidated Interest Expense paid or required to be paid in cash, plus (b), scheduled amortization payments of principal made or required to be made (after giving effect to any prepayments paid in cash that reduce the amount of such required payments) on account of Indebtedness for borrowed money (excluding the Obligations, payments to reimburse any drawings under any commercial letters of credit, and any payments on Indebtedness required to be made on the final maturity date thereof, but including Capital Lease Obligations).

"Declined Proceeds" shall have the meaning provided in Section 5.2(f).

"Default" shall mean any event, act, or condition set forth in Section 11 that with notice or lapse of time, or both, as set forth in such Section 11 would constitute an Event of Default; provided that any Default that results solely from the taking of an action that would have been permitted but for the continuation of a previous Default will be deemed to be cured if such previous Default is cured prior to becoming an Event of Default.

"Default Rate" shall have the meaning provided in Section 2.8(c).

"Defaulting Lender" shall mean any Lender whose acts or failure to act, whether directly or indirectly, cause it to meet any part of the definition of Lender Default.

"Designated Non-Cash Consideration" shall mean the Fair Market Value of non-cash consideration received by the Company or a Restricted Subsidiary in connection with an Asset Sale that is so designated as Designated Non-Cash Consideration pursuant to a certificate of an Authorized Officer of the Borrower Representative, setting forth the basis of such valuation, executed by either a senior vice president or the principal financial officer of the Borrower Representative, less the amount of cash or Cash Equivalents received in connection with a subsequent sale of or collection on or other disposition of such Designated Non-Cash Consideration. A particular item of Designated Non-Cash Consideration will no longer be considered to be outstanding when and to the extent it has been paid, redeemed or otherwise retired or sold or otherwise disposed of in compliance with Section 10.4.

"Disbursement Accounts" shall have the meaning provided in Section 9.9(g).

"Disposed EBITDA" shall mean, with respect to any Sold Entity or Business or any Converted Unrestricted Subsidiary for any period, the amount for such period of Consolidated EBITDA of such Sold Entity or Business or Converted Unrestricted Subsidiary (determined as if references to the Company and the Restricted Subsidiaries in the definition of Consolidated EBITDA were references to such Sold Entity or Business or Converted Unrestricted Subsidiary and its respective Subsidiaries), all as determined on a consolidated basis for such Sold Entity or Business or Converted Unrestricted Subsidiary, as the case may be.

"disposition" shall have the meaning assigned such term in clause (i) of the definition of Asset Sale.

"Disqualified Lenders" shall mean such Persons (i) that have been specified in writing to the Administrative Agent and the Lead Arrangers prior to the commencement of "primary syndication" as being Disqualified Lenders or as otherwise agreed by the Borrower Representative and the Administrative Agent, (ii) who are competitors of the Company and its Subsidiaries that are separately identified in writing by the Borrower Representative to the Administrative Agent from time to time, (iii) in the case of each of clauses (i) and (ii), any of their Affiliates (other than any such Affiliate that is affiliated with a financial investor in such Person and that is not itself an operating company or otherwise an Affiliate of an operating company so long as such Affiliate is a bona fide Fund) that are either (a) identified in writing by the Borrower Representative to the Administrative Agent from time to time or (b) clearly identifiable on the basis of such Affiliate's name and (iv) Excluded Affiliates.

"Disqualified Stock" shall mean, with respect to any Person, any Capital Stock of such Person which, by its terms, or by the terms of any security into which it is convertible or for which it is putable or exchangeable, or upon the happening of any event, matures or is mandatorily redeemable (other than solely for Qualified Stock), other than as a result of a change of control, asset sale, or similar event, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof (other than solely for Qualified Stock), other than as a result of a change of control, asset sale, or similar event, in whole or in part, in each case, prior to the date that is 91 days after the Revolving Credit Maturity Date hereunder; provided that if such Capital Stock is issued to any plan for the benefit of employees of the Company or its Subsidiaries or by any such plan to such employees, such Capital Stock shall not constitute Disqualified Stock solely because it may be required to be repurchased by the Company or its Subsidiaries in order to satisfy applicable statutory or regulatory obligations or as a result of such employee's termination, death, or disability.

"Dollars" and "**$**" shall mean dollars in lawful currency of the United States.

"Domestic Subsidiary" shall mean each Subsidiary of the Company that is organized under the laws of the United States, any state thereof, or the District of Columbia.

"Eligible Credit Card Receivables" means, as of any date of determination, Accounts due to a Credit Party from major credit card and debit card issuers and processors (including, but not limited to, VISA, Mastercard, American Express, Diners Club, AcceptanceNow, Wells Fargo and DiscoverCard) as arise in the ordinary course of business and which have been earned by performance, that are not excluded as ineligible by virtue of one or more of the criteria set forth below. Except as otherwise agreed by the Administrative Agent in its Credit Judgment, none of the following shall be deemed to be Eligible Credit Card Receivables:

(a) Accounts due from (i) major credit card and debit card processors (other than Wells Fargo and AcceptanceNow) that have been outstanding for more than five (5) Business Days from the date of sale, or (ii) from Wells Fargo and AcceptanceNow that have been outstanding for more than seven (7) Business Days or, in each case, for such longer period(s) as may be approved by the Administrative Agent in its Credit Judgment;

(b) Accounts due from major credit card and debit card processors with respect to which a Credit Party does not have good, valid and marketable title thereto, free and clear of any Lien (other than (i) Liens granted to the Collateral Agent for its own benefit and the benefit of the other Secured Parties pursuant to the Security Documents, (ii) a Permitted Lien which does not have priority over such Liens in favor of the Collateral Agent, and (iii) those Liens specified in clause (xvii) of the definition of Permitted Liens and Permitted Liens having priority by operation of applicable Law over the Lien of the Collateral Agent) (the foregoing not being intended to limit the ability of the Administrative Agent to change, establish or eliminate any Reserves in its Credit Judgment on account of any such Liens);

(c) Accounts due from major credit card and debit card processors that are not subject to a first priority (except as to priority as provided in clause (b)(iii), above) security interest in favor of the Collateral Agent for its own benefit and the benefit of the other Secured Parties;

(d) Accounts due from major credit card and debit card processors which are disputed, or with respect to which a claim, counterclaim, offset or chargeback (other than chargebacks in the ordinary course by the credit card and debit card processors) has been asserted, by the related credit card and debit card processor (but only to the extent of such dispute, counterclaim, offset or chargeback);

(e) Accounts due from major credit card and debit card processors as to which the credit card and debit card processor has the right under certain circumstances to require a Credit Party to repurchase the Accounts from such credit card or debit card processor;

(f) From and after the date that is thirty (30) days after the Closing Date (or such longer period of time as the Administrative Agent may agree in its discretion), except as otherwise approved by the Administrative Agent, Accounts due from any credit card and debit card processor which has not received a Credit Card Notification;

(g) Except as otherwise approved by the Administrative Agent in its Credit Judgment, Accounts arising from any private label credit card program of a Credit Party or Accounts due from AcceptanceNow; and

(h) Accounts due from major credit card and debit card processors (other than VISA, Mastercard, American Express, Diners Club, AcceptanceNow, Wells Fargo and) which the Administrative Agent determines in its Credit Judgment and upon notice to the Borrower Representative to be unlikely to be collected.

"Eligible In-Transit Inventory" means, as of any date of determination, without duplication of other Eligible Inventory, Inventory (a) which has been shipped from (i) any location within the United States for receipt by a Credit Party within fifteen (15) days of the date of determination or (ii) any location outside of the United States for receipt by a Credit Party within sixty (60) days of the date of determination, but which, in either case, has not yet been received by a Credit Party, (b) for which the purchase order is in the name of a Credit Party and title has passed to a Credit Party, (c) from and after the date that is thirty (30) days after the Closing Date (or such longer period of time as the Administrative Agent may agree in its discretion), except as otherwise agreed by the Administrative Agent, either (i) such Inventory is subject to a negotiable document of title in form reasonably satisfactory to the Administrative Agent which shall, except as otherwise agreed by the Administrative Agent in its Credit Judgment, have been endorsed to the Administrative Agent or an agent acting on its behalf or (ii) such Inventory is subject to a waybill or other non-negotiable document of title which designates a Credit Party or its freight forwarder or other agent as "shipper" and/or the consignor and reflects a Credit Party as consignee (along with delivery to a Credit Party or its customs broker or other agent of such non-negotiable documents of title, to the extent applicable, with respect thereto), (d) from and after the date that is thirty (30) days after the Closing Date (or such longer period of time as the Administrative Agent may agree in its discretion), if reasonably requested by the Administrative Agent, (i) as to which the Collateral Agent has control over the documents of title, to the extent applicable, which evidence ownership of the subject Inventory (such as by the delivery of a Customs Broker Agreement and a control agreement with a carrier or freight forwarder), and (ii) as to which each relevant freight carrier, freight forwarder, customs broker, shipping company or other Person in possession of such Inventory and/or the documents relating to such Inventory shall have entered into a Customs Broker Agreement, (e) which is insured in accordance with the provisions of this Agreement and the other Credit Documents including, without limitation marine cargo insurance; (f) such Inventory is subject, to the reasonable satisfaction of the Administrative Agent, to a first priority perfected security interest in and lien upon such Inventory in favor of the Administrative Agent (subject to Permitted Liens having priority by operation of Applicable Law, and except for any possessory lien upon such goods in the possession of a freight carrier or shipping company securing only the freight charges for the transportation of such goods to such Credit Party) (the foregoing not being intended to limit the ability of the Administrative Agent to change, establish or eliminate any Reserves in its Credit Judgment on account of any such Liens) and (g) which otherwise is not excluded from the definition of Eligible Inventory; provided that the Administrative Agent may, in its reasonable discretion and upon prior notice to the Borrower Representative, exclude any particular Inventory from the definition of "Eligible In-Transit Inventory" in the event that the Administrative Agent reasonably determines that such Inventory is subject to any Person's right or claim which is senior to, or pari passu with, the Lien of the Administrative Agent (such as, without limitation, a right of stoppage in transit), as applicable.

Notwithstanding anything to the contrary herein, Eligible In-Transit Inventory shall not be accounted for as "*in transit*" by a Credit Party by virtue of such Inventory's being in transit between the Credit Parties' locations or in storage trailers at the Credit Parties' locations; rather, such Inventory shall be treated as "Eligible Inventory" if it satisfies the conditions therefor.

"Eligible Inventory means, as of any date of determination, without duplication, (a) Eligible In- Transit Inventory, and (b) items of Inventory of a Credit Party that are finished goods, merchantable and

readily saleable to the public in the ordinary course that are not excluded as ineligible by virtue of the one or more of the criteria set forth below. Except as otherwise agreed by the Administrative Agent in its Credit Judgment, none of the following shall be deemed to be Eligible Inventory:

(a) Inventory that is not solely owned by a Credit Party, or is leased by or is on consignment to a Credit Party, or as to which the Credit Parties do not have title thereto;

(b) Inventory (other than any Eligible In-Transit Inventory) that is not located in the United States of America (or Canada, as long as the Administrative Agent shall have received or conducted appraisals of such Canadian Inventory from appraisers reasonably satisfactory to the Administrative Agent) at a location that is owned or leased by the Credit Parties except to the extent that the Credit Parties have furnished the Collateral Agent with any UCC financing statements or PPSA registration statement or other filings that the Collateral Agent may reasonably determine to be necessary to perfect its security interest in such Inventory at such location;

(d) Inventory that represents goods which (i) are damaged, defective, "seconds," "blocked" inventory, or otherwise unmerchantable, in each case, other than Pit Inventory which is saleable in the ordinary course of business, (ii) are to be returned to the vendor and which is no longer reflected in a Credit Party's stock ledger, (iii) are obsolete, custom items, work in process, raw materials, or that constitute spare parts, shipping materials or supplies used or consumed in a Borrower's business, or (iv) are bill and hold goods;

(e) Inventory that represents goods that do not conform in all material respects to the representations and warranties contained in this Agreement or the Security Agreement;

(f) Inventory that is not subject to a perfected first priority security interest in favor of the Collateral Agent for its own benefit and the benefit of the other Secured Parties (subject as to priority to Permitted Liens having priority by operation of applicable Law over the Lien of the Collateral Agent);

(g) Inventory which consists of samples, labels, bags, packaging materials, and other similar non-merchandise categories;

(h) Inventory as to which casualty insurance in compliance with the provisions of Section 9.3 hereof is not in effect;

(i) Inventory at any single location with an aggregate value at such location of less than $100,000; and

(j) Inventory which has been sold but not yet delivered or Inventory to the extent that any Credit Party has accepted a deposit therefor and which is no longer reflected in a Credit Party's stock ledger.

"Environmental Claims" shall mean any and all actions, suits, orders, decrees, demand letters, claims, notices of noncompliance or potential responsibility or violation, or proceedings pursuant to any Environmental Law or any permit issued, or any approval given, under any such Environmental Law (hereinafter, **"Claims"),** including, without limitation, (i) any and all Claims by governmental or regulatory authorities for enforcement, cleanup, removal, response, remedial, or other actions or damages pursuant to any Environmental Law and (ii) any and all Claims by any third party seeking damages,

contribution, indemnification, cost recovery, compensation, or injunctive relief relating to the presence Release or threatened Release of Hazardous Materials or arising from alleged injury or threat of injury to health or safety (to the extent relating to human exposure to Hazardous Materials), or the environment including, without limitation, ambient air, indoor air, surface water, groundwater, soil, land surface and subsurface strata, and natural resources such as wetlands.

"Environmental Law" shall mean any applicable federal, state, foreign, or local statute, law, rule, regulation, ordinance, code, and rule of common law now or hereafter in effect and in each case as amended, and any binding judicial or administrative interpretation thereof, including any binding judicial or administrative order, consent decree, or judgment, relating to pollution or protection of the environment, including, without limitation, ambient air, indoor air, surface water, groundwater, soil, land surface and subsurface strata and natural resources such as flora, fauna, or wetlands, or protection of human health or safety (to the extent relating to human exposure to Hazardous Materials) and including those relating to the generation, storage, treatment, transport, Release, or threat of Release of Hazardous Materials.

"Equity Interest" shall mean Capital Stock and all warrants, options, or other rights to acquire Capital Stock, but excluding any debt security that is convertible into, or exchangeable for, Capital Stock.

"Equity Investments" shall have the meaning provided in the preamble to this Agreement.

"Equity Offering" shall mean any public or private sale of common stock or preferred stock of the Company or any direct or indirect parent company of the Company (excluding Disqualified Stock), other than: (i) public offerings with respect to the Company or any of its direct or indirect parent company's (including the Company's) common stock registered on Form S-8, (ii) issuances to any Subsidiary of Holdings, (iii) any such public or private sale that constitutes an Excluded Contribution, and (iv) any Cure Amount.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974.

"ERISA Affiliate" shall mean any trade or business (whether or not incorporated) that, together with any Credit Party, is treated as a single employer under Section 414 (b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code).

"ERISA Event" shall mean (i) the failure of any Plan to comply with any provisions of ERISA and/or the Code or with the terms of such Plan; (ii) the existence with respect to any Plan of a non-exempt Prohibited Transaction; (iii) any Reportable Event; (iv) the failure of any Credit Party or ERISA Affiliate to make by its due date a required installment under Section 430(j) of the Code with respect to any Pension Plan or any failure by any Pension Plan to satisfy the minimum funding standards (within the meaning of Section 412 of the Code or Section 302 of ERISA) applicable to such Pension Plan, whether or not waived; (v) a determination that any Pension Plan is in "at risk" status (within the meaning of Section 430 of the Code or Section 303 of ERISA); (vi) the filing pursuant to Section 412(c) of the Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Pension Plan; (vii) the occurrence of any event or condition which would reasonably be expected to constitute grounds under ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan or the incurrence by any Credit Party or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Pension Plan, including but not limited to the imposition of any Lien in favor of the PBGC or any Pension Plan; (viii) the receipt by any Credit Party or any of its ERISA Affiliates from the PBGC or a plan administrator of any notice to terminate any Pension Plan or to appoint a trustee to administer any Pension Plan under Section 4042 of ERISA; (ix) the

failure by any Credit Party or any of its ERISA Affiliates to make any required contribution to a Multiemployer Plan; (x) the incurrence by any Credit Party or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Pension Plan (or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA) or Multiemployer Plan; (xi) the receipt by any Credit Party or any of its ERISA Affiliates of any notice concerning the imposition on it of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, Insolvent or in Reorganization, in "endangered" or "critical" status (within the meaning of Section 432 of the Code or Section 305 of ERISA), or terminated (within the meaning of Section 4041A of ERISA); or (xii) the failure by any Credit Party or any of its ERISA Affiliates to pay when due (after expiration of any applicable grace period) any installment payment with respect to Withdrawal Liability under Section 4201 of ERISA.

"Euro" or "**€**" shall mean the single currency of the Participating Member States.

"Event of Default" shall have the meaning provided in Section 11.

"Excess Availability" means an amount equal to (a) the Line Cap plus (b) cash and Cash Equivalents subject to a Blocked Account Agreement in favor of the Collateral Agent minus (c) the aggregate amount of the Lenders' Revolving Credit Exposure.

"Excluded Affiliate" shall mean any Affiliate of any Agent that is engaged (i) as a principal primarily in private equity, mezzanine financing or venture capital or (ii) directly or indirectly in a sale of the Acquired Companies and their Subsidiaries as sell-side representative (other than any "above the wall" individuals).

"Excluded Contribution" shall mean net cash proceeds, the Fair Market Value of marketable securities, or the Fair Market Value of Qualified Proceeds received by the Company from (i) contributions to its common equity capital, and (ii) the sale (other than to a Subsidiary of the Company or to any management equity plan or stock option plan or any other management or employee benefit plan or agreement of the Company) of Capital Stock (other than Disqualified Stock of the Company, in each case designated as Excluded Contributions pursuant to an officer's certificate executed by either a senior vice president or the principal financial officer of the Borrower Representative on the date such capital contributions are made or the date such Equity Interests are sold, as the case may be; provided that any non-cash assets shall qualify only if acquired by a parent of the Company in an arm's-length transaction within the six months prior to such contribution.

"Excluded Deposit Account" means any deposit account (i) listed on Schedule 1.1(e) hereto or any other deposit account that is similar in function to the accounts described on Schedule 1.1(e) established after the Closing Date consistent with past practices, (ii) used for payroll, taxes, fiduciary and trust purposes, and employee benefits, pension accounts and 401(k) accounts, (iii) the daily balance in which does not at any time exceed $500,000 in the aggregate for all such deposit or securities accounts for a period of five (5) consecutive Business Days, (iv) any Term Loan Priority Account, and (v) zero balance disbursement accounts.

"Excluded Property" shall have the meaning set forth in the Security Agreement.

"Excluded Stock and Stock Equivalents" shall mean (i) any Capital Stock or Stock Equivalents with respect to which, in the reasonable judgment of the Administrative Agent and the Borrower Representative (as agreed to in writing), the cost or other consequences of pledging such Capital Stock or Stock Equivalents in favor of the Secured Parties under the Security Documents shall be excessive in

view of the benefits to be obtained by the Lenders therefrom, (ii) solely in the case of any pledge of Capital Stock and Stock Equivalents of any Foreign Subsidiary of a Domestic Subsidiary or any CFC Holding Company, any Voting Stock or Stock Equivalents of any class of such Foreign Subsidiary or such CFC Holding Company in excess of 66% of the outstanding Voting Stock of such class, (iii) any Capital Stock or Stock Equivalents to the extent the pledge thereof would violate any applicable Requirement of Law (including any legally effective requirement to obtain the consent of any Governmental Authority unless such consent has been obtained), (iv) in the case of (A) any Capital Stock or Stock Equivalents of any Subsidiary to the extent such Capital Stock or Stock Equivalents are subject to a Lien permitted by clause (ix) of the definition of Permitted Lien or (B) any Capital Stock or Stock Equivalents of any Subsidiary that is not Wholly-Owned by the Company and its Subsidiaries at the time such Subsidiary becomes a Subsidiary, any Capital Stock or Stock Equivalents of each such Subsidiary described in clause (A) or (B) to the extent (I) that a pledge thereof to secure the Obligations is prohibited by any applicable Contractual Requirement (other than customary non-assignment provisions which are ineffective under the Uniform Commercial Code or other applicable law), (II) any Contractual Requirement prohibits such a pledge without the consent of any other party; provided that this clause (II) shall not apply if (x) such other party is a Credit Party or Wholly-Owned Subsidiary or (y) consent has been obtained to consummate such pledge (it being understood that the foregoing shall not be deemed to obligate the Company or any Subsidiary to obtain any such consent) and for so long as such Contractual Requirement or replacement or renewal thereof is in effect, or (III) a pledge thereof to secure the Obligations would give any other party (other than a Credit Party or Wholly-Owned Subsidiary) to any contract, agreement, instrument, or indenture governing such Capital Stock or Stock Equivalents the right to terminate its obligations thereunder (other than customary non-assignment provisions which are ineffective under the Uniform Commercial Code or other applicable law), (v) any Capital Stock or Stock Equivalents of any Subsidiary to the extent that the pledge of such Capital Stock or Stock Equivalents would result in materially adverse tax consequences to the Company or any Subsidiary as reasonably determined by the Borrower Representative in consultation with the Administrative Agent, (vi) any Capital Stock or Stock Equivalents that are margin stock, and (vii) any Capital Stock and Stock Equivalents of any Subsidiary that is not a Material Subsidiary or is an Unrestricted Subsidiary, a captive insurance Subsidiary, an SPV, or any special purpose entity.

"Excluded Subsidiary" shall mean (i) each Subsidiary, in each case, for so long as any such Subsidiary does not (on a consolidated basis with its Restricted Subsidiaries) constitute a Material Subsidiary, (ii) each Subsidiary that is not a Wholly-Owned Subsidiary on any date such Subsidiary would otherwise be required to become a Guarantor pursuant to the requirements of Section 9.11 (for so long as such Subsidiary remains a non-Wholly-Owned Restricted Subsidiary), (iii) any CFC Holding Company, (iv) any Domestic Subsidiary that is a Subsidiary of a Foreign Subsidiary that is a CFC, (v) any Foreign Subsidiary, (vi) each Subsidiary that is prohibited by any applicable Contractual Requirement or Requirement of Law from guaranteeing or granting Liens to secure the Obligations at the time such Subsidiary becomes a Restricted Subsidiary (and for so long as such restriction or any replacement or renewal thereof is in effect), (vii) each Subsidiary with respect to which, as reasonably determined by the Company, the consequence of providing a Guarantee of the Obligations would adversely affect the ability of the Company and its Subsidiaries to satisfy applicable Requirements of Law, (viii) any other Subsidiary with respect to which, (a) in the reasonable judgment of the Administrative Agent and Borrower Representative, as agreed in writing, the cost or other consequences of providing a Guarantee of the Obligations shall be excessive in view of the benefits to be obtained by the Lenders therefrom or (b) providing such a Guarantee would result in material adverse tax consequences as reasonably determined by the Borrower Representative in consultation with the Administrative Agent, (ix) each Unrestricted Subsidiary, (x) each other Subsidiary acquired pursuant to a Permitted Acquisition or other Investment permitted hereunder and financed with assumed secured Indebtedness, and each Restricted Subsidiary

acquired in such Permitted Acquisition or other Investment permitted hereunder that guarantees such Indebtedness, in each case to the extent that, and for so long as, the documentation relating to such Indebtedness to which such Subsidiary is a party prohibits such Subsidiary from guaranteeing the Obligations and such prohibition was not created in contemplation of such Permitted Acquisition or other Investment permitted hereunder, (xi) each SPV or not-for-profit Subsidiary, and (xii) captive insurance Subsidiaries.

"Excluded Swap Obligation" shall mean, with respect to any Credit Party, any Swap Obligation if, and to the extent that, all or a portion of the Obligations of such Credit Party of, or the grant by such Credit Party of a security interest to secure, such Swap Obligation (or any Obligations thereof) is or becomes illegal or unlawful under the Commodity Exchange Act or any rule, regulation, or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof). If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Obligation or security interest is or becomes illegal or unlawful.

"Excluded Taxes" shall mean, with respect to the Administrative Agent, any Lender, or any other recipient of any payment to be made by or on account of any obligation of any Credit Party hereunder or under any other Credit Document, (i) Taxes imposed on or measured by its overall net income, net profits, or branch profits (however denominated, and including (for the avoidance of doubt) any backup withholding in respect thereof under Section 3406 of the Code or any similar provision of state, local, or foreign law), and franchise (and similar) Taxes imposed on it (in lieu of net income Taxes), in each case by a jurisdiction (including any political subdivision thereof) as a result of such recipient being organized in, having its principal office in, or in the case of any Lender, having its applicable lending office in, such jurisdiction, or as a result of any other present or former connection with such jurisdiction (other than any such connection arising solely from this Agreement or any other Credit Documents or any transactions contemplated thereunder), (ii) any United States federal withholding Tax imposed on any payment by or on account of any obligation of any Credit Party hereunder or under any other Credit Document that is required to be imposed on amounts payable to or for the account of a Lender or recipient pursuant to laws in force at the time such Lender or recipient acquires an interest in any Credit Document (or designates a new lending office), other than in the case of a Lender that is an assignee pursuant to a request by the Borrower Representative under Section 13.7 (or that designates a new lending office pursuant to a request by the Borrower Representative), except to the extent that such Lender (or its assignor, if any) was entitled, immediately prior to the designation of a new lending office (or assignment), to receive additional amounts from the Credit Parties with respect to such withholding Tax pursuant to Section 5.4, (iii) any withholding Taxes attributable to a recipient's failure to comply with Section 5.4(e), or (iv) any United States federal withholding Tax imposed under FATCA.

"Existing Revolving Credit Class" shall have the meaning provided in Section 2.14(g)(ii).

"Existing Revolving Credit Commitment" shall have the meaning provided in Section 2.14(g)(ii).

"Existing Revolving Credit Loans" shall have the meaning provided in Section 2.14(g)(ii).

"Extended Revolving Credit Commitments" shall have the meaning provided in Section 2.14(g)(ii).

"Extended Revolving Credit Loans" shall have the meaning provided in Section 2.14(g)(ii).

"Extended Revolving Loan Maturity Date" shall mean the date on which any tranche of Extended Revolving Credit Loans matures.

"Extending Lender" shall have the meaning provided in Section 2.14(g)(iii).

"Extension Amendment" shall have the meaning provided in Section 2.14(g)(iv).

"Extension Date" shall have the meaning provided in Section 2.14(g)(v).

"Extension Election" shall have the meaning provided in Section 2.14(g)(iii).

"Extension Series" shall mean all Extended Revolving Credit Commitments that are established pursuant to the same Extension Amendment (or any subsequent Extension Amendment to the extent such Extension Amendment expressly provides that the Extended Revolving Credit Commitments provided for therein are intended to be a part of any previously established Extension Series) and that provide for the same interest margins, and extension fees.

"Fair Market Value" shall mean with respect to any asset or group of assets on any date of determination, the value of the consideration obtainable in a sale of such asset at such date of determination assuming a sale by a willing seller to a willing purchaser dealing at arm's length and arranged in an orderly manner over a reasonable period of time having regard to the nature and characteristics of such asset, as determined in good faith by the Borrower Representative.

"FATCA" shall mean Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code as of the date of this Agreement (or any amended or successor version described above), and any intergovernmental agreements (or related legislation or official administrative rules or practices) implementing the foregoing.

"Federal Funds Effective Rate" shall mean, for any day, the weighted average of the per annum rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers on such day, as published on the next succeeding Business Day by the Federal Reserve Bank of New York; provided that (i) if such day is not a Business Day, the Federal Funds Effective Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (ii) if no such rate is so published on such next succeeding Business Day, the Federal Funds Effective Rate for such day shall be the average rate charged to the Administrative Agent on such day on such transactions as determined by the Administrative Agent.

"Fees" shall mean all amounts payable pursuant to, or referred to in, Section 4.1.

"Financial Covenant Trigger Event" has the meaning specified in Section 10.11.

"Financial Officer" shall mean, with respect to any Credit Party, the chief financial officer, the senior vice president of finance, treasurer, assistant treasurer, controller or assistant controller of such Credit Party.

"First Lien Obligations" shall have the meaning assigned to the term "Obligations" in the First Lien Term Loan Agreement.

"First Lien Secured Leverage Test" shall mean, as of any date of determination, with respect to the last day of the most recently ended Test Period, the Consolidated First Lien Secured Debt to Consolidated EBITDA Ratio shall be no greater than 4.00 to 1.00.

"First Lien Term Loan Administrative Agent" shall have the meaning assigned to the term "Administrative Agent" in the First Lien Term Loan Agreement.

"First Lien Term Loan Agreement" shall mean the Credit Agreement, dated as of the Closing Date, among Holdings, the Borrowers, the guarantors party thereto, the lenders party thereto, the First Lien Term Loan Administrative Agent and the First Lien Term Loan Collateral Agent (as such agreement may be amended, supplemented, waived or otherwise modified from time to time or refunded, refinanced, restructured, replaced, renewed, repaid, increased or extended from time to time (whether in whole or in part, whether with the original administrative agent and lenders or other agents and lenders or otherwise, and whether provided under the original First Lien Term Loan Agreement or other credit agreements or otherwise, unless such agreement, instrument or document expressly provides that it is not intended to be and is not a First Lien Term Loan Agreement)).

"First Lien Term Loan Collateral Agent" shall have the meaning assigned to the term "Collateral Agent" in the First Lien Term Loan Agreement.

"First Lien Term Loan Credit Documents" shall mean the First Lien Term Loan Agreement and each other document executed in connection therewith or pursuant thereto.

"First Lien Term Facility" shall have the meaning provided in the recitals of this Agreement.

"First Lien Term Loans" shall have the meaning provided to the term "Loans" in the First Lien Term Loan Agreement and any modification, replacement, refinancing, refunding, renewal, or extension thereof.

"Fixed Charge Coverage Ratio" shall mean, as of any date of determination, the ratio of (i) (x) Consolidated EBITDA minus (y) Unfinanced Capital Expenditures (other than Growth Capital Expenditures) minus (z) federal, state and foreign income Taxes paid in cash (net of refunds received during such Test Period), in each case, for the Test Period then last ended to (ii) Debt Service Charges payable in cash for such Test Period. .

"Fixed Charges" shall mean, with respect to any Person for any period, the sum of:

(i) Consolidated Interest Expense of such Person for such period,

(ii) all cash dividend payments (excluding items eliminated in consolidation) on any series of preferred stock or any Refunding Capital Stock of such Person made during such period, and

(iii) all cash dividend payments (excluding items eliminated in consolidation) on any series of Disqualified Stock made during such period.

"Foreign Subsidiary" shall mean each Subsidiary of the Company that is not a Domestic Subsidiary.

"Fronting Exposure" shall mean, at any time there is a Defaulting Lender, (i) with respect to the Letter of Credit Issuer, such Defaulting Lender's Revolving Credit Commitment Percentage of the

outstanding L/C Obligations other than L/C Obligations as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof, and (ii) with respect to the Swingline Lender, such Defaulting Lender's Revolving Credit Commitment Percentage of Swingline Loans other than Swingline Loans as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders in accordance with the terms hereof.

"Fronting Fee" shall have the meaning provided in Section 4.1(d).

"Fund" shall mean any Person (other than a natural Person) that is engaged or advises funds or other investment vehicles that are engaged in making, purchasing, holding, or investing in commercial loans and similar extensions of credit in the ordinary course.

"GAAP" shall mean generally accepted accounting principles in the United States, as in effect from time to time; provided, however, that if the Borrower Representative notifies the Administrative Agent that the Borrower Representative requests an amendment to any provision hereof to eliminate the effect of any change occurring after the Closing Date in GAAP or in the application thereof on the operation of such provision, regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Furthermore, at any time after the Closing Date, the Company may elect to apply International Financial Reporting Standards **("IFRS")** accounting principles in lieu of GAAP and, upon any such election, references herein to GAAP and GAAP concepts shall thereafter be construed to refer to IFRS and corresponding IFRS concepts (except as otherwise provided in this Agreement); provided any such election, once made, shall be irrevocable; provided, further, that any calculation or determination in this Agreement that requires the application of GAAP for periods that include fiscal quarters ended prior to the Company's election to apply IFRS shall remain as previously calculated or determined in accordance with GAAP. The Borrower Representative shall give written notice of any such election made in accordance with this definition to the Administrative Agent. For the avoidance of doubt, solely making an election (without any other action) referred to in this definition will not be treated as an incurrence of Indebtedness. Notwithstanding any other provision contained herein, the amount of any Indebtedness under GAAP with respect to Capital Lease Obligations shall be determined in accordance with the definition of Capital Lease Obligations.

"Governmental Authority" shall mean any nation, sovereign, or government, any state, province, territory, or other political subdivision thereof, and any entity or authority exercising executive, legislative, judicial, taxing, regulatory, or administrative functions of or pertaining to government, including a central bank or stock exchange.

"Granting Lender" shall have the meaning provided in Section 13.6(g).

"Growth Capital Expenditures" means Capital Expenditures which are made by any Credit Party to acquire additional productive assets or properties that generate revenues in the business of the Credit Party primarily for the purpose of increasing revenues.

"Guarantee" shall mean (i) the Guarantee made by Holdings and each other Guarantor in favor of the Collateral Agent for the benefit of the Secured Parties, substantially in the form of Exhibit B, and (ii) any other guarantee of the Obligations made by a Restricted Subsidiary in form and substance reasonably acceptable to the Administrative Agent.

"guarantee obligations" shall mean, as to any Person, any obligation of such Person guaranteeing or intended to guarantee any Indebtedness of any primary obligor in any manner, whether directly or indirectly, including any obligation of such Person, whether or not contingent, (i) to purchase any such Indebtedness or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (a) for the purchase or payment of any such Indebtedness or (b) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (iii) to purchase property, securities, or services primarily for the purpose of assuring the owner of any such Indebtedness of the ability of the primary obligor to make payment of such Indebtedness, or (iv) otherwise to assure or hold harmless the owner of such Indebtedness against loss in respect thereof; provided, however, that the term guarantee obligations shall not include endorsements of instruments for deposit or collection in the ordinary course of business or customary and reasonable indemnity obligations or product warranties in effect on the Closing Date or entered into in connection with any acquisition or disposition of assets permitted under this Agreement (other than such obligations with respect to Indebtedness). The amount of any guarantee obligation shall be deemed to be an amount equal to the stated or determinable amount of the Indebtedness in respect of which such guarantee obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform thereunder) as determined by such Person in good faith.

"Guarantors" shall mean (i) each Subsidiary of the Company that is party to the Guarantee on the Closing Date, (ii) each Subsidiary of the Company that becomes a party to the Guarantee after the Closing Date pursuant to Section 9.11 or otherwise, and (iii) Holdings.

"Hazardous Materials" shall mean (i) any petroleum or petroleum products, radioactive materials, asbestos and asbestos containing material, polychlorinated biphenyls, and radon gas; (ii) any chemicals, materials, or substances defined as or included in the definition of "hazardous substances," "hazardous waste," "hazardous materials," "extremely hazardous waste," "restricted hazardous waste," "toxic substances," "toxic pollutants," "contaminants," or "pollutants," or words of similar import, under any Environmental Law; and (iii) any other chemical, material, or substance, which is prohibited, limited, or regulated due to its dangerous or deleterious properties or characteristics by, any Environmental Law.

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

"Hedge Bank" shall mean (i) (a) any Person that, at the time it enters into a Hedge Agreement, is a Lender, an Agent or an Affiliate of a Lender or an Agent and (b) with respect to any Hedge Agreement entered into prior to the Closing Date, any Person that is a Lender or an Agent or an Affiliate of a Lender or an Agent on the Closing Date or (ii) any Person listed on Schedule 1.1(d); provided that, if such Person is not a Lender, such Person executes and delivers to the Administrative Agent and the Borrower

Representative a letter agreement in form and substance reasonably acceptable to the Administrative Agent pursuant to which such Person (a) appoints the Administrative Agent as its agent under the applicable Credit Documents and (b) agrees to be bound by the provisions of Sections 11, 12, 13, 25 and 26 of the Pledge Agreement and Sections 5.4, 5.5, 5.7, 6.5, 7 and 8.1 of the Security Agreement, in each case, as if it were a Lender.

"Hedging Obligations" shall mean, with respect to any Person, the obligations of such Person under any Hedge Agreements.

"Historical Financial Statements" shall mean (i) the audited combined balance sheets of the Acquired Company as of December 30, 2012 and the related audited combined statements of operations and comprehensive income, changes in equity and cash flows of the Acquired Company for the year ended December 30, 2012 and (ii) the unaudited interim combined balance sheets of the Acquired Company and the Operating Companies (as defined in the Acquisition Agreement) for the ten month period ended October 27, 2013, and the related unaudited combined statements of operations and comprehensive income, changes in equity, and cash flows of the Acquired Company and the Operating Companies for October 27, 2013.

"Holdings" shall mean (i) Holdings (as defined in the preamble to this Agreement) or (ii) after the Closing Date any other Person or Persons **("New Holdings")** that is a Subsidiary of (or are Subsidiaries of) Holdings or of any Parent Entity of Holdings (or the previous New Holdings, as the case may be) but not the Company **("Previous Holdings");** provided that (a) such New Holdings directly owns (i) 100% of the Equity Interests of the Company and (ii) 100% of the Equity Interests of each other direct Subsidiary of Previous Holdings which were owned by Previous Holdings immediately prior thereto, (b) New Holdings shall expressly assume all the obligations of Previous Holdings under this Agreement and the other Credit Documents pursuant to a supplement hereto or thereto in form and substance reasonably satisfactory to the Administrative Agent, (c) if reasonably requested by the Administrative Agent, an opinion of counsel shall be delivered by the Borrower Representative to the Administrative Agent, (d) all Capital Stock of the Company and substantially all of the other assets of Previous Holdings are contributed or otherwise transferred, directly or indirectly, to such New Holdings and pledged to secure the Obligations, (e) (i) no Event of Default has occurred and is continuing at the time of such substitution and such substitution does not result in any Event of Default, (ii) such substitution does not result in any material adverse tax consequences to any Credit Party and (iii) such substitution does not result in any adverse tax consequences to any Lender (unless reimbursed hereunder) or to the Administrative Agent (unless reimbursed hereunder), (f) no Change of Control shall occur, (g) the Administrative Agent shall have received at least five (5) Business Days' prior written notice of the proposed transaction and Previous Holdings, New Holdings and the Borrowers shall promptly and in any event at least two (2) Business Days' prior to the consummation of the transaction provide all information any Lender or any Agent may reasonably request to satisfy its "know your customer" and other similar requirements necessary for such Person to comply with its internal compliance and regulatory requirements with respect to the proposed successor New Holdings, (h) New Holdings shall be an entity organized or existing under the law of the United States, any state thereof or the District of Columbia, (i) if reasonably requested by the Administrative Agent, the Credit Parties shall execute and deliver amendments, supplements and other modification to all Credit Documents and instruments and agreements executed in connection therewith necessary to perfect and protect the liens and security interests in the Collateral of New Holdings, in each case in form and substance reasonably satisfactory to the Administrative Agent, and (j) the Borrower Representative delivers a certificate of a Responsible Officer with respect to the satisfaction of the conditions set forth in clauses (a), (e)(i) and (ii), (f) and (h) of this definition provided, further, that if each of the foregoing is satisfied, Previous Holdings shall be

automatically released of all its obligations under the Credit Documents and any reference to Holdings in the Credit Documents shall be meant to refer to New Holdings; provided, further, that if each of the foregoing is satisfied, Previous Holdings shall be automatically released of all its obligations under the Credit Documents and any reference to Holdings in the Credit Documents shall be meant to refer to New Holdings.

"Identified Contingent Liabilities" shall mean the maximum estimated amount of liabilities reasonably likely to result from pending litigation, asserted claims and assessments, guaranties, uninsured risks, and other contingent liabilities of the Borrowers, and the Restricted Subsidiaries taken as a whole after giving effect to the Transactions (including all fees and expenses related thereto but exclusive of such contingent liabilities to the extent reflected in Stated Liabilities), as identified and explained in terms of their nature and estimated magnitude by responsible officers of the Borrower Representative.

"IFRS" shall have the meaning given such term in the definition of GAAP.

"Impacted Loans" shall have the meaning provided in Section 2.10(a).

"Increased Amount Date" shall have the meaning provided in Section 2.14(a).

"Incremental Loans" shall have the meaning provided in Section 2.14(c).

"Incremental Revolving Credit Commitments" shall have the meaning provided in Section 2.14(a).

"Incremental Revolving Credit Loans" shall have the meaning provided in Section 2.14(b).

"Incremental Revolving Loan Lender" shall have the meaning provided in Section 2.14(b).

"Indebtedness" shall mean, with respect to any Person, (i) any indebtedness (including principal and premium) of such Person, whether or not contingent (a) in respect of borrowed money, (b) evidenced by bonds, notes, debentures, or similar instruments or letters of credit or bankers' acceptances (or, without double counting, reimbursement agreements in respect thereof), (c) representing the balance deferred and unpaid of the purchase price of any property (including Capitalized Lease Obligations), or (d) representing any Hedging Obligations, if and to the extent that any of the foregoing Indebtedness (other than letters of credit and Hedging Obligations) would appear as a net liability upon a balance sheet (excluding the footnotes thereto) of such Person prepared in accordance with GAAP; provided that Indebtedness of any direct or indirect parent company appearing upon the balance sheet of the Company solely by reason of push down accounting under GAAP shall be excluded, (ii) to the extent not otherwise included, any obligation by such Person to be liable for, or to pay, as obligor, guarantor or otherwise, on the obligations of the type referred to in clause (i) of another Person (whether or not such items would appear upon the balance sheet of such obligor or guarantor), other than by endorsement of negotiable instruments for collection in the ordinary course of business, and (iii) to the extent not otherwise included, the obligations of the type referred to in clause (i) of another Person secured by a Lien on any asset owned by such Person, whether or not such Indebtedness is assumed by such Person; provided that notwithstanding the foregoing, Indebtedness shall be deemed not to include (1) Contingent Obligations incurred in the ordinary course of business, (2) prepaid or deferred revenue arising in the ordinary course of business, (3) purchase price holdbacks arising in the ordinary course of business in respect of a portion of the purchase price of an asset to satisfy warrants or other unperformed obligations of the seller of such asset, (4) any balance that constitutes a trade payable or similar obligation to a trade creditor, accrued in the ordinary course of business, or (5) any earn-out obligation until such obligation, within 60 days of

becoming due and payable, has not been paid and such obligation is reflected as a liability on the balance sheet of such Person in accordance with GAAP. The amount of Indebtedness of any Person for purposes of clause (iii) above shall (unless such Indebtedness has been assumed by such Person) be deemed to be equal to the lesser of (x) the aggregate unpaid amount of such Indebtedness and (y) the Fair Market Value of the property encumbered thereby as determined by such Person in good faith.

For all purposes hereof, the Indebtedness of the Company and the other Restricted Subsidiaries, shall exclude all intercompany Indebtedness having a term not exceeding 364 days (inclusive of any roll- over or extensions of terms) and made in the ordinary course of business consistent with past practice.

"Indemnified Liabilities" shall have the meaning provided in Section 13.5.

"Indemnified Person" shall have the meaning provided in Section 13.5.

"Indemnified Taxes" shall mean all Taxes imposed on or with respect to any payment by or on account of any obligation of any Credit Party hereunder or under any other Credit Document, other than Excluded Taxes or Other Taxes.

"Initial Investors" shall mean Bain Capital Partners, LLC and/or its Affiliates that are controlled directly or indirectly by Bain Capital Partners, LLC (including, as applicable, related funds, general partners thereof and limited partners thereof, but solely to the extent any such limited partners are directly or indirectly participating as investors pursuant to a side-by-side investing arrangement, but not including, however, any portfolio company of any of the foregoing).

"Insolvent" shall mean, with respect to any Multiemployer Plan, the condition that such Multiemployer Plan is insolvent within the meaning of Section 4245 of ERISA.

"Intellectual Property" shall mean U.S. and foreign intellectual property, including all (i) (a) patents, inventions, processes, developments, technology, and know-how; (b) copyrights and works of authorship in any media, including graphics, advertising materials, labels, package designs, and photographs; (c) trademarks, service marks, trade names, brand names, corporate names, domain names, logos, trade dress, and other source indicators, and the goodwill of any business symbolized thereby; and (d) trade secrets, confidential, proprietary, or non-public information and (ii) all registrations, issuances, applications, renewals, extensions, substitutions, continuations, continuations-in-part, divisions, re-issues, re-examinations, foreign counterparts, or similar legal protections related to the foregoing.

"Intercompany License Agreement" shall mean any cost sharing agreement, commission or royalty agreement, license or sub-license agreement, distribution agreement, services agreement, Intellectual Property rights transfer agreement or any related agreements, in each case where all the parties to such agreement are one or more of the Company and any Subsidiary.

"Interest Coverage Ratio" shall mean, as of any date of determination, the ratio of (i) Consolidated EBITDA for the Test Period then last ended to (ii) Consolidated Interest Expense for such Test Period. In the event that the Company or any Restricted Subsidiary incurs, assumes, guarantees, redeems, retires, or extinguishes any Indebtedness or issues or redeems Disqualified Stock or preferred stock subsequent to the commencement of the Test Period but prior to or simultaneously with the date of determination, then the Interest Coverage Ratio shall be calculated giving Pro Forma Effect to such incurrence, assumption, guarantee, redemption, retirement, or extinguishment of Indebtedness, or such issuance or redemption of Disqualified Stock or preferred stock (in each case, including a pro forma application of the net proceeds therefrom), as if the same had occurred at the beginning of the Test

Period; provided, however, that Pro Forma Effect shall not give effect to any Indebtedness incurred on the date of such determination (except pursuant to the first paragraph of Section 10.1 and Section 10.1(n)).

For purposes of calculating the Interest Coverage Ratio, Investments, acquisitions, dispositions, mergers, consolidations, and disposed operations (as determined in accordance with GAAP) that have been made by the Company or any Restricted Subsidiary during the Test Period or subsequent to such Test Period and on or prior to or simultaneously with the date of determination shall be calculated on a Pro Forma Basis assuming that all such Investments, acquisitions, dispositions, mergers, consolidations, and disposed operations (and the change in any associated interest obligations and the change in Consolidated EBITDA resulting therefrom) had occurred on the first day of the Test Period. If since the beginning of such period any Person (that subsequently became a Restricted Subsidiary or was merged with or into the Company or any Restricted Subsidiary since the beginning of such period) shall have made any Investment, acquisition, disposition, merger, consolidation, or disposed operation that would have required adjustment pursuant to this definition, then the Interest Coverage Ratio shall be calculated giving Pro Forma Effect thereto for such Test Period as if such Investment, acquisition, disposition, merger, consolidation, or disposed operation had occurred at the beginning of the Test Period.

For purposes of this definition, whenever Pro Forma Effect is to be given to a transaction, the pro forma calculations shall be made in good faith by a responsible financial or accounting officer of the Borrower Representative (and may include, for the avoidance of doubt and without duplication, cost savings, and operating expense reductions resulting from such Investment, acquisition, merger, or consolidation which is being given Pro Forma Effect that have been or are expected to be realized; provided that such costs savings and operating expense reductions are made in compliance with the definition of Pro Forma Adjustment). If any Indebtedness bears a floating rate of interest and is being given Pro Forma Effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the date of determination had been the applicable rate for the entire period (taking into account any Hedging Obligations applicable to such Indebtedness). If any Indebtedness bears a floating rate of interest and is being given Pro Forma Effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the date of determination had been the applicable rate for the entire period (taking into account for such entire period, any Hedging Obligation applicable to such Indebtedness with a remaining term of 12 months or longer, and in the case of any Hedging Obligation applicable to such Indebtedness with a remaining term of less than 12 months, taking into account such Hedging Obligation to the extent of its remaining term). Interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a responsible financial or accounting officer of the Company to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP. For purposes of making the computation referred to above, interest on any Indebtedness under a revolving credit facility computed on a Pro Forma Basis shall be computed based upon the average daily balance of such Indebtedness during the applicable period (or, if lower, the greater of (i) maximum commitments under such revolving credit facilities as of the date of determination and (ii) the aggregate principal amount of loans outstanding under such a revolving credit facilities on such date). Interest on Indebtedness that may optionally be determined at an interest rate based upon a factor of a prime or similar rate, a eurocurrency interbank offered rate, or other rate, shall be deemed to have been based upon the rate actually chosen, or, if none, then based upon such optional rate chosen as the Borrower Representative may designate.

"Interest Period" shall mean, with respect to any Loan, the interest period applicable thereto, as determined pursuant to Section 2.9.

"Inventory" has the meaning provided in the Security Agreement.

"Inventory Reserves" shall mean, without duplication of other Borrowing Base Reserves then in effect, such reserves as may be established from time to time by the Administrative Agent, in its Credit Judgment, with respect to changes in the determination of the salability, at retail, of the Eligible Inventory or which reflect such other factors as negatively affect the market value of the Eligible Inventory.

"Investment" shall mean, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the form of loans (including guarantees), advances, or capital contributions (excluding accounts receivable, trade credit, advances to customers, commission, travel, and similar advances to officers and employees, in each case made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests, or other securities issued by any other Person and investments that are required by GAAP to be classified on the balance sheet (excluding the footnotes) of the Company in the same manner as the other investments included in this definition to the extent such transactions involve the transfer of cash or other property; provided that Investments shall not include, in the case of the Company and the Restricted Subsidiaries, intercompany loans, advances, or Indebtedness having a term not exceeding 364 days (inclusive of any roll-over or extensions of terms) and made in the ordinary course of business.

For purposes of the definition of Unrestricted Subsidiary and Section 10.5,

(i) Investments shall include the portion (proportionate to the Company's equity interest in such Subsidiary) of the Fair Market Value of the net assets of a Subsidiary of the Company at the time that such Subsidiary is designated an Unrestricted Subsidiary; provided that upon a redesignation of such Subsidiary as a Restricted Subsidiary, the Company shall be deemed to continue to have a permanent Investment in an Unrestricted Subsidiary in an amount (if positive) equal to (a) the Company's Investment in such Subsidiary at the time of such redesignation *less* (b) the portion (proportionate to the Company's equity interest in such Subsidiary) of the Fair Market Value of the net assets of such Subsidiary at the time of such redesignation; and

(ii) any property transferred to or from an Unrestricted Subsidiary shall be valued at its Fair Market Value at the time of such transfer.

The amount of any Investment outstanding at any time shall be the original cost of such Investment, reduced by any dividend, distribution, interest payment, return of capital, repayment, or other amount received by the Company or a Restricted Subsidiary in respect of such Investment (provided that, with respect to amounts received other than in the form of Cash Equivalents, such amount shall be equal to the Fair Market Value of such consideration).

"Investment Grade Rating" shall mean a rating equal to or higher than Baa3 (or the equivalent) by Moody's and BBB- (or the equivalent) by S&P, or an equivalent rating by any other Rating Agency.

"Investment Grade Securities" shall mean:

(i) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof (other than Cash Equivalents),

(ii) debt securities or debt instruments with an Investment Grade Rating, but excluding any debt securities or instruments constituting loans or advances among the Company and its Subsidiaries,

(iii) investments in any fund that invest at least 90% in investments of the type described in clauses (i) and (ii) which fund may also hold immaterial amounts of cash pending investment or distribution, and

(iv) corresponding instruments in countries other than the United States customarily utilized for high-quality investments.

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

"Issuer Documents" shall mean with respect to any Letter of Credit, the Letter of Credit Request, and any other document, agreement, and instrument entered into by the Letter of Credit Issuer and a Borrower (or any other Restricted Subsidiary) or in favor of the Letter of Credit Issuer and relating to such Letter of Credit.

"Joinder Agreement" shall mean an agreement substantially in the form of Exhibit A.

"Joint Lead Arrangers and Bookrunners" shall mean RBC Capital Markets and UBS Securities LLC.

"Judgment Currency" shall have the meaning provided in Section 13.19.

"Junior Debt" shall mean any Indebtedness in respect of (i) (x) the First Lien Term Loans and Permitted First Lien Exchange Notes and (y) Indebtedness that may be incurred pursuant to Section 2.14 and Section 10.1(x)(i) of the First Lien Term Loan Agreement, (ii) (x) the Second Lien Loans and Permitted Second Lien Exchange Notes and (y) Indebtedness that may be incurred pursuant to Sections 2.14 and 10.1(x)(i) of the Second Lien Credit Agreement, in each case, that are (a) secured by a Lien ranking junior to the Lien on the ABL Priority Collateral securing the Loans or (b) unsecured, and (iii) Subordinated Indebtedness.

"Landlord Lien State" means any state in which, at any time, a landlord's claim for rent has priority by operation of applicable Law notwithstanding any contractual provision to the contrary over the Lien of the Collateral Agent in any of the Collateral.

"L/C Borrowing" shall mean an extension of credit resulting from a drawing under any Letter of Credit which has not been reimbursed on the date when made or refinanced as a Borrowing. All L/C Borrowings shall be denominated in Dollars.

"L/C Facility Maturity Date" shall mean the date that is five (5) Business Days prior to the Revolving Credit Maturity Date; provided that the L/C Facility Maturity Date may be extended beyond such date with the consent of the Letter of Credit Issuer.

"L/C Obligations" shall mean, as at any date of determination, the aggregate amount available to be drawn under all outstanding Letters of Credit *plus* the aggregate of all Unpaid Drawings, including all L/C Borrowings. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the International Standby Practices (ISP98), such Letter of Credit shall be deemed to be "outstanding" in the amount so remaining available to be drawn. Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the stated amount of such Letter of Credit in effect at such time.

"L/C Participant" shall have the meaning provided in Section 3.3(a).

"L/C Participation" shall have the meaning provided in Section 3.3(a).

"Lender" shall have the meaning provided in the preamble to this Agreement, and in any event, shall include the Swingline Lender.

"Lender Default" shall mean (i) the refusal (which shall be given verbally or in writing and has not been retracted) or failure of any Lender to make available its portion of any incurrence of Loans or Reimbursement Obligations, which refusal or failure is not cured within one business day after the date of such refusal or failure, unless such Lender notifies the Administrative Agent in writing that such refusal or failure is the result of such Lender's good faith determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in writing) has not been satisfied, (ii) the failure of any Lender to pay over to the Administrative Agent, the Swingline Lender, the Letter of Credit Issuer or any other Lender any other amount required to be paid by it hereunder within one business day of the date when due, unless the subject of a good faith dispute, (iii) a Lender has notified the Borrower Representative or the Administrative Agent that it does not intend to comply with its funding obligations under this Agreement or has stated publicly that it will generally not comply with its funding obligations under any loan agreements, credit agreements, and other similar agreements, (iv) a Lender has failed to confirm in a manner reasonably satisfactory to the Administrative Agent that it will comply with its funding obligations under this Agreement, or (v) a Distressed Person has admitted in writing that it is insolvent or such Distressed Person becomes subject to a Lender-Related Distress Event.

"Lender-Related Distress Event" shall mean, with respect to any Lender or any other Person that directly or indirectly controls such Lender (each, a **"Distressed Person"),** a voluntary or involuntary case with respect to such Distressed Person under any debt relief law, or a custodian, conservator, receiver, or similar official is appointed for such Distressed Person or any substantial part of such Distressed Person's assets, or such Distressed Person, or any Person that directly or indirectly controls such Distressed Person or is subject to a forced liquidation or such Distressed Person makes a general assignment for the benefit of creditors or is otherwise adjudicated as, or determined by any governmental authority having regulatory authority over such Distressed Person to be, insolvent or bankrupt; provided that a Lender-Related Distress Event shall not be deemed to have occurred solely by virtue of the ownership or acquisition of any equity interests in any Lender or any Person that directly or indirectly controls such Lender by a governmental authority or an instrumentality thereof.

"Letter of Credit" shall mean each letter of credit issued pursuant to Section 3.1 and each Existing Letter of Credit.

"Letter of Credit Commitment" shall mean $10,000,000, as the same may be reduced from time to time pursuant to Section 3.1.

"Letter of Credit Expiration Date" shall mean the day that is five Business Days prior to the scheduled Maturity Date then in effect for the Revolving Credit Facility (or, if such day is not a Business Day, the next preceding Business Day).

"Letter of Credit Exposure" shall mean, with respect to any Lender, at any time, the sum of (i) the amount of the principal amount of any Unpaid Drawings in respect of which such Lender has made (or is required to have made) payments to the Letter of Credit Issuer pursuant to Section 3.4(a) at such time and (ii) such Lender's Revolving Credit Commitment Percentage of the Letters of Credit

Outstanding at such time (excluding the portion thereof consisting of Unpaid Drawings in respect of which the Lenders have made (or are required to have made) payments to the Letter of Credit Issuer pursuant to Section 3.4(a)).

"Letter of Credit Fee" shall have the meaning provided in Section 4.1(b).

"Letter of Credit Issuer" shall mean (i) in the case of standby Letters of Credit, trade letters of credit and bank guarantees, Royal Bank of Canada (provided that trade letters of credit shall be issued through its Toronto Branch) or any other Lender reasonably satisfactory to Borrower Representative and the Administrative Agent, (ii) any of their respective Affiliates or branches or (iii) any replacement, additional issuer, or successor pursuant to Section 3.6. In the event that there is more than one Letter of Credit Issuer at any time, references herein and in the other Credit Documents to the Letter of Credit Issuer shall be deemed to refer to the Letter of Credit Issuer in respect of the applicable Letter of Credit or to all Letter of Credit Issuers, as the context requires.

"Letter of Credit Request" shall mean a notice executed and delivered by the Borrower Representative pursuant to Section 3.2, and substantially in the form of Exhibit L or another form which is acceptable to the Letter of Credit Issuer in its reasonable discretion.

"Letters of Credit Outstanding" shall mean, at any time the sum of, without duplication, (i) the aggregate Stated Amount of all outstanding Letters of Credit and (ii) the aggregate amount of the principal amount of all Unpaid Drawings.

"LIBOR" shall have the meaning provided in the definition of LIBOR Rate.

"LIBOR Loan" shall mean any Loan bearing interest at a rate determined by reference to the LIBOR Rate.

"LIBOR Rate" shall mean,

(i) for any Interest Period with respect to a LIBOR Loan, the rate per annum equal to the London Interbank Offered Rate **("LIBOR")** or a comparable or successor rate, which rate is approved by the Administrative Agent, on the applicable Reuters screen page (or such other commercially available source providing such quotations of LIBOR as designated by the Administrative Agent from time to time) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, for Dollar deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period,

(ii) for any interest calculation with respect to an ABR Loan on any date, the rate per annum equal to LIBOR, at or about 11:00 a.m., London time determined on such date for Dollar deposits with a term of one month commencing that day;

provided that to the extent a comparable or successor rate is approved by the Administrative Agent in connection herewith, the approved rate shall be applied in a manner consistent with market practice; provided, further, that to the extent such market practice is not administratively feasible for the Administrative Agent, such approved rate shall be applied in a manner as otherwise reasonably determined by the Administrative Agent in consultation with the Borrower Representative.

"Lien" shall mean with respect to any asset, any mortgage, lien, pledge, hypothecation, charge, security interest, preference, priority, or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title

retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction; provided that in no event shall an operating lease or a license to Intellectual Property be deemed to constitute a Lien.

"Lien Waiver" means an agreement, in form and substance reasonably satisfactory to the Collateral Agent, by which, for any Collateral included in the Borrowing Base located on premises not owned by a Credit Party, the lessor, mortgagee or owner (as applicable) waives or subordinates any Lien it may have on the Collateral included in the Borrowing Base, and agrees to permit the Collateral Agent to enter upon the premises and remove the Collateral included in the Borrowing Base or to use the premises to collect on the Collateral included in the Borrowing Base.

"Line Cap" means, at any time of determination, the lesser of (a) the Total Revolving Credit Commitment and (b) the Borrowing Base.

"Loan" shall mean any Revolving Loan, Swingline Loan or any other loan made by any Lender hereunder.

"Material Adverse Effect" shall mean (a) on the Closing Date, a Company Material Adverse Effect or (b) after the Closing Date, any event, change or condition that, individually or in the aggregate, has had, or would reasonably be expected to have, (i) a material adverse effect on the business, assets, financial condition or results of operations of the Company and its Restricted Subsidiaries, taken as a whole or (ii) a material and adverse effect on the material rights and remedies (taken as a whole) of the Administrative Agent under the Credit Documents.

"Material Subsidiary" shall mean, at any date of determination, each wholly owned Restricted Subsidiary (i) whose total assets at the last day of the Test Period ending on the last day of the most recent fiscal period for which Section 9.1 Financials have been delivered were equal to or greater than 5.00% of the Consolidated Total Assets of the Company and the Restricted Subsidiaries at such date or (ii) whose revenues during such Test Period were equal to or greater than 5.00% of the consolidated revenues of the Company and the Restricted Subsidiaries for such period, in each case determined in accordance with GAAP; provided that if, at any time and from time to time after the Closing Date, Restricted Subsidiaries that are not Material Subsidiaries have, in the aggregate, (a) total assets at the last day of such Test Period equal to or greater than 7.50% of the Consolidated Total Assets of the Company and the Restricted Subsidiaries at such date or (b) revenues during such Test Period equal to or greater than 7.50% of the consolidated revenues of the Company and the Restricted Subsidiaries for such period, in each case determined in accordance with GAAP, then the Company shall, on the date on which financial statements for such quarter are delivered pursuant to this Agreement, designate in writing to the Administrative Agent one or more of such Restricted Subsidiaries as Material Subsidiaries for each fiscal period until this proviso is no longer applicable.

"Maturity Date" shall mean the Revolving Credit Maturity Date or the maturity date of an Extended Revolving Credit Loan, as applicable.

"Maximum Incremental Facilities Amount" shall mean (i) $15,000,000 minus (ii) the aggregate principal amount of Incremental Revolving Credit Commitments incurred pursuant to Section 2.14(a) prior to such date.

"Minimum Borrowing Amount" shall mean (i) with respect to a Borrowing of LIBOR Loans, $500,000 (or, if less, the entire remaining applicable Commitments at the time of such Borrowing) and

(ii) with respect to a Borrowing of ABR Loans, $500,000 (or, if less, the entire remaining applicable Commitments at the time of such Borrowing).

"Minimum Collateral Amount" shall mean, at any time, (i) with respect to Cash Collateral consisting of cash or Cash Equivalents or deposit account balances provided to reduce or eliminate Fronting Exposure during the existence of a Defaulting Lender, an amount equal to 101% of the Fronting Exposure of the Letter of Credit Issuer with respect to Letters of Credit issued and outstanding at such time and (ii) with respect to Cash Collateral consisting of cash or Cash Equivalents or deposit account balances provided in accordance with the provisions of Section 3.8(a)(i), (a)(ii), or (a)(iii), an amount equal to 101% of the outstanding amount of all L/C Obligations.

"Minimum Equity Amount" shall have the meaning provided in the preamble to this Agreement.

"Moody's" shall mean Moody's Investors Service, Inc. or any successor by merger or consolidation to its business.

"Mortgage" shall mean a mortgage, deed of trust, deed to secure debt, trust deed, or other security document entered into by the owner of a Mortgaged Property and the Collateral Agent for the benefit of the Secured Parties in respect of that Mortgaged Property to secure the Obligations, in form and substance reasonably acceptable to the Collateral Agent and the Borrower Representative, together with such terms and provisions as may be required by local laws.

"Mortgaged Property" shall mean each parcel of real property and improvements thereto with respect to which a Mortgage is granted pursuant to Section 9.14.

"Multiemployer Plan" shall mean a multiemployer plan as defined in Section 4001(a)(3) of ERISA to which any Credit Party or ERISA Affiliate makes or is obligated to make contributions, or during the five preceding calendar years, has made or been obligated to make contributions.

"Net Cash Proceeds" shall mean, with respect to any event, (i) the gross cash proceeds (including payments from time to time in respect of installment obligations, if applicable, but only as and when received) received by or on behalf of the Company or any of the Restricted Subsidiaries in respect of such event less (ii) the sum of:

(a) the amount, if any, of all taxes and permitted tax distributions described in Section 10.5(b)(15) (including, in each case, in connection with any repatriation of funds) paid or estimated to be payable by the Company or any of the Restricted Subsidiaries in connection with such event,

(b) the amount of any reasonable reserve established in accordance with GAAP against any liabilities (other than any taxes deducted pursuant to clause (a) above) (1) associated with the assets that are the subject of such event and (2) retained by the Company or any of the Restricted Subsidiaries; provided that the amount of any subsequent reduction of such reserve (other than in connection with a payment in respect of any such liability) shall be deemed to be Net Cash Proceeds of such a Prepayment Event occurring on the date of such reduction,

(c) the amount of any Indebtedness secured by a Lien on the assets that are the subject of such event to the extent that the instrument creating or evidencing such Indebtedness requires that such Indebtedness be repaid upon consummation of such event,

(d) in the case of any sale or other disposition of an asset by a non-Wholly-Owned Restricted Subsidiary, the pro rata portion of the Net Cash Proceeds thereof (calculated without regard to this clause (e)) attributable to minority interests and not available for distribution to or for the account of the Company or a Wholly-Owned Restricted Subsidiary as a result thereof,

(f) in the case of any sale or other disposition of an asset, any funded escrow established pursuant to the documents evidencing any such sale or disposition to secure any indemnification obligations or adjustments to the purchase price associated with any such sale or disposition; provided that the amount of any subsequent reduction of such escrow (other than in connection with a payment in respect of any such liability) shall be deemed to be Net Cash Proceeds of such a Prepayment Event occurring on the date of such reduction solely to the extent that the Company and/or any Restricted Subsidiaries receives cash in an amount equal to the amount of such reduction, and

(g) all fees and out of pocket expenses paid by the Company or a Restricted Subsidiary in connection with any of the foregoing (for the avoidance of doubt, including, (1) in the case of the issuance of indebtedness, any fees, underwriting discounts, premiums, and other costs and expenses incurred in connection with such issuance and (2) attorney's fees, investment banking fees, survey costs, title insurance premiums, and related search and recording charges, transfer taxes, deed or mortgage recording taxes, underwriting discounts and commissions, other customary expenses, and brokerage, consultant, accountant, and other customary fees),

in each case only to the extent not already deducted in arriving at the amount referred to in clause (i) above.

"Net Income" shall mean, with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of preferred stock dividends.

"Net Orderly Liquidation Value" means the net appraised recovery value of Inventory as set forth in the Credit Parties' stock ledger (expressed as a percentage of the Cost of such Inventory) as reasonably determined from time to time by reference to the most recent appraisal received by the Administrative Agent conducted by an independent appraiser reasonably satisfactory to the Administrative Agent.

"New Stores" shall mean Stores open less than four full quarters and more than one full fiscal quarter.

"Non-Bank Tax Certificate" shall have the meaning provided in Section 5.4(e)(ii)(3).

"Non-Consenting Lender" shall have the meaning provided in Section 13.7(b).

"Non-Defaulting Lender" shall mean and include each Lender other than a Defaulting Lender.

"Non-U.S. Lender" shall mean any Lender that is not a "United States person" as defined by Section 7701(a)(30) of the Code.

"Notice of Borrowing" shall have the meaning provided in Section 2.3(a).

"Notice of Conversion or Continuation" shall have the meaning provided in Section 2.6(a).

"Notice of Intent to Cure" shall have the meaning provided in Section 11.15.

"Obligations" shall mean all advances to, and debts, liabilities, obligations, covenants, and duties of, any Credit Party arising under any Credit Document or otherwise with respect to any Revolving Credit Commitment, Loan, or Letter of Credit or under any Secured Cash Management Agreement, Secured Hedge Agreement (other than with respect to any Credit Party's obligations that constitute Excluded Swap Obligations solely with respect to such Credit Party), in each case, entered into with the Company or any of the Restricted Subsidiaries, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Credit Party or any Affiliate thereof of any proceeding under any bankruptcy or insolvency law naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding. Without limiting the generality of the foregoing, the Obligations of the Credit Parties under the Credit Documents (and any of their Subsidiaries to the extent they have obligations under the Credit Documents) include the obligation (including guarantee obligations) to pay principal, interest, charges, expenses, fees, attorney costs, indemnities, and other amounts payable by any Credit Party under any Credit Document.

"Organizational Documents" shall mean, with respect to any Person, such Person's charter, memorandum and articles of association, articles or certificate of organization or incorporation and bylaws or other organizational or governing or constitutive documents of such Person.

"OFAC" shall have the meaning set forth in Section 8.18(b).

"Original Revolving Credit Commitments" shall mean all Revolving Credit Commitments, Existing Revolving Credit Commitments, and Extended Revolving Credit Commitments.

"Other Taxes" shall mean all present or future stamp, registration, or documentary Taxes or any other excise, property, intangible, mortgage recording, or similar Taxes arising from any payment made hereunder or under any other Credit Document or from the execution, delivery, or enforcement of, or otherwise with respect to, this Agreement or any other Credit Document; provided that such term shall not include (i) any Taxes that result from an assignment, grant of a participation pursuant to Section 13.6(c) or transfer or assignment to or designation of a new lending office or other office for receiving payments under any Credit Document **("Assignment Taxes")** to the extent such Assignment Taxes are imposed as a result of a connection between the assignor/participating Lender and/or the assignee/Participant and the taxing jurisdiction (other than a connection arising solely from any Credit Documents or any transactions contemplated thereunder), except to the extent that any such action described in this proviso is requested or required by the Borrower Representative or (ii) Excluded Taxes.

"Overadvance Borrowing Base" shall mean during the period commencing on the Closing Date and ending on the third anniversary of the Closing Date, an amount equal to (a) the aggregate amount set forth opposite the time period in the table below (as such amount may be reduced from time to time pursuant to Section 4.2(b)) less (b) the principal amount of all outstanding Tranche B Loans.

Time Period	Amount
Closing Date through March 31, 2015	$10,000,000
April 1,2015-June 30, 2015	$8,750,000
July 1, 2015 - September 30, 2015	$7,500,000
October 1, 2015 - December 31, 2015	$7,250,000
January 1, 2016 - March 31, 2016	$6,000,000
April 1, 2016 - June 30, 2016	$4,750,000
July 1, 2016 - September 30, 2016	$3,500,000
October 1, 2016 - December 31, 2016	$2,250,000
January 1, 2017 -February 12, 2017	$1,000,000
February 13, 2017 and thereafter	$0

"Overadvance Loan" shall mean a Revolving Credit Loan made pursuant to the Overadvance Borrowing Base.

"Overnight Rate" shall mean, for any day, with respect to any amount denominated in Dollars, the greater of (a) the Federal Funds Effective Rate and (b) an overnight rate determined by the Administrative Agent, the Letter of Credit Issuer, or the Swingline Lender, as the case may be, in accordance with banking industry rules on interbank compensation.

"Parent Entity" shall mean any Person that is a direct or indirect parent company (which may be organized as, among other things, a partnership) of Holdings and/or the Company, as applicable; provided that for purposes of clauses (i), (ii) and (iv) of the definition of Change of Control, references to the Company shall be deemed to refer to any such Parent Entity.

"Participant" shall have the meaning provided in Section 13.6(c)(i).

"Participant Register" shall have the meaning provided in Section 13.6(c)(ii).

"Participating Member State" shall mean 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.

"Payment Conditions" means, at the time of determination with respect to a specified transaction or payment, that (a) no Event of Default then exists or would arise as a result of the entering into of such transaction or the making of such payment, (b) no Overadvance Loans are then outstanding and (c) after giving effect to such transaction or payment, the Pro Forma Availability Condition has been satisfied. Prior to undertaking any specified transaction or payment which is subject to the Payment

Conditions, the Borrowers shall deliver to the Administrative Agent evidence of satisfaction of the conditions contained in clause (c) above on a basis reasonably satisfactory to the Administrative Agent.

"Patriot Act" shall have the meaning provided in Section 13.18.

"PBGC" shall mean the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

"Pension Plan" shall mean any employee pension benefit plan (as defined in Section 3(2) of ERISA, but excluding any Multiemployer Plan) in respect of which any Credit Party or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4062 or Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"Permitted Acquisition" shall have the meaning provided in clause (iii) of the definition of Permitted Investment.

"Permitted Asset Swap" shall mean the concurrent purchase and sale or exchange of Related Business Assets or a combination of Related Business Assets and cash or Cash Equivalents between the Company or a Restricted Subsidiary and another Person.

"Permitted First Lien Exchange Notes" shall mean "Permitted Debt Exchange Notes" as defined in the First Lien Term Loan Agreement that are not prohibited by the terms of this Agreement and the other Credit Documents.

"Permitted Holders" shall mean each of (i) the Initial Investors and their respective Affiliates and members of management and employees of the Company or any Subsidiary (or their respective direct or indirect parent) who are holders of Equity Interests of the Company (or its direct or indirect parent company) on the Closing Date and any group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act or any successor provision) of which any of the foregoing are members; provided that, in the case of such group and without giving effect to the existence of such group or any other group, such Initial Investors, their respective Affiliates and members of management, collectively, have beneficial ownership of more than 50% of the total voting power of the Voting Stock of the Company or any other direct or indirect parent company of the Company and (ii) any direct or indirect parent of the Company formed not in connection with, or in contemplation of, a transaction (other than Transactions) that, assuming such parent was not formed, after giving effect thereto would constitute a Change of Control.

"Permitted Investments" shall mean:

(i) any Investment in the Company or any Restricted Subsidiary; provided, that the aggregate amount of such Investments by a Credit Party in Restricted Subsidiaries that are not Credit Parties shall not exceed the greater of (a) $25,000,000 and (b) 50% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of such Investment; provided, however, that if any Investment pursuant to this clause (i) is made in any Person that is not a Credit Party at the date of the making of such Investment and such Person becomes a Credit Party after such date, such Investment shall thereafter be deemed to not utilized the basket in the basket in this proviso so long as such Person continues to be a Credit Party;

(ii) any Investment in cash, Cash Equivalents, or Investment Grade Securities at the time such Investment is made;

(iii) (a) any Transactions or Investments otherwise made in accordance with the Acquisition Agreement and (b) any Investment by the Company or any Restricted Subsidiary in a Person that is engaged in a Similar Business if as a result of such Investment (a **"Permitted Acquisition"),** (x) on the date the agreement for such Permitted Acquisition is executed, no Event of Default under Section 11.1 or 11.5 shall have occurred and be continuing and (y)(l) such Person becomes a Restricted Subsidiary or (2) such Person, in one transaction or a series of related transactions, is merged, consolidated, or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Company or a Restricted Subsidiary, and, in each case, any Investment held by such Person; provided that such Investment was not acquired by such Person in contemplation of such acquisition, merger, consolidation, or transfer;

(iv) any Investment in securities or other assets not constituting cash, Cash Equivalents, or Investment Grade Securities and received in connection with an Asset Sale made pursuant to Section 10.4 or any other disposition of assets not constituting an Asset Sale;

(v) (a) any Investment existing or contemplated on the Closing Date and, in each case, listed on Schedule 10.5 and (b) Investments consisting of any modification, replacement, renewal, reinvestment, or extension of any such Investment; provided that the amount of any such Investment is not increased from the amount of such Investment on the Closing Date except pursuant to the terms of such Investment (including in respect of any unused commitment), *plus* any accrued but unpaid interest (including any portion thereof which is payable in kind in accordance with the terms of such modified, extended, renewed, or replaced Investment) and premium payable by the terms of such Indebtedness thereon and fees and expenses associated therewith as of the Closing Date;

(vi) any Investment acquired by the Company or any Restricted Subsidiary (a) in exchange for any other Investment or accounts receivable held by the Company or any such Restricted Subsidiary in connection with or as a result of a bankruptcy, workout, reorganization, or recapitalization of the Company of such other Investment or accounts receivable or (b) as a result of a foreclosure by the Company or any Restricted Subsidiary with respect to any secured Investment or other transfer of title with respect to any secured Investment in default;

(vii) Hedging Obligations permitted under clause (j) of Section 10.1 and Cash Management Services;

(viii) any Investment in a Similar Business having an aggregate Fair Market Value, taken together with all other Investments made pursuant to this clause (viii) that are at that time outstanding, not to exceed the greater of (a) $20,000,000 and (b) 40% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of such Investment (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value); provided, however, that if any Investment pursuant to this clause (viii) is made in any Person that is not a Credit Party at the date of the making of such Investment and such Person becomes a Credit Party after such date, such investment shall thereafter be deemed to have been made pursuant to clause (i) above and shall cease to have been made pursuant to this clause (viii) for so long as such Person continues to be a Credit Party;

(ix) Investments the payment for which (a) consists of Equity Interests of the Company or any direct or indirect parent company of the Company (exclusive of Disqualified Stock) or (b) the aggregate Net Cash Proceeds and the Fair Market Value of marketable securities

or other property received by the Company since immediately after the Closing Date from the issuance or sale of Equity Interests of the Company or any direct or indirect parent company of the Company (exclusive of Disqualified Stock) and, in the case of clause (b), such Investment is made within ninety (90) days of the receipt of such Net Cash Proceeds; provided that such Equity Interests will not increase the amount available for Restricted Payments under clause (iii) of Section 10.5(a) of the First Lien Term Loan Agreement or the Second Lien Credit Agreement, are not used as for a Cure Amount, or are not used to incur Indebtedness permitted by Section 10.1 or to make any Restricted Payment permitted by Section 10.5(b);

(x) guarantees of Indebtedness permitted under Section 10.1 and Investments resulting from Liens permitted under Section 10.2;

(xi) any transaction to the extent it constitutes an Investment that is permitted and made in accordance with the provisions of Section 10.10;

(xii) Investments consisting of purchases and acquisitions of inventory, supplies, material, equipment, or other similar assets in the ordinary course of business;

(xiii) additional Investments having an aggregate Fair Market Value, taken together with all other Investments made pursuant to this clause (xiii) that are at that time outstanding (without giving effect to the sale of an Unrestricted Subsidiary to the extent the proceeds of such sale do not consist of cash or marketable securities), not to exceed the greater of (a) $15,000,000 and (b) 30% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of such Investment (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value); provided, however, that if any Investment pursuant to this clause (xiii) is made in any Person that is not a Credit Party at the date of the making of such Investment and such Person becomes a Credit Party after such date, such investment shall thereafter be deemed to have been made pursuant to clause (i) above and shall cease to have been made pursuant to this clause (xiii) for so long as such Person continues to be a Credit Party;

(xiv) [reserved];

(xv) advances to, or guarantees of Indebtedness of, employees not in excess of the greater of (a) $2,500,000 and (b) 5% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of such Investment;

(xvi) (a) loans and advances to officers, directors, managers, and employees for business-related travel expenses, moving expenses, and other similar expenses, in each case incurred in the ordinary course of business or consistent with past practices, (b) non-cash loans and advances to fund such Person's purchase of Equity Interests of the Company or any direct or indirect parent company thereof and (c) promissory notes received from stockholders of the Company, any direct or indirect parent company of the Company or any Subsidiary in connection with the exercise of stock options in respect of the Equity Interests of the Company, any direct or indirect parent company of the Company and the Subsidiaries;

(xvii) Investments consisting of extensions of trade credit in the ordinary course of business;

(xviii) Investments in the ordinary course of business consisting of Uniform Commercial Code Article 3 endorsements for collection or deposit and Uniform Commercial Code Article 4 customary trade arrangements with customers consistent with past practices;

(xix) non-cash Investments in connection with Permitted Reorganizations;

(xx) the licensing and contribution of Intellectual Property pursuant to joint marketing arrangements with other Persons, in the ordinary course of business; and

(xxi) other Investments to the extent at the time such Investment is made, the Payment Conditions have been satisfied.

"Permitted Liens" shall mean, with respect to any Person:

(i) pledges or deposits by such Person under workmen's compensation laws, unemployment insurance laws, or similar legislation, or good faith deposits in connection with bids, tenders, contracts (other than for the payment of Indebtedness), or leases to which such Person is a party, or deposits to secure public or statutory obligations of such Person or deposits of cash or U.S. government bonds to secure surety or appeal bonds to which such Person is a party, or deposits as security for the payment of rent or deposits made to secure obligations arising from contractual or warranty refunds, in each case incurred in the ordinary course of business;

(ii) Liens imposed by law, such as carriers', warehousemen's, materialmen's, repairmen's, and mechanics' Liens, in each case for sums not yet overdue for a period of more than 60 days or being contested in good faith by appropriate proceedings or other Liens arising out of judgments or awards against such Person with respect to which such Person shall then be proceeding with an appeal or other proceedings for review if adequate reserves with respect thereto are maintained on the books of such Person in accordance with GAAP;

(iii) Liens for taxes, assessments, or other governmental charges not yet overdue for a period of more than 60 days or which are being contested in good faith by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of such Person in accordance with GAAP or are not required to be paid pursuant to Section 8.11, or for property taxes on property the Company or one of its Subsidiaries has determined to abandon if the sole recourse for such tax, assessment, charge, levy, or claim is to such property;

(iv) Liens in favor of issuers of performance, surety, bid, indemnity, warranty, release, appeal, or similar bonds or with respect to other regulatory requirements or letters of credit or bankers' acceptances issued, and completion guarantees provided for, in each case pursuant to the request of and for the account of such Person in the ordinary course of its business;

(v) minor survey exceptions, minor encumbrances, ground leases, easements, or reservations of, or rights of others for, licenses, rights-of-way, servitudes, sewers, electric lines, drains, telegraph and telephone and cable television lines, gas and oil pipelines, and other similar purposes, or zoning, building codes, or other restrictions (including, without limitation, minor defects or irregularities in title and similar encumbrances) as to the use of real properties or Liens incidental, to the conduct of the business of such Person or to the ownership of its properties which were not incurred in connection with Indebtedness and which do not in the aggregate

materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person, and Liens disclosed as exceptions to coverage in the final title policies and endorsements issued to the Collateral Agent with respect to any Mortgaged Properties;

(vi) Liens securing Indebtedness permitted to be incurred pursuant to clause (a), (b) and (v) (so long as, in each case, such Liens are subject to the ABL/Term Loan Intercreditor Agreement), (d), (l)(ii), (n), or (r) of Section 10.1 or Indebtedness permitted pursuant to the first paragraph of Section 10.1; provided that, (a) in the case of clause (d) of Section 10.1, such Lien may not extend to any property or equipment (or assets affixed or appurtenant thereto) other than the property or equipment being financed or refinanced under such clause (d) of Section 10.1, replacements of such property, equipment or assets, and additions and accessions and in the case of multiple financings of equipment provided by any lender, other equipment financed by such lender; (b) in the case of clause (r) of Section 10.1, such Lien may not extend to any assets other than the assets owned by the Foreign Subsidiaries incurring such Indebtedness; (c) in the cases of clause (n) and the first paragraph of Section 10.1, if such Indebtedness is (x) *pari passu* in right of security with the Obligations or First Lien Obligations, the Company shall be in compliance on a Pro Forma Basis (including any adjustments required by such definition as a result of a contemplated Permitted Acquisition) with the First Lien Secured Leverage Test and the Senior Secured Leverage Test or (y) junior in right of security to the Obligations or the First Lien Obligations, the Company shall be in compliance on a Pro Forma Basis (including any adjustments required by such definition as a result of a contemplated Permitted Acquisition) with the Senior Secured Leverage Test; and (d) in the case of any such Indebtedness for borrowed money incurred pursuant to the first paragraph of Section 10.1 or Section 10.1(l)(ii) that is secured by a Lien on the ABL Priority Collateral, such Liens are subordinated to the Liens on the ABL Priority Collateral securing the Obligations pursuant to, or in a manner substantially consistent with, the ABL/Term Loan Intercreditor Agreement;

(vii) subject to Section 9.14, other than with respect to Mortgaged Property, Liens existing on the Closing Date; provided that any Lien securing Indebtedness or other obligations in excess of (a) $2,500,000 individually or (b) $5,000,000 in the aggregate (when taken together with all other Liens securing obligations outstanding in reliance on this clause (b) that are not listed on Schedule 10.2) shall only be permitted if set forth on Schedule 10.2, and, in each case, any modifications, replacements, renewals, or extensions thereof;

(viii) Liens on property or shares of stock of a Person at the time such Person becomes a Subsidiary; provided such Liens are not created or incurred in connection with, or in contemplation of, such other Person becoming a Subsidiary; provided, further, however, that such Liens may not extend to any other property owned by the Company or any Restricted Subsidiary (other than, with respect to such Person, any replacements of such property or assets and additions and accessions thereto, after-acquired property subject to a Lien securing Indebtedness and other obligations incurred prior to such time and which Indebtedness and other obligations are permitted hereunder that require, pursuant to their terms at such time, a pledge of after-acquired property of such Person, and the proceeds and the products thereof and customary security deposits in respect thereof and in the case of multiple financings of equipment provided by any lender, other equipment financed by such lender, it being understood that such requirement shall not be permitted to apply to any property to which such requirement would not have applied but for such acquisition);

(ix) Liens on property at the time the Company or a Restricted Subsidiary acquired the property, including any acquisition by means of a merger or consolidation with or into the Company or any Restricted Subsidiary or the designation of an Unrestricted Subsidiary as a Restricted Subsidiary; provided that such Liens are not created or incurred in connection with, or in contemplation of, such acquisition, merger, consolidation, or designation; provided, further, however, that such Liens may not extend to any other property owned by the Company or any Restricted Subsidiary (other than, with respect to such property, any replacements of such property or assets and additions and accessions thereto, after-acquired property subject to a Lien securing Indebtedness and other obligations incurred prior to such time and which Indebtedness and other obligations are permitted hereunder that require, pursuant to their terms at such time, a pledge of after-acquired property, and the proceeds and the products thereof and customary security deposits in respect thereof and in the case of multiple financings of equipment provided by any lender, other equipment financed by such lender, it being understood that such requirement shall not be permitted to apply to any property to which such requirement would not have applied but for such acquisition);

(x) Liens securing Indebtedness or other obligations of a Restricted Subsidiary owing to the Company or another Restricted Subsidiary permitted to be incurred in accordance with Section 10.1;

(xi) Liens securing Hedging Obligations and Cash Management Services so long as the related Indebtedness is, and is permitted hereunder to be, secured by a Lien on the same property securing such Hedging Obligations and Cash Management Services;

(xii) Liens on specific items of inventory or other goods and proceeds of any Person securing such Person's obligations in respect of bankers' acceptances issued or created for the account of such Person to facilitate the purchase, shipment, or storage of such inventory or other goods;

(xiii) leases, subleases, licenses, or sublicenses (including of Intellectual Property) granted to others in the ordinary course of business which do not materially interfere with the ordinary conduct of the business of the Company or any Restricted Subsidiary and do not secure any Indebtedness;

(xiv) Liens arising from Uniform Commercial Code financing statement filings regarding operating leases or consignments entered into by the Company or any Restricted Subsidiary in the ordinary course of business;

(xv) Liens in favor of the Company or any other Guarantor;

(xvi) Liens on equipment of the Company or any Restricted Subsidiary granted in the ordinary course of business to the Company's or such Restricted Subsidiary's client at which such equipment is located;

(xvii) rights of set-off against credit balances of the Company or any of the Restricted Subsidiaries with credit card issuers or credit card processors or amounts owing by such credit card issuers or credit card processors to the Company or any of its Restricted Subsidiaries in the ordinary course of business secure the obligations of the Company or any of its Subsidiaries to the credit card issuers or credit card processors as a result of fees and charges;

(xviii) Liens to secure any refinancing, refunding, extension, renewal, or replacement (or successive refinancing, refunding, extensions, renewals, or replacements) as a whole, or in part, of any Indebtedness secured by any Lien referred to in clauses (vi), (vii), (viii), (ix), (x), and (xv) of this definition of Permitted Liens; provided that (a) such new Lien shall be limited to all or part of the same property that secured the original Lien (plus improvements on such property), (b) the Indebtedness secured by such Lien at such time is not increased to any amount greater than the sum of (1) the outstanding principal amount or, if greater, committed amount of the Indebtedness described under clauses (vi), (vii), (viii), (ix), (x), and (xv) at the time the original Lien became a Permitted Lien under this Agreement, and (2) an amount necessary to pay any fees and expenses, including premiums and accrued and unpaid interest, related to such refinancing, refunding, extension, renewal, or replacement and (c) in the case of any such Lien on the ABL Priority Collateral, such Liens are subordinated to the Liens on the ABL Priority Collateral securing the Obligations at least to the same extent as the Indebtedness being refinanced, refunded, extended, renewed, or replaced;

(xix) deposits made or other security provided to secure liabilities to insurance carriers under insurance or self-insurance arrangements in the ordinary course of business;

(xx) other Liens securing obligations incurred in the ordinary course of business which obligations do not exceed the greater of (a) $20,000,000 and (b) 40% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of the incurrence of such Lien provided, that in the case of any such Lien securing Indebtedness for borrowed money on the ABL Priority Collateral, such Liens are subordinated to the Liens on the ABL Priority Collateral securing the Obligations pursuant to, or in a manner consistent with, the ABL/Term Loan Intercreditor Agreement;

(xxi) Liens securing judgments for the payment of money not constituting an Event of Default under Section 11.6 or Section 11.11;

(xxii) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business;

(xxiii) Liens (a) of a collection bank arising under Section 4-210 of the Uniform Commercial Code or any comparable or successor provision on items in the course of collection, (b) attaching to commodity trading accounts or other commodity brokerage accounts incurred in the ordinary course of business and (c) in favor of banking or other financial institutions or other electronic payment service providers arising as a matter of law encumbering deposits (including the right of set-off) and which are within the general parameters customary in the banking or finance industry;

(xxiv) Liens deemed to exist in connection with Investments in repurchase agreements permitted under Section 10.1; provided that such Liens do not extend to any assets other than those that are the subject of such repurchase agreement;

(xxv) Liens encumbering reasonable customary initial deposits and margin deposits and similar Liens attaching to commodity trading accounts or other brokerage accounts incurred in the ordinary course of business and not for speculative purposes;

(xxvi) Liens that are contractual rights of set-off (a) relating to the establishment of depository relations with banks not given in connection with the issuance of Indebtedness, (b) relating to pooled deposit or sweep accounts of the Company or any of the Restricted Subsidiaries to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Company and the Restricted Subsidiaries, or (c) relating to purchase orders and other agreements entered into by the Company or any of the Restricted Subsidiaries in the ordinary course of business;

(xxvii) Liens (a) solely on any cash earnest money deposits made by the Company or any of the Restricted Subsidiaries in connection with any letter of intent or purchase agreement permitted under this Agreement or (b) consisting of an agreement to dispose of any property pursuant to a disposition permitted hereunder;

(xxviii) rights reserved or vested in any Person by the terms of any lease, license, franchise, grant, or permit held by the Company or any of the Restricted Subsidiaries or by a statutory provision, to terminate any such lease, license, franchise, grant, or permit, or to require annual or periodic payments as a condition to the continuance thereof;

(xxix) restrictive covenants affecting the use to which real property may be put; provided that the covenants are complied with;

(xxx) security given to a public utility or any municipality or governmental authority when required by such utility or authority in connection with the operations of that Person in the ordinary course of business;

(xxxi) zoning by-laws and other land use restrictions, including, without limitation, site plan agreements, development agreements, and contract zoning agreements;

(xxxii) Liens arising out of conditional sale, title retention, consignment, or similar arrangements for sale of goods entered into by the Company or any Restricted Subsidiary in the ordinary course of business;

(xxxiii) Liens arising under the Security Documents;

(xxxiv) Liens on goods purchased in the ordinary course of business the purchase price of which is financed by a documentary letter of credit issued for the account of the Company or any of its Subsidiaries;

(xxxv) (a) Liens on Equity Interests in joint ventures; provided that any such Lien is in favor of a creditor of such joint venture and such creditor is not an Affiliate of any partner to such joint venture and (b) purchase options, call, and similar rights of, and restrictions for the benefit of, a third party with respect to Equity Interests held by the Company or any Restricted Subsidiary in joint ventures;

(xxxvi) Liens on cash and Cash Equivalents that are earmarked to be used to satisfy or discharge Indebtedness; provided (a) such cash and/or Cash Equivalents are deposited into an account from which payment is to be made, directly or indirectly, to the Person or Persons holding the Indebtedness that is to be satisfied or discharged, (b) such Liens extend solely to the account in which such cash and/or Cash Equivalents are deposited and are solely in favor of the Person or Persons holding the Indebtedness (or any agent or trustee for such Person or Persons)

that is to be satisfied or discharged, and (c) the satisfaction or discharge of such Indebtedness is expressly permitted hereunder; and

(xxxvii) with respect to any Foreign Subsidiary, other Liens and privileges arising mandatorily by any Requirement of Law.

For purposes of this definition, the term Indebtedness shall be deemed to include interest, premiums (if any), fees and expenses on such Indebtedness.

"Permitted Reorganization" shall mean re-organizations and other activities related to tax planning and re-organization, so long as, after giving effect thereto, the security interest of the Lenders in the Collateral, taken as a whole, is not materially impaired.

"Permitted Sale Leaseback" shall mean any Sale Leaseback consummated by the Company or any of the Restricted Subsidiaries after the Closing Date; provided that any such Sale Leaseback not between the Company and a Restricted Subsidiary is consummated for fair value as determined at the time of consummation in good faith by (i) the Company or such Restricted Subsidiary or (ii) in the case of any Sale Leaseback (or series of related Sales Leasebacks) the aggregate proceeds of which exceed the greater of (a) $15,000,000 and (b) 30% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of the incurrence of such Sale Leaseback, the board of directors (or analogous governing body) of the Company or such Restricted Subsidiary (which such determination may take into account any retained interest or other Investment of the Company or such Restricted Subsidiary in connection with, and any other material economic terms of, such Sale Leaseback).

"Permitted Second Lien Exchange Notes" shall mean "Permitted Debt Exchange Notes" as defined in the Second Lien Credit Agreement that are not prohibited by the terms of this Agreement and the other Credit Documents.

"Person" shall mean any individual, partnership, joint venture, firm, corporation, limited liability company, association, trust, or other enterprise or any Governmental Authority.

"Pit Inventory" shall mean Inventory located in a clearance center (the "Pit") located within certain showrooms of the Credit Parties and/or maintained on an electronic "e-Pit".

"Plan" shall mean, other than any Multiemployer Plan, any employee benefit plan (as defined in Section 3(3) of ERISA), including any employee welfare benefit plan (as defined in Section 3(1) of ERISA), any employee pension benefit plan (as defined in Section 3(2) of ERISA), and any plan which is both an employee welfare benefit plan and an employee pension benefit plan, and in respect of which any Credit Party or, any ERISA Affiliate, is (or, if such Plan were terminated, would under Section 4062 or Section 4069 of ERISA be reasonably likely to be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"Platform" shall have the meaning provided in Section 13.17(a).

"Pledge Agreement" shall mean the Pledge Agreement, entered into by the Credit Parties party thereto and the Collateral Agent for the benefit of the Secured Parties, substantially in the form of Exhibit C.

"Post-Acquisition Period" shall mean, with respect to any Permitted Acquisition, the period beginning on the date such Permitted Acquisition is consummated and ending on the last day of the eighth

full consecutive fiscal quarter immediately following the date on which such Permitted Acquisition is consummated.

"Pounds Sterling" shall mean British Pounds Sterling or any successor currency in the United Kingdom.

"Present Fair Salable Value" shall mean the amount that could be obtained by an independent willing seller from an independent willing buyer if the assets (both tangible and intangible) of the Company and the other Restricted Subsidiaries taken as a whole are sold on a going concern basis with reasonable promptness in an arm's-length transaction under present conditions for the sale of comparable business enterprises insofar as such conditions can be reasonably evaluated.

"primary obligor" shall have the meaning provided such term in the definition of Contingent Obligations.

"Prime Rate" shall mean the "prime rate" referred to in the definition of ABR.

"Pro Forma Adjustment" shall mean, for any Test Period that includes all or any part of a fiscal quarter included in any Post-Acquisition Period, with respect to the Acquired EBITDA of the applicable Acquired Entity or Business or Converted Restricted Subsidiary or the Consolidated EBITDA of the Company, the pro forma increase or decrease in such Acquired EBITDA or such Consolidated EBITDA, as the case may be, projected by the Company in good faith as a result of (i) actions taken during such Post-Acquisition Period for the purposes of realizing reasonably identifiable and factually supportable cost savings or (ii) any additional costs incurred during such Post-Acquisition Period, in each case in connection with the combination of the operations of such Acquired Entity or Business or Converted Restricted Subsidiary with the operations of the Company and the Restricted Subsidiaries; provided that (a) at the election of the Company, such Pro Forma Adjustment shall not be required to be determined for any Acquired Entity or Business or Converted Restricted Subsidiary to the extent the aggregate consideration paid in connection with such acquisition was less than $5,000,000 and (b) so long as such actions are taken during such Post-Acquisition Period or such costs are incurred during such Post-Acquisition Period, as applicable, it may be assumed, for purposes of projecting such pro forma increase or decrease to such Acquired EBITDA or such Consolidated EBITDA, as the case may be, that the applicable amount of such cost savings will be realizable during the entirety of such Test Period, or the applicable amount of such additional costs, as applicable, will be incurred during the entirety of such Test Period; provided, further, that any such pro forma increase or decrease to such Acquired EBITDA or such Consolidated EBITDA, as the case may be, shall be without duplication for cost savings or additional costs already included in such Acquired EBITDA or such Consolidated EBITDA, as the case may be, for such Test Period.

"Pro Forma Availability" means, for any date of calculation with respect to any transaction or payment, Excess Availability after giving effect to such transaction or payment on Pro Forma Basis.

"Pro Forma Availability Condition" means, for any date of calculation with respect to any transaction or payment, that either (i) (a) the (x) Pro Forma Availability on such date and (y) average daily Excess Availability for a period of thirty (30) consecutive days immediately preceding such transaction or payment is greater than $5,000,000 and (b) the Fixed Charge Coverage Ratio, calculated as of the last day of the most recently ended Test Period, after giving effect to such transaction or payment on a Pro Forma Basis, is greater than 1.00:1.00 or (ii) the (x) Pro Forma Availability on such date and (y) average daily Excess Availability for a period of thirty (30) consecutive days immediately preceding such transaction or payment is greater than $8,000,000.

"Pro Forma Basis," "Pro Forma Compliance," and **"Pro Forma Effect"** shall mean, with respect to compliance with any test, financial ratio, or covenant hereunder, that (i) to the extent applicable, the Pro Forma Adjustment shall have been made and (ii) all Specified Transactions and the following transactions in connection therewith shall be deemed to have occurred as of the first day of the applicable period of measurement in such test or covenant: (a) income statement items (whether positive or negative) attributable to the property or Person subject to such Specified Transaction, (1) in the case of a sale, transfer, or other disposition of all or substantially all Capital Stock in any Restricted Subsidiary of the Company or any division, product line, or facility used for operations of the Company or any of its Restricted Subsidiaries, shall be excluded, and (2) in the case of a Permitted Acquisition or Investment described in the definition of Specified Transaction, shall be included, (b) any retirement of Indebtedness, and (c) any incurrence or assumption of Indebtedness by the Company or any of the Restricted Subsidiaries in connection therewith (it being agreed that if such Indebtedness has a floating or formula rate, such Indebtedness shall have an implied rate of interest for the applicable period for purposes of this definition determined by utilizing the rate that is or would be in effect with respect to such Indebtedness as at the relevant date of determination); provided that, without limiting the application of the Pro Forma Adjustment pursuant to clause (a) above, the foregoing pro forma adjustments may be applied to any such test or covenant solely to the extent that such adjustments are consistent with the definition of Consolidated EBITDA and give effect to operating expense reductions that are (x)(l) directly attributable to such transaction, (2) expected to have a continuing impact on the Company, any Borrower or any of the other Restricted Subsidiaries, and (3) factually supportable or (y) otherwise consistent with the definition of Pro Forma Adjustment.

"Pro Forma Entity" shall have the meaning provided in the definition of the term Acquired EBITDA.

"Prohibited Transaction" shall have the meaning assigned to such term in Section 406 of ERISA and Section 4975(c) of the Code.

"Protective Advances" shall have the meaning set forth in Section 2.1(f).

"Public Company Costs" shall mean costs relating to compliance with the provisions of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, as applicable to companies with equity or debt securities held by the public, the rules of national securities exchange companies with listed equity or debt securities, directors' or managers' compensation, fees and expense reimbursement, costs relating to investor relations, shareholder meetings and reports to shareholders or debtholders, directors' and officers' insurance and other executive costs, legal and other professional fees, and listing fees.

"Public Lender Presentation" shall mean the Lenders' Presentation of the Company dated January 2014.

"Qualified Proceeds" shall mean assets that are used or useful in, or Capital Stock of any Person engaged in, a Similar Business.

"Qualified Stock" of any Person shall mean Capital Stock of such Person other than Disqualified Stock of such Person.

"Qualifying IPO" shall mean the issuance by the Company or any Parent Entity of its common Equity Interests in an underwritten primary public offering (other than a public offering pursuant to a registration statement on Form S-8) pursuant to an effective registration statement filed with the SEC in

accordance with the Securities Act (whether alone or in connection with a secondary public offering) or in a firm commitment underwritten offering (or series of related offerings of securities to the public pursuant to a final prospectus) made pursuant to the Securities Act.

"Real Estate" shall have the meaning provided in Section 9.1(f).

"Refinancing Indebtedness" shall have the meaning provided in Section 10.1(m).

"Refunding Capital Stock" shall have the meaning provided in Section 10.5(b)(2).

"Register" shall have the meaning provided in Section 13.6(b)(iv).

"Regulation T" shall mean Regulation T of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"Regulation U" shall mean Regulation U of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"Regulation X" shall mean Regulation X of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"Reimbursement Date" shall have the meaning provided in Section 3.4(a).

"Reimbursement Obligations" shall mean the Borrowers' obligations to reimburse Unpaid Drawings pursuant to Section 3.4(a).

"Related Business Assets" shall mean assets (other than cash or Cash Equivalents) used or useful in a Similar Business; provided that any assets received by the Company or the Restricted Subsidiaries in exchange for assets transferred by the Company or a Restricted Subsidiary shall not be deemed to be Related Business Assets if they consist of securities of a Person, unless upon receipt of the securities of such Person, such Person would become a Restricted Subsidiary.

"Related Fund" shall mean, with respect to any Lender that is a Fund, any other Fund that is advised or managed by (a) such Lender, (b) an Affiliate of such Lender or (c) an entity or an Affiliate of such entity that administers, advises or manages such Lender.

"Related Parties" shall mean, with respect to any specified Person, such Person's Affiliates and the directors, officers, employees, agents, trustees, and advisors of such Person and any Person that possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of such Person, whether through the ability to exercise voting power, by contract or otherwise.

"Release" shall mean any release, spill, emission, discharge, disposal, escaping, leaking, pumping, pouring, dumping, emptying, injection, or leaching into the environment.

"Removal Effective Date" shall have the meaning provided in Section 12.9(b).

"Rent and Charges Reserve" means a reserve, established in the Administrative Agent's Credit Judgment no earlier than ninety (90) days after the Closing Date, for any leased location in a Landlord Lien State where Inventory included in the Borrowing Base is located or where books and records relating to Collateral included in the Borrowing Base are located, in an amount not in excess of two (2) month's rent to any landlord, mortgagee or other Person who possesses any such Collateral or could assert a Lien

thereon, unless a Lien Waiver has been obtained from such landlord, mortgagee or other person; provided, that (i) the Rent and Charges Reserve for any location shall not exceed the amount advanced against Collateral consisting of Inventory located at such location and (ii) no Rent and Charges Reserve shall be established for any location at which the aggregate Value of all Inventory at such location is less than $100,000.

"Reorganization" shall mean, with respect to any Multiemployer Plan, the condition that such plan is in reorganization within the meaning of Section 4241 of ERISA.

"Reportable Event" shall mean any "reportable event", as defined in Section 4043(c) of ERISA or the regulations issued thereunder, with respect to a Pension Plan (other than a Pension Plan maintained by an ERISA Affiliate that is considered an ERISA Affiliate only pursuant to subsection (m) or (o) of Section 414 of the Code), other than those events as to which notice is waived pursuant to PBGC Reg. § 4043.

"Required Lenders" shall mean, at any date, Non-Defaulting Lenders holding a majority of the Adjusted Total Revolving Credit Commitment at such date (or, if the Total Revolving Credit Commitment has been terminated at such time, a majority of the aggregate Revolving Credit Exposure of all Lenders (excluding Revolving Credit Exposure of Defaulting Lenders) at such time); provided that at any time there is more than one Non-Defaulting Lender hereunder, if one Non-Defaulting Lender holds more than a majority of the Adjusted Total Revolving Credit Commitment or the Total Revolving Credit Exposure, as applicable, then "Required Lenders" shall include such Non-Defaulting Lender plus one additional Non-Defaulting Lender who is not an Affiliate of such Non-Defaulting Lender.

"Requirement of Law" shall mean, as to any Person, the certificate of incorporation and by-laws or other organizational or governing documents of such Person, and any law, treaty, rule, or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or assets or to which such Person or any of its property or assets is subject.

"Resignation Effective Date" shall have the meaning provided in Section 12.9(a).

"Restricted Investment" shall mean an Investment other than a Permitted Investment.

"Restricted Payment" shall have the meaning provided in Section 10.5(a).

"Restricted Subsidiary" shall mean any Subsidiary of the Company other than an Unrestricted Subsidiary.

"Retired Capital Stock" shall have the meaning provided in Section 10.5(b)(2).

"Revolving Credit Commitment" shall mean, as to each Lender, its obligation to make Revolving Credit Loans to the Borrowers pursuant to Section 2.1(b), in an aggregate principal amount at any one time outstanding not to exceed the amount set forth, and opposite such Lender's name on Schedule 1.1(b) under the caption Revolving Credit Commitment or in the Assignment and Acceptance pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement (including Section 2.14). The aggregate Revolving Credit Commitments of all Lenders shall be $40,000,000 on the Closing Date (the **"Initial Revolving Credit Commitments"),** as such amount may be adjusted from time to time in accordance with the terms of this Agreement.

"Revolving Credit Commitment Percentage" shall mean at any time, for each Lender, the percentage obtained by dividing (i) such Lender's Revolving Credit Commitment at such time by (ii) the amount of the Total Revolving Credit Commitment at such time; provided that at any time when the Total Revolving Credit Commitment shall have been terminated, each Lender's Revolving Credit Commitment Percentage shall be the percentage obtained by dividing (a) such Lender's Revolving Credit Exposure at such time by (b) the Revolving Credit Exposure of all Lenders at such time.

"Revolving Credit Exposure" shall mean, with respect to any Lender at any time, the sum of (i) the aggregate amount of the principal amount of Revolving Credit Loans of such Lender then outstanding, (ii) such Lender's Letter of Credit Exposure at such time, and (iii) such Lender's Revolving Credit Commitment Percentage of the aggregate principal amount of all outstanding Swingline Loans at such time.

"Revolving Credit Facility" shall mean, at any time, the aggregate amount of the Lenders' Revolving Credit Commitments at such time.

"Revolving Credit Loan" shall have the meaning provided in Section 2.1(b).

"Revolving Credit Maturity Date" shall mean February 12, 2019, or, if such date is not a Business Day, the next preceding Business Day.

"Revolving Credit Termination Date" shall mean the date on which the Revolving Credit Commitments shall have terminated, no Revolving Credit Loans, Swingline Loans or Protective Advances shall be outstanding and the Letters of Credit Outstanding shall have been reduced to zero or Cash Collateralized.

"Revolving Loan" shall mean, collectively or individually as the context may require, any (i) Revolving Credit Loan, (ii) Extended Revolving Credit Loan and (iii) Incremental Revolving Credit Loan, in each case made pursuant to and in accordance with the terms and conditions of this Agreement.

"S&P" shall mean Standard & Poor's Ratings Services or any successor by merger or consolidation to its business.

"Sale Leaseback" shall mean any arrangement with any Person providing for the leasing by the Company or any Restricted Subsidiary of any real or tangible personal property, which property has been or is to be sold or transferred by the Company or such Restricted Subsidiary to such Person in contemplation of such leasing.

"SEC" shall mean the Securities and Exchange Commission or any successor thereto.

"Second Lien Administrative Agent" shall have the meaning assigned to the term "Administrative Agent" in the Second Lien Credit Agreement.

"Second Lien Collateral Agent" shall have the meaning assigned to the term "Collateral Agent" in the Second Lien Credit Agreement.

"Second Lien Credit Agreement" shall mean the Credit Agreement, dated as of the Closing Date, among Holdings, the Borrower(s), the guarantors party thereto, the lenders party thereto, and the Second Lien Administrative Agent (as such agreement may be amended, supplemented, waived or otherwise modified from time to time or refunded, refinanced, restructured, replaced, renewed, repaid, increased or extended from time to time (whether in whole or in part, whether with the original

administrative agent and lenders or other agents and lenders or otherwise, and whether provided under the original Second Lien Credit Agreement or other credit agreements or otherwise, unless such agreement, instrument or document expressly provides that it is not intended to be and is not a Second Lien Credit Agreement)).

"Second Lien Credit Documents" shall mean the Second Lien Credit Agreement and each other document executed in connection therewith or pursuant thereto.

"Second Lien Facility" shall have the meaning provided in the recitals of this Agreement.

"Second Lien Loans" shall have the meaning provided to the term "Loans" in the Second Lien Credit Agreement and any modification, replacement, refinancing, refunding, renewal, or extension thereof.

"Section 2.14 Additional Amendment" shall have the meaning provided in Section 2.14(g)(iv).

"Section 9.1 Financials" shall mean the financial statements delivered, or required to be delivered, pursuant to Section 9.1(a) or (b) together with the accompanying officer's certificate delivered, or required to be delivered, pursuant to Section 9.1(d).

"Secured Cash Management Agreement" shall mean any Cash Management Agreement that is entered into by and between Holdings or any of the Restricted Subsidiaries and any Cash Management Bank, which is specified in writing by the Borrower Representative to the Administrative Agent as constituting a Secured Cash Management Agreement hereunder.

"Secured Cash Management Obligations" shall mean Obligations under Secured Cash Management Agreements.

"Secured Hedge Agreement" shall mean any Hedge Agreement that is entered into by and between Holdings or any Restricted Subsidiary and any Hedge Bank, which is specified in writing by the Borrower Representative to the Administrative Agent as constituting a Secured Hedge Agreement hereunder.

"Secured Hedge Obligations" shall mean Obligations under Secured Hedge Agreements.

"Secured Hedge Reserve" means the aggregate amount of reserves established by the Administrative Agent from time to time during the continuance of a Cash Dominion Period in respect of Secured Hedge Obligations, including reserves which the Administrative Agent shall establish in the amounts set forth in written notices from any Cash Management Bank party to a Secured Cash Management Agreement. The amount of any Secured Hedge Reserve established by the Administrative Agent (x) shall have a reasonable relationship to the Secured Hedge Obligation that is the basis for such Reserve as determined by the Administrative Agent in its Credit Judgment as being appropriate to reflect the reasonably anticipated liabilities and obligations of the Credit Parties with respect to Secured Hedge Agreements then provided or outstanding and (y) shall not be duplicative of other Borrowing Base Reserves then in effect.

"Secured Parties" shall mean the Administrative Agent, the Collateral Agent, the Letter of Credit Issuer, and each Lender, in each case with respect to the Credit Facilities, each Hedge Bank that is party to any Secured Hedge Agreement with the Company or any Restricted Subsidiary, each Cash Management Bank that is party to a Secured Cash Management Agreement with the Company or any

Restricted Subsidiary and each sub-agent pursuant to Section 12 appointed by the Administrative Agent with respect to matters relating to the Credit Facilities or the Collateral Agent with respect to matters relating to any Security Document.

"Security Agreement" shall mean the Security Agreement entered into by the Borrowers, the other grantors party thereto, and the Collateral Agent for the benefit of the Secured Parties, substantially in the form of Exhibit D.

"Security Documents" shall mean, collectively, the Guarantee, the Pledge Agreement, the Security Agreement, the Mortgages, the ABL/Term Loan Intercreditor Agreement and each other security agreement or other instrument or document executed and delivered pursuant to Sections 9.11, 9.12, or 9.14 or pursuant to any other such Security Documents to secure the Obligations.

"Seller" shall have the meaning provided in the preamble to this Agreement.

"Senior Secured Leverage Test" shall mean, as of any date of determination, with respect to the last day of the most recently ended Test Period, the Consolidated Senior Secured Debt to Consolidated EBITDA Ratio shall be no greater than 5.50 to 1.00.

"Series" shall have the meaning provided in Section 2.14(a).

"Shrink" means Inventory identified by the Borrowers as lost, misplaced, or stolen.

"Similar Business" shall mean any business conducted or proposed to be conducted by the Company and the Restricted Subsidiaries on the Closing Date or any business that is similar, reasonably related, synergistic, incidental, or ancillary thereto.

"Sold Entity or Business" shall have the meaning provided in the definition of the term Consolidated EBITDA.

"Solvent" shall mean, after giving effect to the consummation of the Transactions, that (i) the Present Fair Saleable Value of the assets of the Borrowers and the other Restricted Subsidiaries taken as a whole exceed the amount that will be required to pay the probable liability of the Borrowers and its Restricted Subsidiaries on their Stated Liabilities and Identified Contingent Liabilities as they become absolute and matured; (ii) the Present Fair Salable Value of the assets of the Borrowers and the other Restricted Subsidiaries taken as a whole exceed their Stated Liabilities and Identified Contingent Liabilities; (iii) the Borrowers and the Restricted Subsidiaries taken as a whole do not have Unreasonably Small Capital; and (iv) the Borrowers and the Restricted Subsidiaries taken as a whole do not intend to incur, or believe that they will incur, debts including current obligations beyond their ability to pay such debts as they mature in the ordinary course of business.

"Specified Default" means (i) the failure of any Credit Party to comply with the terms of Section 9.1(h) and such failure has not been remedied within a period of five (5) days or (ii) the occurrence of any Event of Default specified in Section 11.1, Section 11.3 (solely as it relates to the Borrowers' failure to comply with the covenants set forth in Section 9.2(b)), and Section 11.5.

"Specified Representations" shall mean the representations and warranties with respect to the Company and Holdings set forth in Sections 8.1(a) (with respect to the Company and Holdings only), 8.2 (with respect to the Company and Holdings only, as related to the borrowing under, guaranteeing under, granting of security interests in the Collateral to, and performance of, the Credit Documents), 8.3(b) (with

respect to the Company and Holdings only and as related to the borrowing under, guaranteeing under, granting of security interests in the Collateral to, and performance of, the Credit Documents), 8.5, 8.7, 8.17, 8.18, and, except with respect to items referred to on Schedule 9.14(d) and subject to the last paragraph of Section 6.2, 8.19 of this Agreement.

"Specified Transaction" shall mean, with respect to any period, any Investment (including a Permitted Acquisition), any asset sale, incurrence or repayment of Indebtedness, Restricted Payment, Subsidiary designation, Incremental Revolving Credit Commitment, or other event that by the terms of this Agreement requires Pro Forma Compliance with a test or covenant hereunder or requires such test or covenant to be calculated on a Pro Forma Basis.

"Sponsor" shall mean Bain Capital Partners, LLC and/or its Affiliates that are controlled directly or indirectly by Bain Capital Partners, LLC (including, as applicable, related funds, general partners thereof and limited partners thereof, but solely to the extent any such limited partners are directly or indirectly participating as investors pursuant to a side-by-side investing arrangement, but not including, however, any portfolio company of any of the foregoing).

"Sponsor Management Agreement" shall mean the Advisory Agreement, dated as of as of February 12, 2014, by and among BDF Holding Corp., the Company, Bob's Discount Furniture, LLC, BDF Intermediate, LLC, Bob's Discount Furniture I, LLC, Bob's Discount Furniture II, LLC, Bob's Discount Furniture of Massachusetts, LLC, Furniture North, LLC, RAKG Partners, LLC, Bob's Discount Furniture of NY, LLC, and Bain Capital Partners, LLC.

"Sponsor Model" shall mean the Sponsor's financial model dated January 9, 2014 used in connection with the syndication of the Facilities.

"Spot Rate" for any currency shall mean the rate determined by the Administrative Agent to be the rate quoted by the Administrative Agent as the spot rate for the purchase by the Administrative Agent of such currency with another currency through its principal foreign exchange trading office at approximately 11:00 a.m. on the date as of which the foreign exchange computation is made; provided that the Administrative Agent may obtain such spot rate from another financial institution designated by the Administrative Agent if it does not have as of the date of determination a spot buying rate for any such currency.

"SPV" shall have the meaning provided in Section 13.6(g).

"Stated Amount" of any Letter of Credit shall mean the maximum amount from time to time available to be drawn thereunder, determined without regard to whether any conditions to drawing could then be met; provided, however, that with respect to any Letter of Credit that by its terms or the terms of any Issuer Document provides for one or more automatic increases in the stated amount thereof, the Stated Amount shall be deemed to be the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

"Stated Liabilities" shall mean the recorded liabilities (including contingent liabilities that would be recorded in accordance with GAAP) of the Company and the Restricted Subsidiaries taken as a whole, as of the date hereof after giving effect to the consummation of the Transactions (including the execution and delivery of this Agreement, the making of the First Lien Term Loans and the Second Lien Loans and the use of proceeds of such First Lien Term Loans and the Second Lien Loans on the date hereof), determined in accordance with GAAP consistently applied.

"Stock Equivalents" shall mean all securities convertible into or exchangeable for Capital Stock and all warrants, options, or other rights to purchase or subscribe for any Capital Stock, whether or not presently convertible, exchangeable, or exercisable.

"Store" means any retail store (which includes any real property, fixtures, equipment, Inventory and other property related thereto) operated, or to be operated, by the Company or any Restricted Subsidiary.

"Subordinated Indebtedness" shall mean Indebtedness of the Company, any Borrower or any other Guarantor that is by its terms subordinated in right of payment to the obligations of the Company, such Borrower, or such Guarantor, as applicable, under this Agreement or the Guarantee, as applicable.

"Subsidiary" of any Person shall mean and include (i) any corporation more than 50% of whose Capital Stock of any class or classes having by the terms thereof ordinary voting power to elect a majority of the directors of such corporation (irrespective of whether or not at the time Capital Stock of any class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time owned by such Person directly or indirectly through Subsidiaries, or (ii) any limited liability company, partnership, association, joint venture, or other entity of which such Person directly or indirectly through Subsidiaries has more than a 50% equity interest at the time. Unless otherwise expressly provided, all references herein to a Subsidiary shall mean a Subsidiary of the Company.

"Subsidiary Borrower" shall mean any Subsidiary designated pursuant to Section 2.17 that has not ceased to be a Subsidiary Borrower pursuant to Section 2.17.

"Successor Borrower" shall have the meaning provided in Section 10.3(a).

"Supermajority Lenders" means, at any time, Lenders (other than Defaulting Lenders) having Commitments aggregating more than 66 2/3% of the Total Revolving Credit Commitment, or if the Commitments have been terminated, Lenders (other than Defaulting Lenders) whose percentage of the Revolving Credit Exposure (calculated assuming settlement and repayment of all Swingline Loans by the Lenders) aggregate more than 66 2/3% of the aggregate Revolving Credit Exposure; provided that at any time there is more than one Non-Defaulting Lender hereunder, if one Non-Defaulting Lender holds more than 66 2/3% of the Adjusted Total Revolving Credit Commitment or the Total Revolving Credit Exposure, as applicable, then "Supermajority Lenders" shall include such Non-Defaulting Lender plus one additional Non-Defaulting Lender who is not an Affiliate of such Non-Defaulting Lender.

"Swap Obligation" shall mean, with respect to any Credit Party, any obligation to pay or perform under any agreement, contract, or transaction that constitutes a "swap" within the meaning of section 1 (a)(47) of the Commodity Exchange Act.

"Swingline Commitment" shall mean the amount of $7,500,000. Swingline Commitment is part of and not in addition to the Revolving Credit Commitment.

"Swingline Exposure" shall mean at any time the aggregate principal amount at such time of all outstanding Swingline Loans. The Swingline Exposure of any Lender at any time shall equal its Revolving Credit Commitment Percentage of the aggregate Swingline Exposure at such time.

"Swingline Lender" shall mean Royal Bank of Canada, in its capacity as lender of Swingline Loans hereunder or any replacement or successor thereto.

"Swingline Loans" shall have the meaning provided in Section 2.1(c).

"Swingline Maturity Date" shall mean, with respect to any Swingline Loan, the date that is five Business Days prior to the Revolving Credit Maturity Date.

"Syndication Agent" shall mean UBS Securities LLC.

"Taxes" shall mean any and all present or future taxes, duties, levies, imposts, assessments, deductions, withholdings (including backup withholding), fees, or other similar charges imposed by any Governmental Authority and any interest, fines, penalties, or additions to tax with respect to the foregoing.

"Term Loan Priority Accounts" means "Term Loan Priority Accounts" as defined in the ABL/Term Loan Intercreditor Agreement.

"Term Loan Priority Collateral" means "Term Priority Collateral" as defined in the ABL/Term Loan Intercreditor Agreement.

"Terminated Contracts" shall mean binding contracts with customers that have terminated (whether on or before their stated expiration).

"Test Period" shall mean, for any determination under this Agreement, the four consecutive fiscal quarters of the Company then last ended and for which Section 9.1 Financials shall have been delivered (or required to be delivered) to the Administrative Agent (or, before the first delivery of Section 9.1 Financials, the most recent period of four fiscal quarters at the end of which financial statements are available).

"Title Policy" shall have the meaning provided in Section 9.14(d)(ii).

"Total Credit Exposure" shall mean, at any date, the Total Revolving Credit Commitment at such date (or, if the Total Revolving Credit Commitment shall have terminated on such date, the aggregate Revolving Credit Exposure of all Lenders at such date).

"Total Debt Leverage Test" shall mean, as of any date of determination, with respect to the last day of the most recently ended Test Period, the Consolidated Total Debt to Consolidated EBITDA Ratio shall be no greater than 5.50 to 1.00.

"Total Revolving Credit Commitment" shall mean the sum of the Initial Revolving Credit Commitments and the Incremental Revolving Credit Commitments, if applicable, of all the Lenders.

"Tranche" shall mean any of the Tranche A Loans, the Tranche B Loans or the Overadvance Loans.

"Tranche A Borrowing Base" shall mean (a) 90% of Eligible Credit Card Receivables, plus (b) 85% of the appraised Net Orderly Liquidation Value of Eligible Inventory, less (c) Borrowing Base Reserves.

"Tranche A Loan" shall mean a Revolving Credit Loan made pursuant to the Tranche A Borrowing Base.

"Tranche B Borrowing Base" shall mean the lesser of (a) $6,000,000 and (b) (i) 5% of Eligible Credit Card Receivables, plus (ii) 7.5% of the appraised Net Orderly Liquidation Value of Eligible Inventory.

"Tranche B Loan" shall mean a Revolving Credit Loan made pursuant to the Tranche B Borrowing Base.

"Transaction Expenses" shall mean any fees, costs, or expenses incurred or paid by Holdings, the Borrowers, or any of their respective Affiliates in connection with the Transactions, this Agreement, and the other Credit Documents, the transactions contemplated hereby and thereby.

"Transactions" shall mean, collectively, the transactions contemplated by this Agreement, the First Lien Term Loan Agreement, the Second Lien Credit Agreement, the Acquisition, and the Equity Investments, any repayment, repurchase, prepayment, or defeasance of Indebtedness of the Company or any of its Subsidiaries in connection therewith, the consummation of any other transactions in connection with the foregoing (including in connection with the Acquisition Agreement and the payment of the fees and expenses incurred in connection with any of the foregoing (including the Transaction Expenses)).

"Transferee" shall have the meaning provided in Section 13.6(e).

"Type" shall mean as to any Revolving Loan, its nature as an ABR Loan or a LIBOR Loan.

"UCP" shall mean, with respect to any Letter of Credit, the Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce **("ICC")** Publication No. 600 (or such later version thereof as may be in effect at the time of issuance).

"Unfinanced Capital Expenditures" means, with respect to the Company and the Restricted Subsidiaries for any period, Capital Expenditures of the Company and the Restricted Subsidiaries for such period paid in cash, exclusive of (a) any Capital Expenditures made with (i) the proceeds of any equity securities issued or capital contributions received or Indebtedness borrowed (excluding borrowings under this Agreement) by the Company or any Restricted Subsidiary in connection with such Capital Expenditures, (ii) the proceeds from any casualty insurance or condemnation or eminent domain or (iii) the proceeds from any sale or other disposition of the Company or any Restricted Subsidiary's assets (other than assets constituting Collateral consisting of Accounts or Inventory and the proceeds thereof), (b) any portion of the purchase price of a Permitted Acquisition or other permitted Investment which is allocated to property, plant or equipment acquired as part of such Permitted Acquisition or permitted Investment or (c) any expenditures which are contractually required to be, and are, reimbursed to the Company or the Restricted Subsidiaries in cash by a third party (including landlords) during such period of calculation.

Unpaid Drawing" shall have the meaning provided in Section 3.4(a).

"Unreasonably Small Capital" shall mean, the capital of the Borrowers and the Restricted Subsidiaries, taken as a whole, after consummation of the Transactions (including the execution and delivery of this Agreement, the making of the Loans, the First Lien Term Loans and the Second Lien Loans and the use of proceeds of such Loans, such First Lien Term Loans and such Second Lien Loans on the date hereof) is not unreasonably small in relation to the business of the Borrower and the Restricted Subsidiaries, taken as a whole, contemplated as of the Closing Date.

"Unrestricted Subsidiary" shall mean (i) any Subsidiary of the Company which at the time of determination is an Unrestricted Subsidiary (as designated by the board of directors of the Company, as provided below) and (ii) any Subsidiary of an Unrestricted Subsidiary.

The board of directors of the Company may designate any Subsidiary of the Company (including any existing Subsidiary and any newly acquired or newly formed Subsidiary) to be an Unrestricted Subsidiary unless such Subsidiary or any of its Subsidiaries owns any Equity Interests or Indebtedness of, or owns or holds any Lien on, any property of, the Company or any Subsidiary of the Company (other than any Subsidiary of the Subsidiary to be so designated or an Unrestricted Subsidiary); provided that,

(a) such designation complies with Section 10.5,

(b) immediately after giving effect to such designation no Event of Default shall have occurred and be continuing or would result therefrom, and

(c) each of (1) the Subsidiary to be so designated and (2) its Subsidiaries has not at the time of designation, and does not thereafter, create, incur, issue, assume, guarantee, or otherwise become directly or indirectly liable with respect to any Indebtedness pursuant to which the lender has recourse to any of the assets of Holdings or any Restricted Subsidiary except for Indebtedness that could otherwise be incurred by Holdings or such Restricted Subsidiary hereunder and, if such Indebtedness is secured, the Liens securing such Indebtedness are permitted to be incurred by Holdings or such Restricted Subsidiary hereunder.

The board of directors of the Company may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; provided that, immediately after giving effect to such designation no Event of Default shall have occurred and be continuing and assuming such designation shall constitute the incurrence by such Restricted Subsidiary at the time of designation of any Indebtedness of such Restricted Subsidiary outstanding at such time either: (i) the Company would be in compliance on a Pro Forma Basis with the Total Debt Leverage Test set forth in the first paragraph of Section 10.1 or (ii) the Total Debt Leverage Ratio for the Company and the Restricted Subsidiaries on a Pro Forma Basis would be no greater than such ratio for the Company and the Restricted Subsidiaries immediately prior to such designation.

Any such designation by the board of directors of the Company shall be notified by the Company to the Administrative Agent by promptly delivering to the Administrative Agent a copy of the Board Resolution giving effect to such designation and a certificate of an Authorized Officer of the Company certifying that such designation complied with the foregoing provisions.

"U.S." and **"United States"** shall mean the United States of America.

"U.S. Lender" shall have the meaning provided in Section 5.4(e)(ii)(A).

"Voting Stock" shall mean, with respect to any Person as of any date, the Capital Stock of such Person that is at the time entitled to vote in the election of the board of directors of such Person.

"Wholly-Owned Restricted Subsidiary" of any Person shall mean a Restricted Subsidiary of such Person, 100% of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares) shall at the time be owned by such Person or by one or more Wholly-Owned Subsidiaries of such Person.

"Wholly-Owned Subsidiary" of any Person shall mean a Subsidiary of such Person, 100% of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares) shall at the time be owned by such Person or by one or more Wholly-Owned Subsidiaries of such Person.

"Withdrawal Liability" shall mean liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Title IV of ERISA.

"Withholding Agent" shall mean any Credit Party, the Administrative Agent and, in the case of any U.S. federal withholding Tax, any other applicable withholding agent.

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

(a) The meanings of defined terms are equally applicable to the singular and plural forms of the defined terms.

(b) The words "herein", "hereto", "hereof", and "hereunder" and words of similar import when used in any Credit Document shall refer to such Credit Document as a whole and not to any particular provision thereof.

(c) Section, Exhibit, and Schedule references are to the Credit Document in which such reference appears.

(d) The term "including" is by way of example and not limitation.

(e) The term "documents" includes any and all instruments, documents, agreements, certificates, notices, reports, financial statements and other writings, however evidenced, whether in physical or electronic form.

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

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

(h) The words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(i) All references to "knowledge" or "awareness" of any Credit Party or any Restricted Subsidiary thereof means the actual knowledge of an Authorized Officer of such Credit Party or such Restricted Subsidiary.

1.3 Accounting Terms.

(a) Except as expressly provided herein, all accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and

other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP, applied in a consistent manner.

(b) Notwithstanding anything to the contrary herein, for purposes of determining compliance with any test or covenant contained in this Agreement with respect to any period during which any Specified Transaction occurs, the Consolidated Total Debt to Consolidated EBITDA Ratio, the Consolidated First Lien Secured Debt to Consolidated EBITDA Ratio, the First Lien Secured Leverage Test, the Consolidated Senior Secured Debt to Consolidated EBITDA Ratio and the Senior Secured Leverage Test shall each be calculated with respect to such period and such Specified Transaction on a Pro Forma Basis.

(c) Where reference is made to "the Company and the Restricted Subsidiaries on a consolidated basis" or similar language, such consolidation shall not include any Subsidiaries of the Company other than Restricted Subsidiaries.

1.4 Rounding. Any financial ratios required to be maintained by the Company pursuant to this Agreement (or required to be satisfied in order for a specific action to be permitted under this Agreement) shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number.

1.5 References to Agreements Laws, Etc. Unless otherwise expressly provided herein, (a) references to Organizational Documents, agreements (including the Credit Documents), and other Contractual Requirements shall be deemed to include all subsequent amendments, restatements, amendment, and restatements, extensions, supplements, modifications, replacements, refinancings, renewals, or increases, but only to the extent that such amendments, restatements, amendment, and restatements, extensions, supplements, modifications, replacements, refinancings, renewals, or increases are permitted by any Credit Document; and (b) references to any Requirement of Law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing, or interpreting such Requirement of Law.

1.6 Exchange Rates. Notwithstanding the foregoing, for purposes of any determination under Section 9, Section 10 or Section 11 or any determination under any other provision of this Agreement expressly requiring the use of a current exchange rate, all amounts incurred, outstanding, or proposed to be incurred or outstanding in currencies other than Dollars shall be translated into Dollars at the Spot Rate; provided, however, that for purposes of determining compliance with Section 10 with respect to the amount of any Indebtedness, Restricted Investment, Lien, Asset Sale, or Restricted Payment in a currency other than Dollars, no Default or Event of Default shall be deemed to have occurred solely as a result of changes in rates of exchange occurring after the time such Indebtedness, Lien or Restricted Investment is incurred or Asset Sale or Restricted Payment made; provided that, for the avoidance of doubt, the foregoing provisions of this Section 1.6 shall otherwise apply to such Sections, including with respect to determining whether any Indebtedness, Lien, or Investment may be incurred or Asset Sale or Restricted Payment made at any time under such Sections. For purposes of any determination of Consolidated Total Debt, amounts in currencies other than Dollars shall be translated into Dollars at the currency exchange rates used in preparing the most recently delivered Section 9.1 Financials.

1.7 Rates. The Administrative Agent does not warrant, nor accept responsibility, nor shall the Administrative Agent have any liability with respect to the administration, submission, or any other matter related to the rates in the definition of LIBOR Rate or with respect to any comparable or successor rate thereto.

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

1.9 Timing of Payment or Performance. When the payment of any obligation or the performance of any covenant, duty, or obligation is stated to be due or performance required on (or before) a day which is not a Business Day, the date of such payment (other than as described in the definition of Interest Period) or performance shall extend to the immediately succeeding Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

1.10 Certifications. All certifications to be made hereunder by an officer or representative of a Credit Party shall be made by such a Person in his or her capacity solely as an officer or a representative of such Credit Party, on such Credit Party's behalf and not in such Person's individual capacity.

1.11 Compliance with Certain Sections. In the event that any Lien, Investment, Indebtedness (whether at the time of incurrence or upon application of all or a portion of the proceeds thereof), disposition, Restricted Payment, Affiliate transaction, Contractual Requirement, or prepayment of Indebtedness meets the criteria of one or more than one of the categories of transactions then permitted pursuant to any clause or subsection of Section 10, such transaction (or portion thereof) at any time shall be permitted under one or more of such clauses as determined by the Borrower Representative in its sole discretion at such time.

Section 2. Amount and Terms of Credit

2.1 Commitments.

(a) [Reserved],

(b) Subject to and upon the terms and conditions herein set forth, each Lender severally agrees to make Revolving Credit Loans denominated in Dollars to the Borrowers from its applicable lending office (each such loan (including any Protective Advances), a **"Revolving Credit Loan")** in an aggregate principal amount not to exceed at any time outstanding the amount of such Lender's Revolving Credit Commitment, provided that any of the foregoing such Revolving Credit Loans (A) shall be made at any time and from time to time on and after the Closing Date and prior to the Revolving Credit Maturity Date, (B) may, at the option of the Borrower Representative be incurred and maintained as, and/or converted into, ABR Loans or LIBOR Loans that are Revolving Credit Loans; provided that all Revolving Credit Loans made by each of the Lenders pursuant to the same Borrowing shall, unless otherwise specifically provided herein, consist entirely of Revolving Credit Loans of the same Type, (C) may be repaid (without premium or penalty) and reborrowed in accordance with the provisions hereof, (D) shall not, for any Lender at any time, after giving effect thereto and to the application of the proceeds thereof, result in such Lender's Revolving Credit Exposure in respect of any Class of Revolving Loans at such time exceeding such Lender's Revolving Credit Commitment in respect of such Class of Revolving Loan at such time or the aggregate amount of the Lenders' Revolving Credit Exposures of any Class of Revolving Loans at such time exceeding the aggregate Revolving Credit Commitment with respect to such Class and (E) shall not, after giving effect thereto and to the application of the proceeds thereof, result at any time in the aggregate amount of the Lenders' Revolving Credit Exposures at such time exceeding the Line Cap then in effect. Each Revolving Credit Loan and any Swingline Loan made to a Borrower shall first be made as a Tranche B Loan and considered to be made pursuant to the Tranche B Borrowing Base except (i) Letters of Credit issued pursuant to Section 3 shall first be considered to be made pursuant to the Tranche A Borrowing Base, (ii) to the extent that the aggregate amount of the Lenders' Revolving Credit Exposures exceeds the Tranche B Borrowing Base, any such excess Revolving

Credit Loans and Swingline Loans shall be considered to be made pursuant to the Tranche A Borrowing Base (and such Revolving Credit Loans and Swingline Loans shall constitute Tranche A Loans) in an aggregate amount not exceeding the Tranche A Borrowing Base and (iii) until the Overadvance Borrowing Base has been permanently reduced to zero, to the extent that the aggregate amount of the Lenders' Revolving Credit Exposures exceeds the sum of the Tranche B Borrowing Base and the Tranche A Borrowing Base, any such excess Revolving Credit Loans, Swingline Loans and Letter of Credit Exposure shall be considered to be made pursuant to the Overadvance Borrowing Base (and such Revolving Credit Loans, Swingline Loans and Letters of Credit shall constitute Overadvance Loans) in an aggregate amount not exceeding the Overadvance Borrowing Base.

(c) Subject to and upon the terms and conditions herein set forth, the Swingline Lender in its individual capacity agrees, at any time and from time to time on and after the Closing Date and prior to the Swingline Maturity Date, to make a loan or loans (each a **"Swingline Loan"** and, collectively the **"Swingline Loans")** to the Borrowers in Dollars, which Swingline Loans (i) shall be ABR Loans, (ii) shall have the benefit of the provisions of Section 2.1(d), (iii) shall not exceed at any time outstanding the Swingline Commitment, (iv) shall not, after giving effect thereto and to the application of the proceeds thereof, result at any time in the aggregate amount of the Lenders' Revolving Credit Exposures at such time exceeding the Line Cap then in effect, and (v) may be repaid and reborrowed in accordance with the provisions hereof. On the Swingline Maturity Date, all Swingline Loans shall be repaid in full. Each Swingline Loan shall be made pursuant to the Tranche A Borrowing Base, the Tranche B Borrowing Base or the Overadvance Borrowing Base as provided in Section 2.1(b) and shall be subject to all the terms and conditions (including for calculating interest therein) applicable to Revolving Credit Loans made pursuant to the Tranche A Borrowing Base as Tranche A Loans, the Tranche B Borrowing Base as Tranche B Loans and the Overadvance A Borrowing Base as Overadvance Loans, as applicable, except that all payments with respect thereto shall be payable to the Swingline Lender for its own account. The Swingline Lender shall not make any Swingline Loan after receiving a written notice from the Borrower Representative, the Administrative Agent or the Required Lenders stating that a Default or Event of Default exists and is continuing until such time as the Swingline Lender shall have received written notice of (i) rescission of all such notices from the party or parties originally delivering such notice or (ii) the waiver of such Default or Event of Default in accordance with the provisions of Section 13.1.

(d) On any Business Day, the Swingline Lender may, in its sole discretion, give notice to the Administrative Agent that all then-outstanding Swingline Loans shall be funded with a Borrowing of Revolving Credit Loans in which case Revolving Credit Loans constituting ABR Loans shall be made on the immediately succeeding Business Day (each such Borrowing, a **"Mandatory Borrowing")** by each Lender pro rata based on each Lender's Revolving Credit Commitment Percentage, and the proceeds thereof shall be applied directly to the Swingline Lender to repay the Swingline Lender for such outstanding Swingline Loans. Each Lender hereby irrevocably agrees to make such Revolving Credit Loans upon one Business Day's notice pursuant to each Mandatory Borrowing in the amount and in the manner specified in the preceding sentence and on the date specified to it in writing by the Swingline Lender notwithstanding (i) that the amount of the Mandatory Borrowing may not comply with the minimum amount for each Borrowing specified in Section 2.2, (ii) whether any conditions specified in Section 7 are then satisfied, (iii) whether a Default or an Event of Default has occurred and is continuing, (iv) the date of such Mandatory Borrowing, or (v) any reduction in the Total Revolving Credit Commitment after any such Swingline Loans were made. In the event that, in the sole judgment of the Swingline Lender, any Mandatory Borrowing cannot for any reason be made on the date otherwise required above (including as a result of the commencement of a proceeding under the Bankruptcy Code in respect of any Borrower), each Lender hereby agrees that it shall forthwith purchase from the Swingline Lender (without recourse or warranty) such participation of the outstanding Swingline Loans as shall be

necessary to cause the Lenders to share in such Swingline Loans ratably based upon their respective Revolving Credit Commitment Percentages; provided that all principal and interest payable on such Swingline Loans shall be for the account of the Swingline Lender until the date the respective participation is purchased and, to the extent attributable to the purchased participation, shall be payable to such Lender purchasing same from and after such date of purchase.

(e) If the maturity date shall have occurred in respect of any tranche of Revolving Credit Commitments (the **"Expiring Credit Commitment")** at a time when another tranche or tranches of Revolving Credit Commitments is or are in effect with a longer maturity date (each a **"Non-Expiring Credit Commitment"** and collectively, the **"Non-Expiring Credit Commitments"),** then with respect to each outstanding Swingline Loan, if consented to by the Swingline Lender (such consent not to be unreasonably withheld, conditioned or delayed), on the earliest occurring maturity date such Swingline Loan shall be deemed reallocated to the tranche or tranches of the Non-Expiring Credit Commitments on a pro rata basis; *provided* that (x) to the extent that the amount of such reallocation would cause the aggregate credit exposure to exceed the aggregate amount of such Non-Expiring Credit Commitments, immediately prior to such reallocation the amount of Swing Line Loans to be reallocated equal to such excess shall be repaid or Cash Collateralized and (y) notwithstanding the foregoing, if a Default or Event of Default has occurred and is continuing, the Borrowers shall still be obligated to pay Swingline Loans allocated to the Lenders holding the Expiring Credit Commitments at the maturity date of the Expiring Credit Commitment or if the Loans have been accelerated prior to the maturity date of the Expiring Credit Commitment. Upon the maturity date of any tranche of Revolving Credit Commitments, the sublimit for Swingline Loans may be reduced as agreed between the Swingline Lender and the Borrower Representative, without the consent of any other Person.

(f) Protective Advances.

(i) The Administrative Agent shall be authorized, in its discretion, at any time that any conditions in Section 7 are not satisfied, to make ABR Loans that are Revolving Credit Loans ("Protective Advances") (1) up to an aggregate amount of $5,000,000 outstanding at any time, if the Administrative Agent deems such Loans necessary or desirable to preserve or protect Collateral, the Secured Parties' rights under the Credit Documents or which is otherwise for the benefit of the Secured Parties and/or to enhance the collectability or repayment of Obligations; or (2) to pay any other amounts chargeable to Credit Parties under any Credit Documents, including costs, fees and expenses. Each Protective Advance shall be subject to all the terms and conditions applicable to other Revolving Credit Loans and may constitute Swingline Loans. Protective Advances may be made in a principal amount that would cause the aggregate Revolving Credit Exposure of all Lenders to exceed the Line Cap, but in no event shall Protective Advances be required that would cause the aggregate Revolving Credit Exposures of all Lenders to exceed the Total Revolving Credit Commitments. Each Lender shall participate in each Protective Advance on a pro rata basis based upon its Revolving Credit Commitment Percentage. Supermajority Lenders may at any time revoke the Administrative Agent's authority to make further Protective Advances by written notice to the Administrative Agent. Absent such revocation, the Administrative Agent's determination that funding of a Protective Advance is appropriate shall be conclusive. At any time, the Administrative Agent may request the Lenders to make a Revolving Credit Loan to repay a Protective Advance on the same terms as are applicable to Swingline Loans under Section 2.1(d). At any other time, the Administrative Agent may require the Lenders to fund their risk participations described in Section 2.1(f)(ii).

(ii) Upon the making of a Protective Advance by the Administrative Agent (whether before or after the occurrence of a Default or Event of Default), each Lender shall be deemed, without further action by any party hereto, unconditionally and irrevocably to have purchased from the Administrative Agent without recourse or warranty, an undivided interest and participation in such Protective Advance in proportion to its Revolving Credit Exposure. From and after the date, if any, on which any Lender is required to fund its participation in any Protective Advance purchased hereunder, the Administrative Agent shall promptly distribute to such Lender, such Lender's Revolving Credit Exposure of all payments of principal and interest and all proceeds of Collateral (if any) received by the Administrative Agent in respect of such Protective Advance.

(iii) The making by the Administrative Agent of a Protective Advance shall not modify or abrogate any of the provisions hereof regarding the Lenders' obligations to purchase participations with respect to Letters of Credit Outstanding or Swingline Loans.

2.2 Minimum Amount of Each Borrowing; Maximum Number of Borrowings. The aggregate principal amount of each Borrowing of Revolving Credit Loans shall be in a minimum amount of at least the Minimum Borrowing Amount for such Type of Loans and in a multiple of $100,000 in excess thereof and Swingline Loans shall be in a minimum amount of $250,000 and in a multiple of $100,000 in excess thereof (except that Mandatory Borrowings shall be made in the amounts required by Section 2.1(d) and Revolving Credit Loans to reimburse the Letter of Credit Issuer with respect to any Unpaid Drawing shall be made in the amounts required by Section 3.3 or Section 3.4, as applicable). More than one Borrowing may be incurred on any date; provided that at no time shall there be outstanding more than ten Borrowings of LIBOR Loans that are Revolving Credit Loans under this Agreement.

2.3 Notice of Borrowing.

(a) [Reserved],

(b) Whenever a Borrower desires to incur Revolving Credit Loans (other than Mandatory Borrowings or borrowings to repay Unpaid Drawings), the Borrower Representative shall give the Administrative Agent at the Administrative Agent's Office, (i) prior to 1:00 p.m. (New York City Time) at least three Business Days' prior written notice of each Borrowing of Revolving Credit Loans that are LIBOR Loans and (ii) prior to 10:00 a.m. (New York City time) one Business Day prior to such Borrowing written notice of each Borrowing of Revolving Credit Loans that are ABR Loans. Each such notice (a **"Notice of Borrowing"),** except as otherwise expressly provided in Section 2.10, shall specify (w) the aggregate principal amount of the Revolving Credit Loans to be made pursuant to such Borrowing, (x) the date of Borrowing (which shall be a Business Day), (y) whether the respective Borrowing shall consist of ABR Loans or LIBOR Loans that are Revolving Credit Loans and, if LIBOR Loans that are Revolving Credit Loans, the Interest Period to be initially applicable thereto, and (z) the identity of the applicable Borrower. The Administrative Agent shall promptly give each Lender written notice of each proposed Borrowing of Revolving Credit Loans, of such Lender's Revolving Credit Commitment Percentage thereof, of the identity of the Borrower, and of the other matters covered by the related Notice of Borrowing.

(c) Whenever a Borrower desires to incur Swingline Loans hereunder, the Borrower Representative shall give the Swingline Lender written notice with a copy to the Administrative Agent of each Borrowing of Swingline Loans prior to 2:00 p.m. (New York City time) on the date of such Borrowing. Each such notice shall specify (x) the aggregate principal amount of the Swingline Loans to

be made pursuant to such Borrowing, (y) the date of Borrowing (which shall be a Business Day), and (z) the identity of the applicable Borrower.

(d) Mandatory Borrowings shall be made upon the notice specified in Section 2.1(d), with each Borrower irrevocably agreeing, by its incurrence of any Swingline Loan, to the making of Mandatory Borrowings as set forth in such Section.

(e) Borrowings to reimburse Unpaid Drawings shall be made upon the notice specified in Section 3.4(a).

(f) Without in any way limiting the obligation of the Borrower Representative to confirm in writing any notice it shall give hereunder by telephone (which such obligation is absolute), the Administrative Agent may act prior to receipt of written confirmation without liability upon the basis of such telephonic notice believed by the Administrative Agent in good faith to be from an Authorized Officer of the Borrower Representative.

2.4 Disbursement of Funds

(a) No later than 1:00 p.m. (New York City time) on the date specified in each Notice of Borrowing (including Mandatory Borrowings), each Lender shall make available its pro rata portion, if any, of each Borrowing requested to be made on such date in the manner provided below; provided that on the Closing Date, such funds may be made available at such earlier time as may be agreed among the Lenders, the Company, and the Administrative Agent for the purpose of consummating the Transactions; provided, further, that all Swingline Loans shall be made available to the Borrower in the full amount thereof by the Swingline Lender no later than 4:00 p.m. (New York City time).

(b) Each Lender shall make available all amounts it is to fund to the Borrower under any Borrowing for its applicable Commitments, and in immediately available funds, to the Administrative Agent at the Administrative Agent's Office and the Administrative Agent will (except in the case of Mandatory Borrowings and Borrowings to repay Unpaid Drawings) make available to the Borrower, by depositing to an account designated by the Borrower Representative to the Administrative Agent the aggregate of the amounts so made available in Dollars. Unless the Administrative Agent shall have been notified by any Lender prior to the date of any such Borrowing that such Lender does not intend to make available to the Administrative Agent its portion of the Borrowing or Borrowings to be made on such date, the Administrative Agent may assume that such Lender has made such amount available to the Administrative Agent on such date of Borrowing, and the Administrative Agent, in reliance upon such assumption, may (in its sole discretion and without any obligation to do so) make available to the Borrower a corresponding amount. If such corresponding amount is not in fact made available to the Administrative Agent by such Lender and the Administrative Agent has made available such amount to the Borrower, the Administrative Agent shall be entitled to recover such corresponding amount from such Lender. If such Lender does not pay such corresponding amount forthwith upon the Administrative Agent's demand therefor the Administrative Agent shall promptly notify the Borrower Representative and the Borrower shall immediately pay such corresponding amount to the Administrative Agent in Dollars. The Administrative Agent shall also be entitled to recover from such Lender or the Borrower interest on such corresponding amount in respect of each day from the date such corresponding amount was made available by the Administrative Agent to the Borrower to the date such corresponding amount is recovered by the Administrative Agent, at a rate per annum equal to (i) if paid by such Lender, the Overnight Rate or (ii) if paid by the Borrower, the then-applicable rate of interest or fees, calculated in accordance with Section 2.8, for the respective Loans.

(c) Nothing in this Section 2.4 shall be deemed to relieve any Lender from its obligation to, fulfill its commitments hereunder or to prejudice any rights that the Borrowers may have against any Lender as a result of any default by such Lender hereunder (it being understood, however, that no Lender shall be responsible for the failure of any other Lender to fulfill its commitments hereunder).

2.5 Repayment of Loans; Evidence of Debt

(a) The Borrowers shall repay to the Administrative Agent for the benefit of the Lenders, on the Revolving Credit Maturity Date, the then outstanding Revolving Credit Loans made to such Borrower in Dollars. The Borrowers shall repay to the Administrative Agent for the benefit of the Lenders, on each Extended Revolving Loan Maturity Date, the then outstanding amount of Extended Revolving Credit Loans made to the Borrowers in Dollars. The Borrowers shall repay to the Swingline Lender, on the Swingline Maturity Date, the then outstanding Swingline Loans made to the Borrowers in Dollars.

(b) [Reserved].

(c) [Reserved].

(d) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the Indebtedness of the Borrowers to the appropriate lending office of such Lender resulting from each Loan made by such lending office of such Lender from time to time, including the amounts of principal and interest payable and paid to such lending office of such Lender from time to time under this Agreement.

(e) The Administrative Agent shall maintain the Register pursuant to Section 13.6(b), and a subaccount for each Lender, in which Register and subaccounts (taken together) shall be recorded (i) the amount of each Loan made hereunder, whether such Loan is a Revolving Credit Loan or Swingline Loan, as applicable, the Type and Tranche of each Loan made, the name of the Borrower and the Interest Period, if any, applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder, and (iii) the amount of any sum received by the Administrative Agent hereunder from the Borrower and each Lender's share thereof.

(f) The entries made in the Register and accounts and subaccounts maintained pursuant to clauses (d) and (e) of this Section 2.5 shall, to the extent permitted by applicable law, be prima facie evidence of the existence and amounts of the obligations of the Borrowers therein recorded; provided, however, that the failure of any Lender, the Administrative Agent or the Swingline Lender to maintain such account, such Register or subaccount, as applicable, or any error therein, shall not in any manner affect the obligation of any Borrower to repay (with applicable interest) the Loans made to such Borrower by such Lender in accordance with the terms of this Agreement.

(g) Each Borrower hereby agrees that, upon request of any Lender at any time and from time to time after a Borrower has made an initial borrowing hereunder, the Borrowers shall provide to such Lender, at the Borrowers' own expense, a promissory note, substantially in the form of Exhibit G, evidencing the Revolving Loans and Swingline Loans, respectively, owing to such Lender. Thereafter, unless otherwise agreed to by the applicable Lender, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 13.6) be represented by one or more promissory notes in such form payable to the payee named therein (or, if requested by such payee, to such payee or its registered assigns).

2.6 Conversions and Continuations

(a) Subject to the penultimate sentence of this clause (a), (x) the Borrowers shall have the option on any Business Day to convert all or a portion equal to at least $500,000 of the outstanding principal amount of one Type of Revolving Credit Loans of one Type into a Borrowing or Borrowings of another Type and (y) the Borrowers shall have the option on any Business Day to continue the outstanding principal amount of any LIBOR Loans as LIBOR Loans for an additional Interest Period; provided that (i) no partial conversion of LIBOR Loans shall reduce the outstanding principal amount of LIBOR Loans made pursuant to a single Borrowing to less than the Minimum Borrowing Amount, (ii) ABR Loans may not be converted into LIBOR Loans if an Event of Default is in existence on the date of the conversion and the Administrative Agent has or the Required Lenders have determined in its or their sole discretion not to permit such conversion, (iii) LIBOR Loans may not be continued as LIBOR Loans for an additional Interest Period if an Event of Default is in existence on the date of the proposed continuation and the Administrative Agent has or the Required Lenders have determined in its or their sole discretion not to permit such continuation, and (iv) Borrowings resulting from conversions pursuant to this Section 2.6 shall be limited in number as provided in Section 2.2. Each such conversion or continuation shall be effected by the Borrower Representative by giving the Administrative Agent at the Administrative Agent's Office prior to 1:00 p.m. (New York City time) at least (i) three Business Days' notice, in the case of a continuation of or conversion to LIBOR Loans (other than in the case of a notice delivered on the Closing Date, which shall be deemed to be effective on the Closing Date), or (ii) one Business Day's notice in the case of a conversion into ABR Loans prior written notice (each, a **"Notice of Conversion or Continuation"** substantially in the form of Exhibit K) specifying the Loans to be so converted or continued, the Type of Loans to be converted or continued into and, if such Loans are to be converted into or continued as LIBOR Loans, the Interest Period to be initially applicable thereto. The Administrative Agent shall give each applicable Lender notice as promptly as practicable of any such proposed conversion or continuation affecting any of its Loans.

(b) If any Event of Default is in existence at the time of any proposed continuation of any LIBOR Loans denominated in Dollars and the Administrative Agent has or the Required Lenders have determined in its or their sole discretion not to permit such continuation, such LIBOR Loans shall be automatically converted on the last day of the current Interest Period into ABR Loans. If upon the expiration of any Interest Period in respect of LIBOR Loans, a Borrower has failed to elect a new Interest Period to be applicable thereto as provided in clause (a), such Borrower shall be deemed to have elected to convert such Borrowing of LIBOR Loans into a Borrowing of ABR Loans, effective as of the expiration date of such current Interest Period.

2.7 Pro Rata Borrowings. Each Borrowing of Revolving Credit Loans (other than Swingline Loans and Protective Advances) under this Agreement shall be made by the Lenders pro rata on the basis of their then-applicable Revolving Credit Commitment Percentages. Each Borrowing of Incremental Revolving Credit Loans under this Agreement shall be made by the Lenders pro rata on the basis of their then-applicable Incremental Revolving Credit Commitments. It is understood that (a) no Lender shall be responsible for any default by any other Lender in its obligation to make Loans hereunder and that each Lender severally but not jointly shall be obligated to make the Loans provided to be made by it hereunder, regardless of the failure of any other Lender to fulfill its commitments hereunder and (b) other than as expressly provided herein with respect to a Defaulting Lender, failure by a Lender to perform any of its obligations under any of the Credit Documents shall not release any Person from performance of its obligation, under any Credit Document.

2.8 Interest

(a) The unpaid principal amount of each ABR Loan shall bear interest from the date of the Borrowing thereof until maturity (whether by acceleration or otherwise) at a rate per annum that shall at all times be the Applicable Margin for ABR Loans *plus* the ABR, in each case, in effect from time to time.

(b) The unpaid principal amount of each LIBOR Loan shall bear interest from the date of the Borrowing thereof until maturity thereof (whether by acceleration or otherwise) at a rate per annum that shall at all times be the Applicable Margin for LIBOR Loans *plus* the relevant LIBOR Rate.

(c) If all or a portion of (i) the principal amount of any Loan or (ii) any interest payable thereon or any other amount payable hereunder shall not be paid when due (whether at the stated maturity, by acceleration or otherwise but after giving effect to any grace period set forth herein), such overdue amount shall bear interest at a rate per annum that is (the **"Default Rate")** (x) in the case of overdue principal, the rate that would otherwise be applicable thereto *plus* 2.00% or (y) in the case of any other overdue amount, including overdue interest, to the extent permitted by applicable law, the rate described in Section 2.8(a) *plus* 2.00% from the date of such non-payment to the date on which such amount is paid in full (after as well as before judgment).

(d) Interest on each Loan shall accrue from and including the date of any Borrowing to but excluding the date of any repayment thereof; provided that any Loan that is repaid on the same date on which it is made shall bear interest for one day. Except as provided below, interest shall be payable (i) in respect of each ABR Loan, quarterly in arrears on the last Business Day of each March, June, September and December, (ii) in respect of each LIBOR Loan, on the last day of each Interest Period applicable thereto and, in the case of an Interest Period in excess of three months, on each date occurring at three-month intervals after the first day of such Interest Period, and (iii) in respect of each Loan, (A) on any prepayment in respect of LIBOR Loans, (B) at maturity (whether by acceleration or otherwise), and (C) after such maturity, on demand.

(e) All computations of interest hereunder shall be made in accordance with Section 5.5.

(f) The Administrative Agent, upon determining the interest rate for any Borrowing of LIBOR Loans, shall promptly notify the Borrower Representative and the relevant Lenders thereof. Each such determination shall, absent clearly demonstrable error, be final and conclusive and binding on all parties hereto.

2.9 Interest Periods. At the time the Borrower Representative gives a Notice of Borrowing or Notice of Conversion or Continuation in respect of the making of, or conversion into or continuation as, a Borrowing of LIBOR Loans in accordance with Section 2.6(a), the Borrower Representative shall give the Administrative Agent written notice of the Interest Period applicable to such Borrowing, which Interest Period shall, at the option of the Borrower Representative be a one, two, three or six month period (or if available to all the Lenders making such LIBOR Loans as determined by such Lenders in good faith based on prevailing market conditions, a twelve month or shorter period).

Notwithstanding anything to the contrary contained above:

(a) the initial Interest Period for any Borrowing of LIBOR Loans shall commence on the date of such Borrowing (including the date of any conversion from a Borrowing of ABR Loans) and each

Interest Period occurring thereafter in respect of such Borrowing shall commence on the day on which the next preceding Interest Period expires;

(b) if any Interest Period relating to a Borrowing of LIBOR Loans begins on the last Business Day of a calendar month or begins on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period, such Interest Period shall end on the last Business Day of the calendar month at the end of such Interest Period;

(c) if any Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day; provided that if any Interest Period in respect of a LIBOR Loan would otherwise expire on a day that is not a Business Day but is a day of the month after which no further Business Day occurs in such month, such Interest Period shall expire on the immediately preceding Business Day; and

(d) the Borrowers shall not be entitled to elect any Interest Period in respect of any LIBOR Loan if such Interest Period would extend beyond the Maturity Date of such Loan.

2.10 Increased Costs, Illegality, Etc.

(a) In the event that (x) in the case of clause (i) below, the Administrative Agent and (y) in the case of clauses (ii) and (iii) below, the Required Lenders shall have reasonably determined (which determination shall, absent clearly demonstrable error, be final and conclusive and binding upon all parties hereto):

(i) on any date for determining the LIBOR Rate for any Interest Period that (x) deposits in the principal amounts and currencies of the Loans comprising such LIBOR Borrowing are not generally available in the relevant market or (y) by reason of any changes arising on or after the Closing Date affecting the interbank LIBOR market, adequate and fair means do not exist for ascertaining the applicable interest rate on the basis provided for in the definition of LIBOR Rate; or

(ii) at any time, that such Lenders shall incur increased costs or reductions in the amounts received or receivable hereunder with respect to any LIBOR Loans (including any increased costs or reductions attributable to Taxes, other than any increase or reduction attributable to Taxes described in clauses (i) or (ii) of paragraph (d) of this Section 2.10) because of any Change in Law; or

(iii) at any time, that the making or continuance of any LIBOR Loan has become unlawful by compliance by such Lenders in good faith with any law, governmental rule, regulation, guideline or order (or would conflict with any such governmental rule, regulation, guideline or order not having the force of law even though the failure to comply therewith would not be unlawful), or has become impracticable as a result of a contingency occurring after the Closing Date that materially and adversely affects the interbank LIBOR market;

(such Loans, **"Impacted Loans"),** then, and in any such event, such Required Lenders (or the Administrative Agent, in the case of clause (i) above) shall within a reasonable time thereafter give notice (if by telephone, confirmed in writing) to the Borrower Representative, and to the Administrative Agent of such determination (which notice the Administrative Agent shall promptly transmit to each of the other Lenders). Thereafter (x) in the case of clause (i) above, LIBOR Loans shall no longer be available until such time as the Administrative Agent notifies the Borrower Representative and the Lenders that the

circumstances giving rise to such notice by the Administrative Agent no longer exist (which notice the Administrative Agent agrees to give at such time when such circumstances no longer exist), and any Notice of Borrowing or Notice of Conversion given by the Borrower Representative with respect to LIBOR Loans that have not yet been incurred shall be deemed rescinded by the Borrower Representative, (y) in the case of clause (ii) above, the Borrower shall pay to such Lenders, promptly after receipt of written demand therefor such additional amounts (in the form of an increased rate of, or a different method of calculating, interest or otherwise as such Required Lenders in their reasonable discretion shall determine) as shall be required to compensate such Lenders for such actual increased costs or reductions in amounts receivable hereunder (it being agreed that a written notice as to the additional amounts owed to such Lenders, showing in reasonable detail the basis for the calculation thereof, submitted to the Borrower Representative by such Lenders shall, absent clearly demonstrable error, be final and conclusive and binding upon all parties hereto), and (z) in the case of subclause (iii) above, the Borrower Representative shall take one of the actions specified in subclause (x) or (y), as applicable, of Section 2.10(b) promptly and, in any event, within the time period required by law.

Notwithstanding the foregoing, if the Administrative Agent has made the determination described in Section 2.10(a)(i)(x), the Administrative Agent, in consultation with the Borrower Representative and the affected Lenders, may establish an alternative interest rate for the Impacted Loans, in which case, such alternative rate of interest shall apply with respect to the Impacted Loans until (1) the Administrative Agent revokes the notice delivered with respect to the Impacted Loans under clause (x) of the first sentence of the immediately preceding paragraph, (2) the Administrative Agent or the affected Lenders notify the Administrative Agent and the Borrower Representative that such alternative interest rate does not adequately and fairly reflect the cost to such Lenders of funding the Impacted Loans, or (3) any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for such Lender or its applicable Lending Office to make, maintain or fund Loans whose interest is determined by reference to such alternative rate of interest or to determine or charge interest rates based upon such rate or any Governmental Authority has imposed material restrictions on the authority of such Lender to do any of the foregoing and provides the Administrative Agent and the Borrower Representative written notice thereof.

(b) At any time that any LIBOR Loan is affected by the circumstances described in Section 2.10(a)(ii) or (iii), the Borrower Representative may (and in the case of a LIBOR Loan affected pursuant to Section 2.10(a)(iii) shall) either (x) if a Notice of Borrowing or Notice of Conversion or Continuation with respect to the affected LIBOR Loan has been submitted pursuant to Section 2.3 but the affected LIBOR Loan has not been funded or continued, cancel such requested Borrowing by giving the Administrative Agent written notice thereof on the same date that the Borrower Representative was notified by Lenders pursuant to Section 2.10(a)(ii) or (iii) or (y) if the affected LIBOR Loan is then outstanding, upon at least three Business Days' notice to the Administrative Agent, require the affected Lender to convert each such LIBOR Loan into an ABR Loan; provided that if more than one Lender is affected at any time, then all affected Lenders must be treated in the same manner pursuant to this Section 2.10(b).

(c) If, after the Closing Date, any Change in Law relating to capital adequacy or liquidity of any Lender or compliance by any Lender or its parent with any Change in Law relating to capital adequacy or liquidity occurring after the Closing Date, has or would have the effect of reducing the actual rate of return on such Lender's or its parent's or its Affiliate's capital or assets as a consequence of such Lender's commitments or obligations hereunder to a level below that which such Lender or its parent or its Affiliate could have achieved but for such Change in Law (taking into consideration such Lender's or its parent's policies with respect to capital adequacy or liquidity), then from time to time, promptly after

demand by such Lender (with a copy to the Administrative Agent), the Borrower shall pay to such Lender such actual additional amount or amounts as will compensate such Lender or its parent for such actual reduction, it being understood and agreed, however, that a Lender shall not be entitled to such compensation as a result of such Lender's compliance with, or pursuant to any request or directive to comply with, any law, rule or regulation as in effect on the Closing Date or to the extent such Lender is not imposing such charges on, or requesting such compensation from, borrowers (similarly situated to the Borrowers hereunder) under comparable syndicated credit facilities similar to the Credit Facilities. Each Lender, upon determining in good faith that any additional amounts will be payable pursuant to this Section 2.10(c), will give prompt written notice thereof to the Borrower Representative, which notice shall set forth in reasonable detail the basis of the calculation of such additional amounts, although the failure to give any such notice shall not, subject to Section 2.13, release or diminish the Borrowers' obligations to pay additional amounts pursuant to this Section 2.10(c) promptly following receipt of such notice.

(d) It is understood that this Section 2.10 shall not apply to (i) Taxes indemnifiable under Section 5.4 or (ii) Excluded Taxes.

2.11 Compensation. If (a) any payment of principal of any LIBOR Loan is made by a Borrower to or for the account of a Lender other than on the last day of the Interest Period for such LIBOR Loan as a result of a payment or conversion pursuant to Sections 2.5, 2.6, 2.10, 5.1, 5.2 or 13.7, as a result of acceleration of the maturity of the Loans pursuant to Section 11 or for any other reason, (b) any Borrowing of LIBOR Loans is not made as a result of a withdrawn Notice of Borrowing or a failure to satisfy borrowing conditions, (c) any ABR Loan is not converted into a LIBOR Loan as a result of a withdrawn Notice of Conversion or Continuation, (d) any LIBOR Loan is not continued as a LIBOR Loan, as the case may be, as a result of a withdrawn Notice of Conversion or Continuation or (e) any prepayment of principal of any LIBOR Loan is not made as a result of a withdrawn notice of prepayment pursuant to Sections 5.1 or 5.2, the Borrower shall, after receipt of a written request by such Lender (which request shall set forth in reasonable detail the basis for requesting such amount), promptly pay to the Administrative Agent for the account of such Lender any amounts required to compensate such Lender for any additional losses, costs or expenses that such Lender may reasonably incur as a result of such payment, failure to convert, failure to continue or failure to prepay, including any loss, cost or expense (excluding loss of anticipated profits) actually incurred by reason of the liquidation or reemployment of deposits or other funds acquired by any Lender to fund or maintain such LIBOR Loan. A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender as specified in this Section 2.11 and setting forth in reasonable detail the manner in which such amount or amounts were determined shall be delivered to the Borrower Representative and shall be conclusive, absent manifest error.

2.12 Change of Lending Office. Each Lender agrees that, upon the occurrence of any event giving rise to the operation of Sections 2.10(a)(ii), 2.10(a)(iii), 2.10(b), 3.5 or 5.4 with respect to such Lender, it will, if requested by the Borrower Representative use reasonable efforts (subject to overall policy considerations of such Lender) to designate another lending office for any Loans affected by such event; provided that such designation is made on such terms that such Lender and its lending office suffer no unreimbursed cost or other material economic, legal or regulatory disadvantage, with the object of avoiding the consequence of the event giving rise to the operation of any such Section. Nothing in this Section 2.12 shall affect or postpone any of the obligations of the Borrower or the right of any Lender provided in Sections 2.10, 3.5 or 5.4.

2.13 Notice of Certain Costs. Notwithstanding anything in this Agreement to the contrary, to the extent any notice required by Sections 2.10, 2.11, 3.5 or 5.4 is given by any Lender more than 120

days after such Lender has knowledge (or should have had knowledge) of the occurrence of the event giving rise to the additional cost, reduction in amounts, loss, or other additional amounts described in such Sections, such Lender shall not be entitled to compensation under Sections 2.10, 2.11, 3.5 or 5.4, as the case may be, for any such amounts incurred or accruing prior to the 121st day prior to the giving of such notice to the Borrower Representative.

2.14 Incremental Facilities.

(a) The Borrower Representative may by written notice to Administrative Agent elect to request the establishment of one or more increases in Revolving Credit Commitments (the **"Incremental Revolving Credit Commitments"),** by an aggregate amount not in excess of the Maximum Incremental Facilities Amount in the aggregate and not less than $5,000,000 individually (or such lesser amount as (x) may be approved by the Administrative Agent or (y) shall constitute the difference between the Maximum Incremental Facilities Amount and all such Incremental Revolving Credit Commitments obtained on or prior to such date). Each such notice shall specify the date (each, an **"Increased Amount Date")** on which the Borrower Representative proposes that the Incremental Revolving Credit Commitments shall be effective. The Borrower Representative may approach any Lender or any Person (other than a natural Person) to provide all or a portion of the Incremental Revolving Credit Commitments; provided that any Lender offered or approached to provide all or a portion of the Incremental Revolving Credit Commitments may elect or decline, in its sole discretion, to provide a Incremental Revolving Credit Commitment. If the existing Lenders are unwilling to increase their applicable commitments by an amount equal to the requested increase, the Administrative Agent, at the request of and in consultation with Borrower Representative, will use its commercially reasonable efforts to obtain one or more financial institutions which are not then Lenders (which financial institution may be suggested by Borrower) to become party to the Credit Documents and to provide a commitment to the extent necessary to satisfy Borrower Representative's requested increase in the Incremental Revolving Credit Commitments, as the case may be; provided, however, (a) compensation for any such assistance by the Administrative Agent shall be mutually agreed by the Administrative Agent and Borrower Representative, (b) such assistance shall be subject to the execution of a customary engagement letter and (c) Administrative Agent shall have no obligation to provide any such New Loan Commitment. In each case, such Incremental Revolving Credit Commitments shall become effective as of the applicable Increased Amount Date; provided that (i) the Overadvance Borrowing Base has been permanently reduced to $0 and no Event of Default shall exist on such Increased Amount Date before or after giving effect to such Incremental Revolving Credit Commitments, as applicable, (ii) the Incremental Revolving Credit Commitments shall be effected pursuant to one or more Joinder Agreements executed and delivered by the Borrower Representative and Administrative Agent, and each of which shall be recorded in the Register and shall be subject to the requirements set forth in Section 5.4(e), and (iii) the Borrowers shall make any payments required pursuant to Section 2.11 in connection with the Incremental Revolving Credit Commitments, as applicable. No Lender shall have any obligation to provide any Commitments pursuant to this Section 2.14(a).

(b) On any Increased Amount Date on which Incremental Revolving Credit Commitments are effected, subject to the satisfaction of the foregoing terms and conditions, (i) each Incremental Revolving Commitment shall be deemed for all purposes of this Agreement to be a Revolving Credit Commitment, (ii) each Loan made under an Incremental Revolving Credit Commitment (an **"Incremental Revolving Credit Loan")** shall be deemed, for all purposes, a Revolving Credit Loan and (iii) each Lender with an Incremental Revolving Credit Commitment (each an **"Incremental Revolving Loan Lender")** shall become a Lender with respect to the Incremental Revolving Credit Commitment and all matters relating thereto; *provided* that the Administrative Agent shall have consented (not to be

unreasonably withheld or delayed) to such Incremental Revolving Loan Lender's providing such Incremental Revolving Credit Commitment to the extent such consent, if any, would be required under Section 13.6(b) for an assignment of Incremental Revolving Loans or Incremental Revolving Credit Commitments, as applicable, to such Incremental Revolving Loan Lender.

(c) On any Increased Amount Date, each Lender immediately prior to such increase will automatically and without further act be deemed to have assigned to each Incremental Revolving Loan Lender in respect of such increase, and each such Incremental Revolving Loan Lender will automatically and without further act be deemed to have assumed, a portion of such Lender's participations hereunder in outstanding Letters of Credit, after giving effect to each such deemed assignment and assumption of participations, the percentage of the aggregate outstanding participations hereunder in such Letters of Credit held by each Revolving Loan Lender (including each such Incremental Revolving Loan Lender), as applicable, will equal the percentage of the aggregate Total Revolving Credit Commitments of all Lenders under the Credit Facilities. Additionally, if any Revolving Credit Loans are outstanding under the Credit Facilities at the time any Incremental Revolving Commitments are established, the applicable Lenders immediately after effectiveness of such Incremental Revolving Credit Commitments shall purchase and assign at par such amounts of the Revolving Credit Loans outstanding under the Credit Facilities at such time as the Administrative Agent may require such that all of the Lenders effectively participate in each of the outstanding Revolving Credit Loans on a pro rata basis of their Revolving Credit Commitment Percentages immediately after giving effect to all such assignments. The Administrative Agent and the Lenders hereby agree that the minimum borrowing, pro rata borrowing and pro rata payment requirements contained elsewhere in this Agreement shall not apply to the transactions effected pursuant to the immediately preceding sentence.

(d) [Reserved],

(e) Incremental Revolving Credit Commitments and Incremental Revolving Credit Loans shall be identical to the Initial Revolving Credit Commitments and the related Revolving Credit Loans; provided, that underwriting, arrangement, upfront or similar fees that may be agreed to among the Borrower Representative and the Lenders providing and/or arranging such Incremental Revolving Credit Commitments may be paid in connection with such Incremental Revolving Credit Commitments.

(f) Each Joinder Agreement may, without the consent of any other Lenders, effect technical and corresponding amendments to this Agreement and the other Credit Documents as may be necessary or appropriate, in the opinion of the Administrative Agent, to effect the provision of this Section 2.14.

(g) (i) [Reserved],

(ii) The Borrower Representative may at any time and from time to time request that all or a portion of the Revolving Credit Commitments of any Class, any Extended Revolving Credit Commitments and/or any Incremental Revolving Credit Commitments, each existing at the time of such request (each, an **"Existing Revolving Credit Commitment"** and any related revolving credit loans thereunder, **"Existing Revolving Credit Loans";** each Existing Revolving Credit Commitment and related Existing Revolving Credit Loans together being referred to as an **"Existing Revolving Credit Class")** be converted to extend the termination date thereof and the scheduled maturity date(s) of any payment of principal with respect to all or a portion of any principal amount of Loans related to such Existing Revolving Credit Commitments (any such Existing Revolving Credit Commitments which have been so extended, **"Extended Revolving Credit Commitments"** and any related Loans, **"Extended Revolving Credit Loans")** and to provide for other terms consistent with this Section 2.14(g). In order to establish any Extended

Revolving Credit Commitments, the Borrower Representative shall provide a notice to the Administrative Agent (who shall provide a copy of such notice to each of the Lenders of the applicable Class of Existing Revolving Credit Commitments which such request shall be offered equally to all such Lenders) setting forth the proposed terms of the Extended Revolving Credit Commitments to be established, which shall be identical to the terms of the applicable Tranche of Existing Revolving Credit Commitments (the **"Specified Existing Revolving Credit Commitment")** unless (x) the Lenders providing existing Revolving Credit Loans receive the benefit of such more favorable terms applicable before the Revolving Credit Termination Date or (y) any such provisions apply after the Revolving Credit Termination Date, in each case, to the extent provided in the applicable Extension Amendment; provided, however, that (w) all or any of the final maturity dates of such Extended Revolving Credit Commitments may be delayed to later dates than the final maturity dates of the Specified Existing Revolving Credit Commitments, (x) (A) the interest margins with respect to the Extended Revolving Credit Commitments may be higher or lower than the interest margins for the Specified Existing Revolving Credit Commitments and/or (B) additional fees and premiums may be payable to the Lenders providing such Extended Revolving Credit Commitments in addition to or in lieu of any increased margins contemplated by the preceding clause (A) and (y) the revolving credit commitment fee rate with respect to the Extended Revolving Credit Commitments may be higher or lower than the Revolving Credit Commitment Fee Rate for the Specified Existing Revolving Credit Commitment; provided that, notwithstanding anything to the contrary in this Section 2.14(g) or otherwise, (1) the borrowing and repayment (other than (I) in connection with a permanent repayment and termination of commitments or (II) payments of interest and fees in different rates on Extended Revolving Credit Commitments) of Loans with respect to any Original Revolving Credit Commitments shall be made on a pro rata basis with all other Original Revolving Credit Commitments and (2) assignments and participations of Extended Revolving Credit Commitments and Extended Revolving Credit Loans shall be governed by the same assignment and participation provisions applicable to Revolving Credit Commitments and the Revolving Credit Loans related to such Commitments set forth in Section 13.6. No Lender shall have any obligation to agree to have any of its Revolving Credit Loans or Revolving Credit Commitments of any Existing Revolving Credit Class converted into Extended Revolving Credit Loans or Extended Revolving Credit Commitments pursuant to any Extension Request. Any Extended Revolving Credit Commitments of any Extension Series shall constitute a separate Class of revolving credit commitments from the Specified Existing Revolving Credit Commitments and from any other Existing Revolving Credit Commitments (together with any other Extended Revolving Credit Commitments so established on such date).

(iii) Any Lender (an **"Extending Lender")** wishing to have all or a portion of its Revolving Credit Commitments or Extended Revolving Credit Commitment of the Existing Class or Existing Classes subject to such Extension Request converted into Extended Revolving Credit Commitments shall notify the Administrative Agent (an **"Extension Election")** on or prior to the date specified in such Extension Request of the amount of its Revolving Credit Commitments or Extended Revolving Credit Commitment of the Existing Class or Existing Classes subject to such Extension Request that it has elected to convert into Extended Revolving Credit Commitments. In the event that the aggregate amount of Revolving Credit Commitments or Extended Revolving Credit Commitment of the Existing Class or Existing Classes subject to Extension Elections exceeds the amount of Extended Revolving Credit Commitments requested pursuant to the Extension Request, Revolving Credit Commitments or Extended Revolving Credit Commitments of the Existing Class or Existing Classes subject to Extension Elections shall be converted to Extended Revolving Credit Commitments on a pro rata basis based on the amount of Revolving

Credit Commitments or Extended Revolving Credit Commitment included in each such Extension Election. Notwithstanding the conversion of any Existing Revolving Credit Commitment into an Extended Revolving Credit Commitment, such Extended Revolving Credit Commitment shall be treated identically to all other Original Revolving Credit Commitments for purposes of the obligations of a Lender in respect of Swingline Loans under Section 2.1(c), Protective Advances pursuant to Section 2.1(f) and Letters of Credit under Section 3, except that the applicable Extension Amendment may provide that the Swingline Maturity Date and/or the L/C Facility Maturity Date may be extended and the related obligations to make Swingline Loans and issue Letters of Credit may be continued so long as the Swingline Lender and/or the Letter of Credit Issuer, as applicable, have consented to such extensions in their sole discretion (it being understood that no consent of any other Lender shall be required in connection with any such extension).

(iv) [Reserved],

(v) Extended Revolving Credit Commitments shall be established pursuant to an amendment (an **"Extension Amendment")** to this Agreement (which, except to the extent expressly contemplated by the penultimate sentence of this Section 2.14(g)(iv) and notwithstanding anything to the contrary set forth in Section 13.1, shall not require the consent of any Lender other than the Extending Lenders and New Commitment Lenders with respect to the Extended Revolving Credit Commitments established thereby) executed by the Credit Parties, the Administrative Agent and the Extending Lenders or New Commitment Lenders, as applicable. No Extension Amendment shall provide for any tranche of Extended Revolving Credit Commitments in an aggregate principal amount that is less than $5,000,000. In addition to any terms and changes required or permitted by Section 2.14(g)(i), each Extension Amendment may, but shall not be required to, impose additional requirements (not inconsistent with the provisions of this Agreement in effect at such time) with respect to the final maturity of Incremental Revolving Credit Commitments incurred following the date of such Extension Amendment. Notwithstanding anything to the contrary in this Section 2.14(g) and without limiting the generality or applicability of Section 13.1 to any Section 2.14 Additional Amendments, any Extension Amendment may provide for additional terms and/or additional amendments other than those referred to or contemplated above (any such additional amendment, a **"Section 2.14 Additional Amendment")** to this Agreement and the other Credit Documents; provided that such Section 2.14 Additional Amendments are within the requirements of Section 2.14(g)(i) and do not become effective prior to the time that such Section 2.14 Additional Amendments have been consented to by such of the Lenders, Credit Parties and other parties (if any) as may be required in order for such Section 2.14 Additional Amendments to become effective in accordance with Section 13.1.

(vi) Notwithstanding anything to the contrary contained in this Agreement, (A) on any date on which any Existing Class is converted to extend the related scheduled maturity date(s) in accordance with clauses (i) and/or (ii) above (an **"Extension Date"),** in the case of the Specified Existing Revolving Credit Commitments of each Extending Lender, except to the extent of New Commitments by New Commitment Lenders, the aggregate principal amount of such Specified Existing Revolving Credit Commitments shall be deemed reduced by an amount equal to the aggregate principal amount of Extended Revolving Credit Commitments so converted by such Lender on such date, and such Extended Revolving Credit Commitments (including any New Commitments established in connection therewith) shall be established as a separate Class of revolving credit commitments from the Specified Existing Revolving Credit Commitments and from any other Existing Revolving Credit Commitments (together with any other Extended

Revolving Credit Commitments so established on such date) and (B) if, on any Extension Date, any Loans of any Extending Lender are outstanding under the applicable Specified Existing Revolving Credit Commitments, such Loans (and any related participations) shall be deemed to be allocated as Extended Revolving Credit Loans (and related participations) and Existing Revolving Credit Loans (and related participations) in the same proportion as such Extending Lender's Specified Existing Revolving Credit Commitments to Extended Revolving Credit Commitments.

(vii) The Administrative Agent and the Lenders (other than the Swingline Lender to the extent such consent is expressly required by this Section 2.14) hereby consent to the consummation of the transactions contemplated by this Section 2.14 (including, for the avoidance of doubt, payment of any interest, fees, or premium in respect of any Extended Revolving Commitments on such terms as may be set forth in the relevant Extension Amendment) and hereby waive the requirements of any provision of this Agreement (including, without limitation, any pro rata payment or amendment section) or any other Credit Document that may otherwise prohibit or restrict any such extension or any other transaction contemplated by this Section 2.14.

(viii) No conversion of Loans pursuant to any Extension in accordance with this Section 2.14(g) shall constitute a voluntary or mandatory payment or prepayment for purposes of this Agreement.

2.15 [Reserved].

2.16 Defaulting Lenders.

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of Required Lenders and Section 13.1.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Section 11 or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 13.8 shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first,* to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; *second,* to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to the Letter of Credit Issuer, Swingline Lender or the Administrative Agent (in respect of Protective Advances) hereunder; *third,* to Cash Collateralize the Letter of Credit Issuer's Fronting Exposure with respect to such Defaulting Lender in accordance with Section 3.8; *fourth,* as the Borrower Representative may request (so long as no Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *fifth,* if so determined by the Administrative Agent and the Borrower Representative, to be held in a deposit account and released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (y) Cash Collateralize the Letter of Credit Issuer's future Fronting Exposure with respect to such Defaulting Lender with respect to

future Letters of Credit issued under this Agreement, in accordance with Section 3.8; *sixth,* to the payment of any amounts owing to the Borrowers, the Lenders, the Administrative Agent, the Letter of Credit Issuer or Swingline Lender as a result of any judgment of a court of competent jurisdiction obtained by any Borrower, any Lender, the Administrative Agent, the Letter of Credit Issuer or the Swingline Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *seventh,* to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction: provided that if (x) such payment is a payment of the principal amount of any Loans or L/C Borrowings in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 7 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and L/C Obligations owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Obligations owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in L/C Obligations and Swingline Loans are held by the Lenders pro rata in accordance with the Commitments hereunder without giving effect to Section 2.16(a)(iv). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section 2.16(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees; Default Interest.

(A) No Defaulting Lender shall be entitled to receive any fee payable under Section 4 or any interest at the Default Rate payable under Section 2.8(c) for any period during which that Lender is a Defaulting Lender (and the Borrowers shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(B) Each Defaulting Lender shall be entitled to receive Letter of Credit Fees for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Applicable Percentage of the stated amount of Letters of Credit for which it has provided Cash Collateral pursuant to Section 3.8.

(C) With respect to any Letter of Credit Fee not required to be paid to any Defaulting Lender pursuant to clause (A) or ill} above, the Borrowers shall (x) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in L/C Obligations that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below, (y) pay to the Letter of Credit Issuer the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to such Letter of Credit's Fronting Exposure to such Defaulting Lender, and (z) not be required to pay the remaining amount of any such fee.

(iv) Reallocation of Applicable Percentages to Reduce Fronting Exposure. All or any part of such Defaulting Lender's participation in L/C Obligations and Swingline Loans shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Revolving

Credit Commitment Percentages (calculated without regard to such Defaulting Lender's Commitment) but only to the extent that such reallocation does not cause the aggregate Revolving Credit Exposure of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Commitment. No reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(v) Cash Collateral, Repayment of Swing Line Loans. If the reallocation described in clause (a)(iv) above cannot, or can only partially, be effected, the Borrowers shall, without prejudice to any right or remedy available to them hereunder or under applicable law, (x) *first,* prepay Swingline Loans in an amount equal to the Swingline Lenders' Fronting Exposure and (y) *second,* Cash Collateralize the Letter of Credit Issuers' Fronting Exposure in accordance with the procedures set forth in Section 3.8.

(b) Defaulting Lender Cure. If the Borrower Representative, the Administrative Agent, the Swingline Lender, and the Letter of Credit Issuer agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Revolving Credit Loans and funded and unfunded participations in Letters of Credit and Swingline Loans to be held on a pro rata basis by the Lenders in accordance with their Revolving Credit Commitment Percentages (without giving effect to Section 2.16(a)(iv)), whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrowers while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

2.17 Designation of Subsidiary Borrowers. After the Closing Date, the Borrower Representative may, at any time and from time to time, designate any Domestic Subsidiary that is a Wholly-Owned Restricted Subsidiary as a Subsidiary Borrower by delivery to the Administrative Agent of a Borrower Subsidiary Agreement executed by such Subsidiary and the Borrower Representative and the satisfaction of the other conditions precedent set forth in Section 13.24, and upon such delivery and satisfaction or such conditions precedent, such Subsidiary shall for all purposes of this Agreement and the other Credit Documents be a Subsidiary Borrower and a party to this Agreement. As soon as practicable upon receipt of a Borrowing Subsidiary Agreement, the Administrative Agent shall furnish a copy thereof to each Lender. Notwithstanding anything in this Agreement to the contrary, the Total Revolving Credit Commitments shall not be increased and no Revolving Credit Commitment of any Lender shall be increased without such Lender's prior written consent.

2.18 Borrower Representative. Each Subsidiary Borrower hereby designates the Company as its representative and agent (in such capacity, the **"Borrower Representative")** for all purposes under the Credit Documents, including requests for Loans and Letters of Credit, designation of interest rates, delivery or receipt of communications, preparation and delivery of financial reports, requests for waivers, amendments or other accommodations, actions under the Credit Documents (including in respect of compliance with covenants), and all other dealings with the applicable Administrative Agent, the Letter of Credit Issuer, the Swingline Lender or any Lender. The Company hereby accepts such appointment as

Borrower Representative. The Administrative Agent, the Letter of Credit Issuer, the Swingline Lender and the Lenders shall be entitled to rely upon, and shall be fully protected in relying upon, any notice or communication (including any notice of borrowing) delivered by Borrower Representative on behalf of any Borrower. The Administrative Agent, the Letter of Credit Issuer, the Swingline Lender and the Lenders may give any notice or communication with a Borrower hereunder to the Borrower Representative on behalf of such Borrower. Each of the Administrative Agent, Letter of Credit Issuer, the Swingline Lender and the Lenders shall have the right, in its discretion, to deal exclusively with the Borrower Representative for any or all purposes under the Credit Documents. Each Borrower agrees that any notice, election, communication, representation, agreement or undertaking made on its behalf by the Borrower Representative shall be binding upon and enforceable against it. Anything contained herein to the contrary notwithstanding, no Borrower (other than the Borrower Representative) shall be authorized to request any Borrowing or Letter of Credit hereunder without the prior written consent of the Company.

2.19 Borrowing Base Reserves; Changes to Borrowing Base Reserves.

(a) The initial Borrowing Base Reserves as of the Closing Date are those set forth in the Borrowing Base Certificate delivered to the Administrative Agent on the Closing Date.

(b) The Administrative Agent may hereafter establish additional Borrowing Base Reserves or change any of the Borrowing Base Reserves in effect on the Closing Date, in the exercise of its Credit Judgment; provided that such Borrowing Base Reserves shall not be established or changed except upon not less than five (5) days written notice to the Borrower Representative (during which period the Administrative Agent shall be available to discuss any such proposed Borrowing Base Reserve with the Borrowers); provided further that no such prior notice shall be required (1) if a Specified Default has occurred and is continuing, (1) changes to any Borrowing Base Reserves resulting solely by virtue of mathematical calculations of the amount of the Borrowing Base Reserve in accordance with the methodology of calculation previously utilized, or (2) changes to Borrowing Base Reserves or the establishment of additional Borrowing Base Reserves if it would be reasonably likely that a Material Adverse Effect under clause (b)(ii) of the definition thereof would occur were such Borrowing Base Reserves not changed or established prior to the expiration of such five (5) day period. Upon delivery of a notice described above, the Credit Parties may take such action as may be required so that the event, condition, circumstance or new fact that is the basis for such Borrowing Base Reserve or increase no longer exists, in a manner and to the extent reasonably satisfactory to the Administrative Agent.

(c) The amount of any Borrowing Base Reserve established by the Administrative Agent shall have a reasonable relationship as determined by the Administrative Agent in its Credit Judgment to the event, condition or other matter that is the basis for such Borrowing Base Reserve. Notwithstanding anything herein to the contrary, (i) a Borrowing Base Reserve shall not be established to the extent it is duplicative of any specific item excluded as ineligible in the definitions of Eligible Credit Card Receivables, Eligible In-Transit Inventory and Eligible Inventory, but the Administrative Agent shall retain the right, subject to the requirements of this clause (c), to establish a Borrowing Base Reserve with respect to prospective changes in Eligible Credit Card Receivables, Eligible In-Transit Inventory or Eligible Inventory that may reasonably be anticipated and (ii) circumstances, conditions, events or contingencies existing or arising prior to the Closing Date of which the Administrative Agent had actual knowledge prior to the Closing Date shall not be the basis for the establishment of Borrowing Base Reserves unless the Administrative Agent establishes such Borrowing Base Reserves on the Closing Date (subject to the notice requirements of the above clause (b)) or such circumstances, conditions, events or contingencies shall have changed in a manner materially adverse to the Administrative Agent and the Lenders since the Closing Date.

Section 3. Letters of Credit.

3.1 Letters of Credit.

(a) Subject to and upon the terms and conditions herein set forth, at any time and from time to time after the Closing Date and prior to the L/C Facility Maturity Date, the Letter of Credit Issuer agrees, in reliance upon the agreements of the Lenders set forth in this Section 3, to issue from time to time from the Closing Date through the L/C Facility Maturity Date for the account of the Borrowers (or, so long as the Borrowers are the primary obligors, for the account of Holdings or any Restricted Subsidiary (other than the Borrowers)) letters of credit or bank guarantees (the **"Letters of Credit"** and each, a **"Letter of Credit")** in such form as may be approved by the Letter of Credit Issuer in its reasonable discretion.

(b) Notwithstanding the foregoing, (i) no Letter of Credit shall be issued the Stated Amount of which, when added to the Letters of Credit Outstanding at such time, would exceed the Line Cap then in effect; (ii) no Letter of Credit shall be issued the Stated Amount of which would cause the aggregate amount of the Lenders' Revolving Credit Exposures at the time of the issuance thereof to exceed the Line Cap then in effect; (iii) unless otherwise agreed to by the Issuing Lender and the Administrative Agent, each Letter of Credit shall have an expiration date occurring no later than one year after the date of issuance thereof (except with respect to trade Letters of Credit, which may have an expiration date occurring no later than 180 days after the date of issuance thereof, or as set forth in Section 3.2(d)), provided that in no event shall such expiration date occur later than the L/C Facility Maturity Date, in each case, unless otherwise agreed upon by the Administrative Agent, the Letter of Credit Issuer and, unless such Letter of Credit has been Cash Collateralized, the Lenders; (iv) the Letter of Credit shall be denominated in Dollars; (v) no Letter of Credit shall be issued if it would be illegal under any applicable law for the beneficiary of the Letter of Credit to have a Letter of Credit issued in its favor; and (vi) no Letter of Credit shall be issued by the Letter of Credit Issuer after it has received a written notice from any Credit Party or the Administrative Agent or the Required Lenders stating that a Default or Event of Default has occurred and is continuing until such time as the Letter of Credit Issuer shall have received a written notice of (x) rescission of such notice from the party or parties originally delivering such notice or (y) the waiver of such Default or Event of Default in accordance with the provisions of Section 13.1.

(c) Upon at least two Business Days' prior written notice to the Administrative Agent and the Letter of Credit Issuer (which notice the Administrative Agent shall promptly transmit to each of the Lenders), the Borrowers shall have the right, on any day, permanently to terminate or reduce the Letter of Credit Commitment in whole or in part; provided that, after giving effect to such termination or reduction, the Letters of Credit Outstanding shall not exceed the Letter of Credit Commitment.

(d) [Reserved],

(e) The Letter of Credit Issuer shall not be under any obligation to issue any Letter of Credit if:

(i) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms enjoin or restrain the Letter of Credit Issuer from issuing such Letter of Credit, or any law applicable to the Letter of Credit Issuer or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over the Letter of Credit Issuer shall prohibit, or request that the Letter of Credit Issuer refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon the Letter of Credit Issuer with respect to such Letter of Credit any restriction, reserve or capital requirement (in each

case, for which the Letter of Credit Issuer is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose upon the Letter of Credit Issuer any unreimbursed loss, cost or expense which was not applicable on the Closing Date and which the Letter of Credit Issuer in good faith deems material to it;

(ii) the issuance of such Letter of Credit would violate one or more policies of the Letter of Credit Issuer applicable to letters of credit generally;

(iii) except as otherwise agreed by the Administrative Agent and the Letter of Credit Issuer, such Letter of Credit is in an initial Stated Amount less than $50,000, in the case of a commercial Letter of Credit, or $10,000, in the case of a standby Letter of Credit;

(iv) unless otherwise agreed by the Administrative Agent and the Letter of Credit Issuer, such Letter of Credit is denominated in a currency other than Dollars;

(v) such Letter of Credit contains any provisions for automatic reinstatement of the Stated Amount after any drawing thereunder; or

(vi) a default of any Lender's obligations to fund under Section 3.3 exists or any Lender is at such time a Defaulting Lender hereunder, unless, in each case, the Borrowers have entered into arrangements reasonably satisfactory to the Letter of Credit Issuer to eliminate the Letter of Credit Issuer's risk with respect to such Lender or such risk has been reallocated in accordance with Section 2.16.

(f) The Letter of Credit Issuer shall not increase the Stated Amount of any Letter of Credit if the Letter of Credit Issuer would not be permitted at such time to issue such Letter of Credit in its amended form under the terms hereof.

(g) The Letter of Credit Issuer shall be under no obligation to amend any Letter of Credit if (A) the Letter of Credit Issuer would have no obligation at such time to issue such Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of such Letter of Credit does not accept the proposed amendment to such Letter of Credit.

(h) The Letter of Credit Issuer shall act on behalf of the Lenders with respect to any Letters of Credit issued by it and the documents associated therewith and the Letter of Credit Issuer shall have all of the benefits and immunities (A) provided to the Administrative Agent in Section 13 with respect to any acts taken or omissions suffered by the Letter of Credit Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and Issuer Documents pertaining to such Letters of Credit as fully as if the term "Administrative Agent" as used in Section 13 included the Letter of Credit Issuer with respect to such acts or omissions, and (B) as additionally provided herein with respect to the Letter of Credit Issuer.

3.2 Letter of Credit Requests.

(a) Whenever a Borrower desires that a Letter of Credit be issued for its account or amended, the Borrower Representative shall give the Administrative Agent and the Letter of Credit Issuer a Letter of Credit Request by no later than 1:00 p.m. (New York City time) at least three Business Days (or such other period as may be agreed upon by the Borrower Representative, the Administrative Agent and the Letter of Credit Issuer) prior to the proposed date of issuance or amendment. Each Letter of Credit Request shall be executed by the Borrower Representative. Such Letter of Credit Request may be sent by facsimile, by United States mail, by overnight courier, by electronic transmission using the system

provided by the Letter of Credit Issuer, by personal delivery or by any other means acceptable to the Letter of Credit Issuer.

(b) In the case of a request for an initial issuance of a Letter of Credit, such Letter of Credit Request shall specify in form and detail reasonably satisfactory to the Letter of Credit Issuer: (A) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (B) the Stated Amount thereof in Dollars; (C) the expiry date thereof; (D) the name and address of the beneficiary thereof; (E) the documents to be presented by such beneficiary in case of any drawing thereunder; (F) the full text of any certificate to be presented by such beneficiary in case of any drawing thereunder; (G) the identity of the applicant; and (H) such other matters as the Letter of Credit Issuer may reasonably require. In the case of a request for an amendment of any outstanding Letter of Credit, such Letter of Credit Request shall specify in form and detail reasonably satisfactory to the Letter of Credit Issuer (I) the Letter of Credit to be amended; (II) the proposed date of amendment thereof (which shall be a Business Day); (III) the nature of the proposed amendment; and (IV) such other matters as the Letter of Credit Issuer may reasonably require. Additionally, the Borrower Representative shall furnish to the Letter of Credit Issuer and the Administrative Agent such other documents and information pertaining to such requested Letter of Credit issuance or amendment, including any Issuer Documents, as the Letter of Credit Issuer or the Administrative Agent may reasonably require.

(c) Promptly after receipt of any Letter of Credit Request, the Letter of Credit Issuer will confirm with the Administrative Agent in writing that the Administrative Agent has received a copy of such Letter of Credit Request from the Borrower Representative and, if not, the Letter of Credit Issuer will provide the Administrative Agent with a copy thereof. Unless the Letter of Credit Issuer has received written notice from any Lender, the Administrative Agent or any Credit Party, at least one Business Day prior to the requested date of issuance or amendment of the Letter of Credit, that one or more applicable conditions contained in Sections 6 (solely with respect to any Letter of Credit issued on the Closing Date) and 7 shall not then be satisfied to the extent required thereby, then, subject to the terms and conditions hereof, the Letter of Credit Issuer shall, on the requested date, issue a Letter of Credit for the account of such Borrower (or, so long as the Borrowers are the primary obligors, for the account of Holdings or another Restricted Subsidiary) or enter into the applicable amendment, as the case may be, in each case in accordance with the Letter of Credit Issuer's usual and customary business practices.

(d) If the Borrower Representative so requests in any Letter of Credit Request, the Letter of Credit Issuer shall agree to issue a Letter of Credit that has automatic extension provisions (each, an **"Auto-Extension Letter of Credit");** provided that any such Auto-Extension Letter of Credit must permit the Letter of Credit Issuer to prevent any such extension at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof and the Borrower Representative not later than a day (the **"Non-Extension Notice Date")** in each such twelve-month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by the Letter of Credit Issuer, the Borrower Representative shall not be required to make a specific request to the Letter of Credit Issuer for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Lenders shall be deemed to have authorized (but may not require) the Letter of Credit Issuer to permit the extension of such Letter of Credit at any time to an expiry date not later than the L/C Facility Maturity Date, unless otherwise agreed upon by the Administrative Agent and the Letter of Credit Issuer; provided, however, that the Letter of Credit Issuer shall not permit any such extension if (A) the Letter of Credit Issuer has reasonably determined that it would not be permitted, or would have no obligation, at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of clause (b) of Section 3.1 or otherwise), or (B) it has received written notice on or before the day that is seven Business Days before the Non-Extension Notice Date

from the Administrative Agent, any Lender or the Borrower Representative that one or more of the applicable conditions specified in Sections 6 and 7 are not then satisfied, and in each such case directing the Letter of Credit Issuer not to permit such extension.

(e) Promptly after its delivery of any Letter of Credit or any amendment to a Letter of Credit (including any Existing Letter of Credit) to an advising bank with respect thereto or to the beneficiary thereof, the Letter of Credit Issuer will also deliver to the Borrower Representative and the Administrative Agent a true and complete copy of such Letter of Credit or amendment. On the first Business Day of each month, the Letter of Credit Issuer shall provide the Administrative Agent a list of all Letters of Credit (including any Existing Letter of Credit) issued by it that are outstanding at such time.

(f) The making of each Letter of Credit Request shall be deemed to be a representation and warranty by the Borrower Representative that the Letter of Credit may be issued in accordance with, and will not violate the requirements of, Section 3.1(b).

3.3 Letter of Credit Participations.

(a) Immediately upon the issuance by the Letter of Credit Issuer of any Letter of Credit, the Letter of Credit Issuer shall be deemed to have sold and transferred to each Lender (each such Lender, in its capacity under this Section 3.3, an **"L/C Participant"),** and each such L/C Participant shall be deemed irrevocably and unconditionally to have purchased and received from the Letter of Credit Issuer, without recourse or warranty, an undivided interest and participation (each an **"L/C Participation"),** to the extent of such L/C Participant's Revolving Credit Commitment Percentage in each Letter of Credit, each substitute therefor, each drawing made thereunder and the obligations of the Borrowers under this Agreement with respect thereto, and any security therefor or guaranty pertaining thereto; provided that the Letter of Credit Fees will be paid directly to the Administrative Agent for the ratable account of the L/C Participants as provided in Section 4.1(b) and the L/C Participants shall have no right to receive any portion of any Fronting Fees.

(b) In determining whether to pay under any Letter of Credit, the relevant Letter of Credit Issuer shall have no obligation relative to the L/C Participants other than to confirm that any documents required to be delivered under such Letter of Credit have been delivered and that they appear to comply on their face with the requirements of such Letter of Credit. Any action taken or omitted to be taken by the relevant Letter of Credit Issuer under or in connection with any Letter of Credit issued by it, if taken or omitted in the absence of gross negligence or willful misconduct as determined in the final non-appealable judgment of a court of competent jurisdiction, shall not create for the Letter of Credit Issuer any resulting liability.

(c) In the event that the Letter of Credit Issuer makes any payment under any Letter of Credit issued by it and the applicable Borrower shall not have repaid such amount in full to the respective Letter of Credit Issuer through the Administrative Agent pursuant to Section 3.4(a), the Administrative Agent shall promptly notify each L/C Participant of such failure, and each L/C Participant shall promptly and unconditionally pay to the Administrative Agent for the account of the Letter of Credit Issuer, the amount of such L/C Participant's Revolving Credit Commitment Percentage of such unreimbursed payment in Dollars and in immediately available funds. If and to the extent such L/C Participant shall not have so made its Revolving Credit Commitment Percentage of the amount of such payment available to the Administrative Agent for the account of the Letter of Credit Issuer, such L/C Participant agrees to pay to the Administrative Agent for the account of the Letter of Credit Issuer, forthwith on demand, such amount, together with interest thereon for each day from such date until the date such amount is paid to the Administrative Agent for the account of the Letter of Credit Issuer at a rate per annum equal to the

Overnight Rate from time to time then in effect, plus any administrative, processing or similar fees that are reasonably and customarily charged by the Letter of Credit Issuer in connection with the foregoing. The failure of any L/C Participant to make available to the Administrative Agent for the account of the Letter of Credit Issuer its Revolving Credit Commitment Percentage of any payment under any Letter of Credit shall not relieve any other L/C Participant of its obligation hereunder to make available to the Administrative Agent for the account of the Letter of Credit Issuer its Revolving Credit Commitment Percentage of any payment under such Letter of Credit on the date required, as specified above, but no L/C Participant shall be responsible for the failure of any other L/C Participant to make available to the Administrative Agent such other L/C Participant's Revolving Credit Commitment Percentage of any such payment.

(d) Whenever the Administrative Agent receives a payment in respect of an unpaid reimbursement obligation as to which the Administrative Agent has received for the account of the Letter of Credit Issuer any payments from the L/C Participants pursuant to clause (c) above, the Administrative Agent shall promptly pay to each L/C Participant that has paid its Revolving Credit Commitment Percentage of such reimbursement obligation, in Dollars and in immediately available funds, an amount equal to such L/C Participant's share (based upon the proportionate aggregate amount originally funded by such L/C Participant to the aggregate amount funded by all L/C Participants) of the amount so paid in respect of such reimbursement obligation and interest thereon accruing after the purchase of the respective L/C Participations at the Overnight Rate.

(e) The obligations of the L/C Participants to make payments to the Administrative Agent for the account of the Letter of Credit Issuer with respect to Letters of Credit shall be irrevocable and not subject to counterclaim, set-off or other defense or any other qualification or exception whatsoever and shall be made in accordance with the terms and conditions of this Agreement under all circumstances.

(f) If any payment received by the Administrative Agent for the account of the Letter of Credit Issuer pursuant to Section 3.3(c) is required to be returned under any of the circumstances described in Section 3.20 (including pursuant to any settlement entered into by the Letter of Credit Issuer in its discretion), each Lender shall pay to the Administrative Agent for the account of the Letter of Credit Issuer its Revolving Credit Commitment Percentage thereof on demand of the Administrative Agent, *plus* interest thereon from the date of such demand to the date such amount is returned by such Lender, at a rate per annum equal to the applicable Overnight Rate from time to time in effect. The obligations of the Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

3.4 Agreement to Repay Letter of Credit Drawings.

(a) Each Borrower hereby jointly and severally agrees to reimburse the Letter of Credit Issuer, by making payment with respect to any drawing under any Letter of Credit in Dollars. Any such reimbursement shall be made by the Borrower to the Administrative Agent in immediately available funds for any payment or disbursement made by the Letter of Credit Issuer under any Letter of Credit (each such amount so paid until reimbursed, an **"Unpaid Drawing")** no later than the date that is one Business Day after the date on which the Borrower Representative receives written notice of such payment or disbursement (the **"Reimbursement Date"),** with interest on the amount so paid or disbursed by the Letter of Credit Issuer, to the extent not reimbursed prior to 5:00 p.m. (New York City time) on the Reimbursement Date, from the Reimbursement Date to the date the Letter of Credit Issuer is reimbursed therefor at a rate per annum that shall at all times be the Applicable Margin for ABR Loans that are Revolving Credit Loans applicable under Section 2.1(b) *plus* the ABR as in effect from time to time,

provided that, notwithstanding anything contained in this Agreement to the contrary, (i) unless the Borrower Representative shall have notified the Administrative Agent and the relevant Letter of Credit Issuer prior to 1:00 p.m. (New York City time) on the Reimbursement Date that the Borrower intends to reimburse the relevant Letter of Credit Issuer for the amount of such drawing with funds other than the proceeds of Loans, the Borrower Representative shall be deemed to have given a Notice of Borrowing requesting that, with respect to Letters of Credit, the Lenders make Revolving Credit Loans (which shall be ABR Loans) on the Reimbursement Date in the amount of such drawing and (ii) the Administrative Agent shall promptly notify each L/C Participant of such drawing and the amount of its Revolving Credit Loan to be made in respect thereof, and each L/C Participant shall be irrevocably obligated to make a Revolving Credit Loan to the Borrower in Dollars in the manner deemed to have been requested in the amount of its Revolving Credit Commitment Percentage of the applicable Unpaid Drawing by 2:00 p.m. (New York City time) on such Reimbursement Date by making the amount of such Revolving Credit Loan available to the Administrative Agent. Such Revolving Credit Loans shall be made without regard to the Minimum Borrowing Amount. The Administrative Agent shall use the proceeds of such Revolving Credit Loans solely for purpose of reimbursing the Letter of Credit Issuer for the related Unpaid Drawing. In the event that the Borrower fails to Cash Collateralize any Letter of Credit that is outstanding on the L/C Facility Maturity Date, the full amount of the Letters of Credit Outstanding in respect of such Letter of Credit shall be deemed to be an Unpaid Drawing subject to the provisions of this Section 3.4 except that the Letter of Credit Issuer shall hold the proceeds received from the L/C Participants as contemplated above as cash collateral for such Letter of Credit to reimburse any Drawing under such Letter of Credit and shall use such proceeds first, to reimburse itself for any Drawings made in respect of such Letter of Credit following the L/C Facility Maturity Date, second, to the extent such Letter of Credit expires or is returned undrawn while any such cash collateral remains, to the repayment of obligations in respect of any Revolving Credit Loans that have not been paid at such time and third, to the Borrowers or as otherwise directed by a court of competent jurisdiction. Nothing in this Section 3.4(a) shall affect the Borrowers' obligation to repay all outstanding Revolving Credit Loans when due in accordance with the terms of this Agreement.

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

(i) any lack of validity or enforceability of this Agreement or any of the other Credit Documents;

(ii) the existence of any claim, set-off, defense or other right that any Borrower may have at any time against a beneficiary named in a Letter of Credit, any transferee of any Letter of Credit (or any Person for whom any such transferee may be acting), the Administrative Agent, the Letter of Credit Issuer, any Lender or other Person, whether in connection with this Agreement, any Letter of Credit, the transactions contemplated herein or any unrelated transactions (including any underlying transaction between a Borrower and the beneficiary named in any such Letter of Credit);

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

(iv) waiver by the Letter of Credit Issuer of any requirement that exists for the Letter of Credit Issuer's protection and not the protection of a Borrower (or Holdings or other Restricted Subsidiary) or any waiver by the Letter of Credit Issuer which does not in fact materially prejudice such Borrower (or Holdings or other Restricted Subsidiary);

(v) any payment made by the Letter of Credit Issuer in respect of an otherwise complying item presented after the date specified as the expiration date of, or the date by which documents must be received under, such Letter of Credit if presentation after such date is authorized by the UCC, the ISP or the UCP, as applicable;

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

(vii) honor of a demand for payment presented electronically even if such Letter of Credit requires that demand be in the form of a draft; or

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

(c) The Borrowers shall not be obligated to reimburse the Letter of Credit Issuer for any wrongful payment made by the Letter of Credit Issuer under the Letter of Credit issued by it as a result of acts or omissions constituting willful misconduct or gross negligence on the part of the Letter of Credit Issuer as determined in the final non-appealable judgment of a court of competent jurisdiction.

3.5 Increased Costs. If after the Closing Date, the adoption of any applicable law, treaty, rule, or regulation, or any change therein, or any change in the interpretation or administration thereof by any Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof, or actual compliance by the Letter of Credit Issuer or any L/C Participant with any request or directive made or adopted after the Closing Date (whether or not having the force of law), by any such authority, central bank or comparable agency shall either (x) impose, modify or make applicable any reserve, deposit, capital adequacy or similar requirement against letters of credit issued by the Letter of Credit Issuer, or any L/C Participant's L/C Participation therein, or (y) impose on the Letter of Credit Issuer or any L/C Participant any other conditions or costs affecting its obligations under this Agreement in respect of Letters of Credit or L/C Participations therein or any Letter of Credit or such L/C Participant's L/C Participation therein, and the result of any of the foregoing is to increase the actual cost to the Letter of Credit Issuer or such L/C Participant of issuing, maintaining or participating in any Letter of Credit, or to reduce the actual amount of any sum received or receivable by the Letter of Credit Issuer or such L/C Participant hereunder (including any increased costs or reductions attributable to Taxes, other than any such increase or reduction attributable to (i) Taxes indemnifiable under Section 5.4 or (ii) Excluded Taxes) in respect of Letters of Credit or L/C Participations therein, then, promptly after receipt of written demand to the Borrower Representative by the Letter of Credit Issuer or such L/C Participant, as the case may be (a copy of which notice shall be sent by the Letter of Credit Issuer or such L/C Participant to the Administrative Agent (with respect to a Letter of Credit issued on account of such

Borrower (or Holdings or other Restricted Subsidiary))), such Borrower shall pay to the Letter of Credit Issuer or such L/C Participant such actual additional amount or amounts as will compensate the Letter of Credit Issuer or such L/C Participant for such increased cost or reduction, it being understood and agreed, however, that the Letter of Credit Issuer or an L/C Participant shall not be entitled to such compensation as a result of such Person's compliance with, or pursuant to any request or directive to comply with, any such law, rule or regulation as in effect on the Closing Date. A certificate submitted to the Borrower Representative by the relevant Letter of Credit Issuer or an L/C Participant, as the case may be (a copy of which certificate shall be sent by the Letter of Credit Issuer or such L/C Participant to the Administrative Agent), setting forth in reasonable detail the basis for the determination of such actual additional amount or amounts necessary to compensate the Letter of Credit Issuer or such L/C Participant as aforesaid shall be conclusive and binding on the Borrowers absent clearly demonstrable error.

3.6 New or Successor Letter of Credit Issuer.

(a) The Letter of Credit Issuer may resign as the Letter of Credit Issuer upon 60 days' prior written notice to the Administrative Agent, the Lenders, and the Borrower Representative. The Borrower Representative may replace the Letter of Credit Issuer for any reason upon written notice to the Administrative Agent and the Letter of Credit Issuer. The Borrower Representative may add Letter of Credit Issuers at any time upon notice to the Administrative Agent. If the Letter of Credit Issuer shall resign or be replaced, or if the Borrower Representative shall decide to add a new Letter of Credit Issuer under this Agreement, then the Borrower Representative may appoint from among the Lenders a successor issuer of Letters of Credit or a new Letter of Credit Issuer, as the case may be, or, with the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed), another successor or new issuer of Letters of Credit, whereupon such successor issuer accepting such appointment shall succeed to the rights, powers and duties of the replaced or resigning Letter of Credit Issuer under this Agreement and the other Credit Documents, or such new issuer of Letters of Credit accepting such appointment shall be granted the rights, powers and duties of the Letter of Credit Issuer hereunder, and the term Letter of Credit Issuer shall mean such successor or such new issuer of Letters of Credit effective upon such appointment. At the time such resignation or replacement shall become effective, the Borrowers shall pay to the resigning or replaced Letter of Credit Issuer all accrued and unpaid fees applicable to the Letters of Credit pursuant to Sections 4.1(b) and 4.1(d). The acceptance of any appointment as the Letter of Credit Issuer hereunder whether as a successor issuer or new issuer of Letters of Credit in accordance with this Agreement, shall be evidenced by an agreement entered into by such new or successor issuer of Letters of Credit, in a form reasonably satisfactory to the Borrower Representative and the Administrative Agent and, from and after the effective date of such agreement, such new or successor issuer of Letters of Credit shall become the Letter of Credit Issuer hereunder. After the resignation or replacement of the Letter of Credit Issuer hereunder, the resigning or replaced Letter of Credit Issuer shall remain a party hereto and shall continue to have all the rights and obligations of the Letter of Credit Issuer under this Agreement and the other Credit Documents with respect to Letters of Credit issued by it prior to such resignation or replacement, but shall not be required to issue additional Letters of Credit. In connection with any resignation or replacement pursuant to this clause (a) (but, in case of any such resignation, only to the extent that a successor issuer of Letters of Credit shall have been appointed), either (i) the Borrower Representative, the resigning or replaced Letter of Credit Issuer and the successor issuer of Letters of Credit shall arrange to have any outstanding Letters of Credit issued by the resigning or replaced Letter of Credit Issuer replaced with Letters of Credit issued by the successor issuer of Letters of Credit or (ii) the Borrower Representative shall cause the successor issuer of Letters of Credit, if such successor issuer is reasonably satisfactory to the replaced or resigning Letter of Credit Issuer, to issue "back-stop" Letters of Credit naming the resigning or replaced Letter of Credit Issuer as beneficiary for each outstanding Letter of Credit issued by the resigning or replaced Letter of Credit

Issuer, which new Letters of Credit shall be denominated in the same currency as, and shall have a face amount equal to, the Letters of Credit being back-stopped and the sole requirement for drawing on such new Letters of Credit shall be a drawing on the corresponding back-stopped Letters of Credit. After any resigning or replaced Letter of Credit Issuer's resignation or replacement as Letter of Credit Issuer, the provisions of this Agreement relating to the Letter of Credit Issuer shall inure to its benefit as to any actions taken or omitted to be taken by it (A) while it was the Letter of Credit Issuer under this Agreement or (B) at any time with respect to Letters of Credit issued by such Letter of Credit Issuer.

(b) To the extent there are, at the time of any resignation or replacement as set forth in clause (a) above, any outstanding Letters of Credit, nothing herein shall be deemed to impact or impair any rights and obligations of any of the parties hereto with respect to such outstanding Letters of Credit (including, without limitation, any obligations related to the payment of Fees or the reimbursement or funding of amounts drawn), except that the Borrowers, the resigning or replaced Letter of Credit Issuer and the successor issuer of Letters of Credit shall have the obligations regarding outstanding Letters of Credit described in clause (a) above.

3.7 Role of Letter of Credit Issuer. Each Lender and each Borrower agree that, in paying any drawing under a Letter of Credit, the Letter of Credit Issuer shall not have any responsibility to obtain any document (other than any sight draft, certificates and documents expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering any such document. None of the Letter of Credit Issuer, the Administrative Agent, any of their respective Affiliates nor any correspondent, participant or assignee of the Letter of Credit Issuer shall be liable to any Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the Required Lenders; (ii) any action taken or omitted in the absence of gross negligence or willful misconduct as determined in the final non-appealable judgment of a court of competent jurisdiction; or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or Issuer Document. The Borrowers hereby assume all risks of the acts or omissions of any beneficiary or transferee with respect to its use of any Letter of Credit; provided that this assumption is not intended to, and shall not, preclude the Borrowers' pursuit of such rights and remedies as they may have against the beneficiary or transferee at law or under any other agreement. None of the Letter of Credit Issuer, the Administrative Agent, any of their respective Affiliates nor any correspondent, participant or assignee of the Letter of Credit Issuer shall be liable or responsible for any of the matters described in Section 3.3(b); provided that anything in such Section to the contrary notwithstanding, the Borrowers may have a claim against the Letter of Credit Issuer, and the Letter of Credit Issuer may be liable to the Borrowers, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by the Borrowers which the Borrowers prove were caused by the Letter of Credit Issuer's willful misconduct or gross negligence or the Letter of Credit Issuer's willful failure to pay under any Letter of Credit after the presentation to it by the beneficiary of a sight draft and certificate(s) strictly complying with the terms and conditions of a Letter of Credit in each case as determined in the final non-appealable judgment of a court of competent jurisdiction. In furtherance and not in limitation of the foregoing, the Letter of Credit Issuer may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, and the Letter of Credit Issuer shall not be responsible for the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign a Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason.

The Letter of Credit Issuer may send a Letter of Credit or conduct any communication to or from the beneficiary via the Society for Worldwide Interbank Financial Telecommunication **("SWIFT")**

message or overnight courier, or any other commercially reasonable means of communicating with a beneficiary.

3.8 Cash Collateral.

(a) Certain Credit Support Events. Upon the written request of the Administrative Agent or the Letter of Credit Issuer, if (i) as of the L/C Facility Maturity Date, any L/C Obligation for any reason remains outstanding, (ii) the Borrowers shall be required to provide Cash Collateral pursuant to Section 2.1(e), 3.1(b), 3.4(a), 3.12, 5.2, 11.13 or 11.14, or (iii) the provisions of Section 2.16(a)(v) are in effect, the Borrowers shall immediately (in the case of clause (ii) above) or within one Business Day (in all other cases) following any written request by the Administrative Agent or the Letter of Credit Issuer, provide Cash Collateral in an amount not less than the applicable Minimum Collateral Amount (determined in the case of Cash Collateral provided pursuant to clause (iii) above, after giving effect to Section 2.16(a)(iv) and any Cash Collateral provided by the Defaulting Lender).

(b) Grant of Security Interest. The Borrowers, and to the extent provided by any Defaulting Lender, such Defaulting Lender, hereby grant to (and subject to the control of) the Administrative Agent, for the benefit of the Administrative Agent, the Letter of Credit Issuer and the Lenders, and agree to maintain, a first priority security interest in all such cash, deposit accounts and all balances therein as described in Section 3.8(a), and all other property so provided as collateral pursuant hereto, and in all proceeds of the foregoing, all as security for the obligations to which such Cash Collateral may be applied pursuant to Section 3.8(c). If at any time the Administrative Agent determines that Cash Collateral is subject to any right or claim of any Person other than the Administrative Agent or the Letter of Credit Issuer as herein provided, other than Permitted Liens, or that the total amount of such Cash Collateral is less than the Minimum Collateral Amount, the Borrowers will, promptly upon written demand by the Administrative Agent, pay or provide to the Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency. Cash Collateral shall be maintained in blocked, interest bearing deposit accounts with the Administrative Agent. The Borrowers shall pay on demand therefor from time to time all customary account opening, activity and other administrative fees and charges in connection with the maintenance and disbursement of Cash Collateral.

(c) Application. Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under any of this Section 3.8 or Sections 2.16, 5.2, or 11.13 in respect of Letters of Credit shall be held and applied to the satisfaction of the specific L/C Obligations, obligations to fund participations therein (including, as to Cash Collateral provided by a Defaulting Lender, any interest accrued on such obligation) and other obligations for which the Cash Collateral was so provided, prior to any other application of such property as may otherwise be provided for herein.

(d) Cash Collateral (or the appropriate portion thereof) provided to reduce Fronting Exposure or to secure other obligations shall be released promptly following (i) the elimination of the applicable Fronting Exposure or other obligations giving rise thereto (including by the termination of Defaulting Lender status of the applicable Lender (or, as appropriate, its assignee following compliance with Section 13.6(b)(ii)) or there is no longer existing an Event of Default) or (ii) the determination by the Administrative Agent and the Letter of Credit Issuer that there exists excess Cash Collateral.

3.9 Applicability of ISP and UCP. Unless otherwise expressly agreed by the Letter of Credit Issuer and the applicable Borrower when a Letter of Credit is issued, (i) the rules of the ISP shall apply to each standby Letter of Credit, and (ii) the rules of the Uniform Customs and Practice for Documentary Credits, as most recently published by the International Chamber of Commerce at the time of issuance, shall apply to each commercial Letter of Credit. Notwithstanding the foregoing, the Letter of Credit Issuer

shall not be responsible to such Borrower for, and the Letter of Credit Issuer's rights and remedies against such Borrower shall not be impaired by, any action or inaction of the Letter of Credit Issuer required or permitted under any law, order, or practice that is required or permitted to be applied to any Letter of Credit or this Agreement, including the applicable law or any order of a jurisdiction where the Letter of Credit Issuer or the beneficiary is located, the practice stated in the ISP or UCP, as applicable, or in the decisions, opinions, practice statements, or official commentary of the ICC Banking Commission, the Bankers Association for Finance and Trade - International Financial Services Association (BAFT- IFSA), or the Institute of International Banking Law & Practice, whether or not any Letter of Credit chooses such law or practice.

3.10 Conflict with Issuer Documents. In the event of any conflict between the terms hereof and the terms of any Issuer Document, the terms hereof shall control and any grant of security interest in any Issuer Documents shall be void.

3.11 Letters of Credit Issued for Restricted Subsidiaries. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, Holdings or a Restricted Subsidiary, the Borrowers shall be jointly and severally obligated to reimburse the Letter of Credit Issuer hereunder for any and all drawings under such Letter of Credit. The Borrowers hereby acknowledge that the issuance of Letters of Credit for the account of Holdings or any other Restricted Subsidiaries inures to the benefit of each Borrower and that each Borrower's business derives substantial benefits from the businesses of Holdings and the other Restricted Subsidiaries.

3.12 Provisions Related to Extended Revolving Credit Commitments. If the Letter of Credit Expiration Date in respect of any tranche of Revolving Credit Commitments occurs prior to the expiry date of any Letter of Credit, then (i) if consented to by the Letter of Credit Issuer which issued such Letter of Credit, if one or more other tranches of Revolving Credit Commitments in respect of which the Letter of Credit Expiration Date shall not have so occurred are then in effect, such Letters of Credit for which consent has been obtained shall automatically be deemed to have been issued (including for purposes of the obligations of the Lenders to purchase participations therein and to make Revolving Credit Loans and payments in respect thereof pursuant to Sections 3.3 and 3.4) under (and ratably participated in by Lenders pursuant to) the Revolving Credit Commitments in respect of such non-terminating tranches up to an aggregate amount not to exceed the aggregate amount of the unutilized Revolving Credit Commitments thereunder at such time (it being understood that no partial face amount of any Letter of Credit may be so reallocated) and (ii) to the extent not reallocated pursuant to immediately preceding clause (i), the Borrowers shall Cash Collateralize any such Letter of Credit in accordance with Section 3.8. Upon the maturity date of any tranche of Revolving Credit Commitments, the sublimit for Letters of Credit may be reduced as agreed between the Letter of Credit Issuer and the Borrower Representative, without the consent of any other Person.

Section 4. Fees

4.1 Fees.

(a) Without duplication, the Borrowers jointly and severally agree to pay to the Administrative Agent in Dollars, for the account of each Lender (in each case pro rata according to the respective Revolving Credit Commitments of all such Lenders), a commitment fee (the **"Commitment Fee")** for each day from the Closing Date to the Revolving Credit Termination Date. Each Commitment Fee shall be payable (x) quarterly in arrears on the last Business Day of each March, June, September, and December (for the three-month period (or portion thereof) ended on such day for which no payment

has been received) and (y) on the Revolving Credit Termination Date (for the period ended on such date for which no payment has been received pursuant to clause (x) above), and shall be computed for each day during such period at a rate per annum equal to the Commitment Fee Rate in effect on such day on the Available Commitment in effect on such day.

(b) Without duplication, the Borrowers jointly and severally agree to pay to the Administrative Agent in Dollars for the account of the Lenders pro rata on the basis of their respective Letter of Credit Exposure, a fee in respect of each Letter of Credit issued on any Borrower's or any of the other Restricted Subsidiaries' behalf (the **"Letter of Credit Fee"),** for the period from the date of issuance of such Letter of Credit to the termination date of such Letter of Credit computed at the per annum rate for each day equal to the Applicable Margin for LIBOR Rate Revolving Credit Loans applicable under Section 2.1(b). Except as provided below, such Letter of Credit Fees shall be due and payable (x) quarterly in arrears on the last Business Day of each March, June, September, and December and (y) on the date upon which the Total Revolving Credit Commitment terminates and the Letters of Credit Outstanding shall have been reduced to zero.

(c) Without duplication, the Borrowers jointly and severally agree to pay to the Administrative Agent in Dollars, for its own account, administrative agent fees as have been previously agreed in writing or as may be agreed in writing from time to time.

(d) Without duplication, the Borrowers jointly and severally agree to pay to the Letter of Credit Issuer a fee in Dollars in respect of each Letter of Credit issued by it to a Borrower (the **"Fronting Fee"**) (i) with respect to each commercial Letter of Credit, at the rate of 0.125%, computed on the amount of such Letter of Credit, and (ii) with respect to each standby Letter of Credit, for the period from the date of issuance of such Letter of Credit to the termination date of such Letter of Credit, computed at the rate for each day equal to 0.125% per annum on the average daily Stated Amount of such Letter of Credit (or at such other rate per annum as agreed in writing between the Borrower Representative and the Letter of Credit Issuer). Such Fronting Fees shall be due and payable (x) quarterly in arrears on the first Business Day after the end of each of March, June, September and December and (y) on the date upon which the Total Revolving Credit Commitment terminates and the Letters of Credit Outstanding shall have been reduced to zero.

(e) Without duplication, the Borrowers jointly and severally agree to pay directly to the Letter of Credit Issuer in Dollars upon each issuance or renewal of, drawing under, and/or amendment of, a Letter of Credit issued by it such amount as shall at the time of such issuance or renewal of, drawing under, and/or amendment be the processing charge that the Letter of Credit Issuer is customarily charging for issuances or renewals of, drawings under or amendments of, letters of credit issued by it.

(f) Notwithstanding the foregoing, the Borrowers shall not be obligated to pay any amounts to any Defaulting Lender pursuant to this Section 4.1.

4.2 Voluntary Reduction of Revolving Credit Commitments.

(a) Upon at least two (2) Business Days' prior written notice to the Administrative Agent at the Administrative Agent's Office (which notice the Administrative Agent shall promptly transmit to each of the Lenders), the Borrowers shall have the right, without premium or penalty, on any day, to terminate or permanently reduce Revolving Credit Commitments in whole or in part; provided that (a) any such reduction shall apply proportionately and permanently to reduce the Revolving Credit Commitment of each of the Lenders of any applicable Class and any such reduction or termination shall be accompanied by any repayment of Revolving Credit Loans required under Section 5.2(b), except that (i)

notwithstanding the foregoing, in connection with the establishment on any date of any Extended Revolving Credit Commitments pursuant to Section 2.14(g), the Revolving Credit Commitments of any one or more Lenders providing any such Extended Revolving Credit Commitments on such date shall be reduced in an amount equal to the amount of Revolving Credit Commitments so extended on such date (provided that after giving effect to any such reduction and to the repayment of any Revolving Credit Loans made on such date, the Revolving Credit Exposure of any such Lender does not exceed the Revolving Credit Commitment thereof and (ii) the Borrowers may at their election permanently reduce the Revolving Credit Commitment of a Defaulting Lender to $0 without affecting the Revolving Credit Commitments of any other Lender, and (b) after giving effect to such termination or reduction and to any prepayments of the Loans made on the date thereof in accordance with this Agreement, the aggregate amount of the Lenders' Revolving Credit Exposures shall not exceed the Line Cap and the aggregate amount of the Lenders' Revolving Credit Exposures in respect of any Class shall not exceed the aggregate Revolving Credit Commitment of such Class. Each such reduction shall be in the principal amount of $5,000,000 or any integral multiple thereof (or if less, the remaining applicable amount at the time of such termination or reduction). Each such reduction or termination shall (i) be applied ratably to each Lender holding the Revolving Credit Commitments and (ii) be irrevocable at the effective time of any such termination or reduction. The Borrowers shall pay to the Administrative Agent for application as provided herein (i) at the effective time of any such termination (but not any partial reduction), all earned and unpaid fees under the Fee Letter and the Commitment Fee accrued on the Revolving Credit Commitments so terminated.

(b) Upon at least two (2) Business Days' prior written notice to the Administrative Agent Office (which notice the Administrative Agent shall promptly transmit to each of the Lenders), the Borrowers shall have the right, without premium or penalty, on any day, to terminate or permanently reduce the then applicable amount set forth in clause (a) of the definition of Overadvance Borrowing Base in whole or in part. Each partial reduction of the Overadvance Borrowing Base shall be in the principal amount of $1,000,000 or any integral multiple thereof (or if less, the remaining applicable amount at the time of such termination or reduction). Any such reduction shall be accompanied by any repayment of Revolving Credit Loans required under Section 5.2(b).

(c) At any time on or after the first anniversary of the Closing Date and so long as the Overadvance Borrowing Base has been permanently reduced to $0, upon at least two (2) Business Days' prior written notice to the Administrative Agent Office (which notice the Administrative Agent shall promptly transmit to each of the Lenders), the Borrowers shall have the right, without premium or penalty, on any day, to terminate or permanently reduce the then applicable amount set forth in clause (a) of the definition of Tranche B Borrowing Base in whole or in part. Each partial reduction of the Overadvance Borrowing Base shall be in the principal amount of $1,000,000 or any integral multiple thereof (or if less, the remaining applicable amount at the time of such termination or reduction). Any such reduction shall be accompanied by any repayment of Revolving Credit Loans required under Section 52(b).

4.3 Mandatory Termination of Commitments.

(a) The Revolving Credit Commitment shall terminate at 5:00 p.m. (New York City time) on the Revolving Credit Maturity Date.

(b) The Swingline Commitment shall terminate at 5:00 p.m. (New York City time) on the Swingline Maturity Date.

Section 5. Payments

5.1 Voluntary Prepayments.

(a) The Borrowers shall have the right to prepay Loans, including Revolving Credit Loans and Swingline Loans, as applicable, without premium or penalty, in whole or in part from time to time on the following terms and conditions: (a) the Borrower Representative shall give the Administrative Agent at the Administrative Agent's Office written notice of its intent to make such prepayment, the amount of such prepayment and (in the case of LIBOR Loans) the specific Borrowing(s) pursuant to which made, which notice shall be given by the Borrower Representative no later than 12:00 Noon (New York City time) (i) in the case of LIBOR Loans, three Business Days prior to, (ii) in the case of ABR Loans, one Business Day prior to or (iii) in the case of Swingline Loans, on, the date of such prepayment and shall promptly be transmitted by the Administrative Agent to each of the Lenders or the Swingline Lender, as the case may be; (b) each partial prepayment of (i) any Borrowing of LIBOR Loans shall be in a minimum amount of $1,000,000 and in multiples of $500,000 in excess thereof, (ii) any ABR Loans (other than Swingline Loans) shall be in a minimum amount of $500,000 and in multiples of $100,000 in excess thereof and (iii) Swingline Loans shall be in a minimum amount of $500,000 and in multiples of $100,000 in excess thereof, provided that no partial prepayment of LIBOR Loans made pursuant to a single Borrowing shall reduce the outstanding LIBOR Loans made pursuant to such Borrowing to an amount less than the applicable Minimum Borrowing Amount for such LIBOR Loans and (c) in the case of any prepayment of LIBOR Loans pursuant to this Section 5.1 on any day other than the last day of an Interest Period applicable thereto, the Borrower shall, promptly after receipt of a written request by any applicable Lender (which request shall set forth in reasonable detail the basis for requesting such amount), pay to the Administrative Agent for the account of such Lender any amounts required pursuant to Section 2.11. At the Borrower Representative's election in connection with any prepayment pursuant to this Section 5.1, such prepayment shall not be applied to any Revolving Credit Loan of a Defaulting Lender.

(b) Application to Revolving Credit Loans. Each prepayment of Revolving Credit Loans (x) shall be applied first, to the outstanding Overadvance Loans, second, to outstanding Tranche A Loans and third, to outstanding Tranche B Loans; provided that, with respect to any termination or permanent reduction of the then applicable amount set forth in clause (a) of the definition of Tranche B Borrowing Base in accordance with Section 4.2(c), the Borrower shall prepay the Tranche B Loans then outstanding without first repaying the Tranche A Loans then outstanding up to the amount of such reduction of, if such amount is reduced to $0, the entire principal amount of the then outstanding Tranche B Loans, (y) after giving effect to clause (x), each prepayment of any Loans made pursuant to a Borrowing shall be applied pro rata among such Loans; and (z) notwithstanding the provisions of the preceding clauses (x) or (y), no prepayment of Revolving Loans shall be applied to the Revolving Credit Loans of any Defaulting Lender unless otherwise agreed in writing by the Borrower Representative. With respect to each prepayment of Revolving Credit Loans, the Borrower Representative may designate the Types of Loans that are to be prepaid and the specific Borrowing(s) pursuant to which made. In the absence of a designation by the Borrower Representative as described in the preceding sentence with respect to the Type of Loans that are to be prepaid, the Administrative Agent shall, subject to the above, make such designation in its reasonable discretion with a view, but no obligation, to minimize breakage costs owing under Section 2.11. The voluntary prepayments set forth in this Section 5.2 shall not reduce the aggregate amount of Revolving Credit Commitments and amounts prepaid may be reborrowed.

5.2 Mandatory Prepayments.

(a) [Reserved].

(b) Repayment of Revolving Credit Loans.

(i) Except with respect to Protective Advances permitted under Section 2.1(f), if on any date the aggregate amount of the Lenders' Revolving Credit Exposures for any reason exceeds the Line Cap, then in effect, the Borrowers shall forthwith repay within one (1) Business Day after the date on which the Borrower Representative receives notice of such excess, Revolving Loans in an amount equal to such excess. If after giving effect to the prepayment of all outstanding Revolving Loans, the Lenders' Revolving Credit Exposures exceed the Line Cap then in effect, the Borrowers shall Cash Collateralize the Letters of Credit Outstanding in relation to such Class to the extent of such excess within one (1) Business Day after the date on which the Borrower Representative receives notice of such excess.

(ii) During a Cash Dominion Period, upon the receipt of the Net Cash Proceeds from an Asset Sale Prepayment Event, the Borrowers shall, within three (3) Business Days after receipt of the Net Cash Proceeds of such Asset Sale Prepayment Event, prepay, in accordance with clause (e) below, Revolving Credit Loans with an equivalent principal amount equal to 100% of the Net Cash Proceeds from such Asset Sale Prepayment Event.

(c) [Reserved].

(d) [Reserved].

(e) Application to Revolving Credit Loans. With respect to each prepayment of Revolving Credit Loans required by Section 5.2(b), the Borrower Representative may designate (i) the Types of Loans that are to be prepaid and the specific Borrowing(s) pursuant to which made and (ii) the Revolving Loans to be prepaid, provided that (x) each prepayment shall be applied first, ratably to outstanding Swingline Loans and Unpaid Drawings, second to the prepayment of outstanding Overadvance Loans, third, to the prepayment of outstanding Tranche A Loans and fourth, to the prepayment of outstanding Tranche B Loans, (y) after giving effect to clause (x), each prepayment of any Loans made pursuant to a Borrowing shall be applied pro rata among such Loans; and (z) notwithstanding the provisions of the preceding clauses (x) or (y), no prepayment of Revolving Loans shall be applied to the Revolving Credit Loans of any Defaulting Lender unless otherwise agreed in writing by the Borrower Representative. In the absence of a designation by the Borrower Representative as described in the preceding sentence, the Administrative Agent shall, subject to the above, make such designation in its reasonable discretion with a view, but no obligation, to minimize breakage costs owing under Section 2.11. The mandatory prepayments set forth in this Section 5.2 shall not reduce the aggregate amount of Revolving Credit Commitments and amounts prepaid may be reborrowed in accordance with the terms hereof.

5.3 Method and Place of Payment.

(a) Except as otherwise specifically provided herein, all payments under this Agreement shall be made by the Borrowers, without set-off, counterclaim or deduction of any kind, to the Administrative Agent for the ratable account of the Lenders entitled thereto (or, in the case of the Swingline Loans to the Swingline Lender) or the Letter of Credit Issuer entitled thereto, as the case may be, not later than 2:00 p.m. (New York City time), in each case, on the date when due and shall be made in immediately available funds at the Administrative Agent's Office or at such other office as the Administrative Agent shall specify for such purpose by notice to the Borrower Representative (or, in the case of the Swingline Loans, at such office as the Swingline Lender shall specify for such purpose by Notice to the Borrower Representative), it being understood that written or facsimile notice by the Borrower Representative to the Administrative Agent to make a payment from the funds in the Borrowers' account at the Administrative Agent's Office shall constitute the making of such payment to

the extent of such funds held in such account. All repayments or prepayments of any Loans (whether of principal, interest or otherwise) hereunder shall be made in Dollars. The Administrative Agent will thereafter cause to be distributed on the same day (if payment was actually received by the Administrative Agent prior to 2:00 p.m. (New York City time) or, otherwise, on the next Business Day) like funds relating to the payment of principal or interest or Fees ratably to the Lenders entitled thereto.

(b) Any payments under this Agreement that are made later than 2:00 p.m. (New York City time) may be deemed to have been made on the next succeeding Business Day in the Administrative Agent's sole discretion (or, in the case of the Swingline Loans, at the Swingline Lender's sole discretion). Whenever any payment to be made hereunder shall be stated to be due on a day that is not a Business Day, the due date thereof shall be extended to the next succeeding Business Day and, with respect to payments of principal, interest shall be payable during such extension at the applicable rate in effect immediately prior to such extension.

5.4 Net Payments.

(a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes.

(i) Any and all payments by or on account of any obligation of any Credit Party hereunder or under any other Credit Document shall to the extent permitted by applicable laws be made free and clear of and without reduction or withholding for any Taxes.

(ii) If any Credit Party, the Administrative Agent or any other applicable Withholding Agent shall be required by applicable law to withhold or deduct any Taxes from any payment, then (A) such Withholding Agent shall withhold or make such deductions as are reasonably determined by such Withholding Agent to be required by applicable law, (B) such Withholding Agent shall timely pay the full amount withheld or deducted to the relevant Governmental Authority, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes or Other Taxes, the sum payable by the applicable Credit Party shall be increased as necessary so that after any required withholding or deductions have been made (including withholding or deductions applicable to additional sums payable under this Section 5.4) each Lender (or, in the case of a payment to the Administrative Agent for its own account, the Administrative Agent) receives an amount equal to the sum it would have received had no such withholding or deductions been made.

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

(c) Tax Indemnifications. Without limiting the provisions of subsection (a) or (b) above, the Borrowers shall indemnify the Administrative Agent and each Lender, and shall make payment in respect thereof within 15 days after demand therefor, for the full amount of Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section 5.4) payable by the Administrative Agent or such Lender, as the case may be, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of any such payment or liability (along with a written statement setting forth in reasonable detail the basis and calculation of such amounts) delivered to the Borrower Representative by a Lender, or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be

conclusive absent manifest error. If the Borrower Representative reasonably believes that any such Indemnified Taxes or Other Taxes were not correctly or legally asserted, the Administrative Agent and/or each affected Lender will use reasonable efforts to cooperate with the Borrower Representative in pursuing a refund of such Indemnified Taxes or Other Taxes so long as such efforts would not, in the sole determination of the Administrative Agent or affected Lender, result in any additional costs, expenses or risks or be otherwise disadvantageous to it.

(d) Evidence of Payments. After any payment of Taxes by any Credit Party or the Administrative Agent to a Governmental Authority as provided in this Section 5.4, the Borrower Representative shall deliver to the Administrative Agent or the Administrative Agent shall deliver to the Borrower Representative, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by laws to report such payment or other evidence of such payment reasonably satisfactory to the Borrower Representative or the Administrative Agent, as the case may be.

(e) Status of Lenders and Tax Documentation.

(i) Each Lender shall deliver to the Borrower Representative and to the Administrative Agent, at such time or times reasonably requested by the Borrower Representative or the Administrative Agent, such properly completed and executed documentation prescribed by applicable laws or by the taxing authorities of any jurisdiction and such other reasonably requested information as will permit the Borrower Representative or the Administrative Agent, as the case may be, to determine (A) whether or not any payments made hereunder or under any other Credit Document are subject to Taxes, (B) if applicable, the required rate of withholding or deduction, and (C) such Lender's entitlement to any available exemption from, or reduction of, applicable Taxes in respect of any payments to be made to such Lender by any Credit Party pursuant to any Credit Document or otherwise to establish such Lender's status for withholding tax purposes in the applicable jurisdiction. Any documentation and information required to be delivered by a Lender pursuant to this Section 5.4(e) (including any specific documentation set forth in subsection (ii) below) shall be delivered by such Lender (i) on or prior to the Closing Date (or on or prior to the date it becomes a party to this Agreement), (ii) on or before any date on which such documentation expires or becomes obsolete or invalid, (iii) after the occurrence of any change in the Lender's circumstances requiring a change in the most recent documentation previously delivered by it to the Borrower Representative and the Administrative Agent, and (iv) from time to time thereafter if reasonably requested by the Borrower Representative or the Administrative Agent, and each such Lender shall promptly notify in writing the Borrower Representative and the Administrative Agent if such Lender is no longer legally eligible to provide any documentation previously provided.

(ii) Without limiting the generality of the foregoing:

(A) any Lender that is a "United States person" within the meaning of Section 7701(a)(30) of the Code (a **"U.S. Lender")** shall deliver to the Borrower Representative and the Administrative Agent executed originals of Internal Revenue Service Form W-9 or such other documentation or information prescribed by applicable laws or reasonably requested by the Borrower Representative or the Administrative Agent as will enable the Borrower Representative or the Administrative Agent, as the case may be, to determine whether or not

such Lender is subject to backup withholding or information reporting requirements;

(B) each Non-U.S. Lender that is entitled under the Code or any applicable treaty to an exemption from or reduction of U.S. federal withholding tax with respect to any payments hereunder or under any other Credit Document shall deliver to the Borrower Representative and the Administrative Agent (in such number of copies as shall be requested by the recipient) whichever of the following is applicable:

(1) executed originals of Internal Revenue Service Form W- 8BEN (or any successor form thereto) claiming eligibility for benefits of an income tax treaty to which the United States is a party;

(2) executed originals of Internal Revenue Service Form W- 8ECI (or any successor form thereto);

(3) in the case of a Non-U.S. Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate, substantially in the form of Exhibit J-l, J-2, J-3 or J-4, as applicable, (a **"Non-Bank Tax Certificate"),** to the effect that such Non-U.S. Lender is not (A) a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (B) a "10 percent shareholder" of a Borrower within the meaning of Section 881(c)(3)(B) of the Code, or (C) a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code and that no payments under any Credit Document are effectively connected with such Non-U.S. Lender's conduct of a United States trade or business and (y) executed originals of Internal Revenue Service Form W-8BEN (or any successor thereto);

(4) where such Lender is a partnership (for U.S. federal income tax purposes) or otherwise not a beneficial owner (e.g., where such Lender has sold a participation), IRS Form W-8IMY (or any successor thereto) and all required supporting documentation (including, where one or more of the underlying beneficial owner(s) is claiming the benefits of the portfolio interest exemption, a Non-Bank Tax Certificate of such beneficial owner(s)) (provided that, if the Non-U. S. Lender is a partnership and not a participating Lender, the Non-Bank Tax Certificate(s) may be provided by the Non-U.S. Lender on behalf of the direct or indirect partner(s)); or

(5) executed originals of any other form prescribed by applicable laws as a basis for claiming exemption from or a reduction in United States federal withholding tax together with such supplementary documentation as may be prescribed by applicable laws to permit the Borrower Representative or the Administrative Agent to determine the withholding or deduction required to be made;

(C) if a payment made to a Lender under any Credit Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower Representative and the Administrative Agent at the time or times

prescribed by law and at such time or times reasonably requested by the Borrower Representative or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower Representative or the Administrative Agent as may be necessary for the Borrower Representative and the Administrative Agent to comply with their obligations under FATCA, to determine whether such Lender has complied with such Lender's obligations under FATCA or to determine the amount, if any, to deduct and withhold from such payment. Solely for purposes of this clause (C), FATCA shall include any amendments made to FATCA after the date of this Agreement; and

(D) If the Administrative Agent is a "United States person" (as defined in Section 7701(a)(30) of the Code), it shall provide the Company with two duly completed original copies of Internal Revenue Service Form W-9. If the Administrative Agent is not a "United States person" (as defined in Section 7701(a)(30) of the Code), it shall provide (1) Internal Revenue Service Form W-8ECI with respect to payments to be received by it as a beneficial owner and (2) Internal Revenue Service Form W-8IMY (together with required accompanying documentation) with respect to payments to be received by it on behalf of the Lenders.

(iii) Notwithstanding anything to the contrary in this Section 5.4, no Lender or the Administrative Agent shall be required to deliver any documentation that it is not legally eligible to deliver.

(f) Treatment of Certain Refunds. If the Administrative Agent or any Lender determines, in its sole discretion exercised in good faith, that it has received a refund of any Indemnified Taxes or Other Taxes as to which it has been indemnified by any Credit Party or with respect to which any Credit Party has paid additional amounts pursuant to this Section 5.4, the Administrative Agent or such Lender (as applicable) shall promptly pay to the Borrowers an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by the Credit Parties under this Section 5.4 with respect to the Indemnified Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses (including any Taxes) incurred by the Administrative Agent or such Lender, as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); provided that the Borrowers, upon the request of the Administrative Agent or such Lender, agree to repay the amount paid over to the Borrowers (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent or such Lender in the event the Administrative Agent or such Lender is required to repay such refund to such Governmental Authority. In such event, the Administrative Agent or such Lender, as the case may be, shall, at the Borrower Representative's request, provide the Borrower Representative with a copy of any notice of assessment or other evidence of the requirement to repay such refund received from the relevant taxing authority (provided that the Administrative Agent or such Lender may delete any information therein that it deems confidential). This subsection shall not be construed to require the Administrative Agent or any Lender to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to any Credit Party or any other Person.

(g) For the avoidance of doubt, for purposes of this Section 5.4, the term Lender includes the Letter of Credit Issuer and the Swingline Lender and the term "applicable law" includes FATCA.

(h) Each party's obligations under this Section 5.4 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under the Credit Documents.

5.5 Computations of Interest and Fees.

(a) Except as provided in the next succeeding sentence, interest on LIBOR Loans shall be calculated on the basis of a 360-day year for the actual days elapsed. Interest on ABR Loans shall be calculated on the basis of a 365- (or 366-, as the case may be) day year for the actual days elapsed.

(b) Fees and the average daily Stated Amount of Letters of Credit shall be calculated on the basis of a 360-day year for the actual days elapsed.

5.6 Limit on Rate of Interest.

(a) No Payment Shall Exceed Lawful Rate. Notwithstanding any other term of this Agreement, the Borrowers shall not be obliged to pay any interest or other amounts under or in connection with this Agreement or otherwise in respect of the Obligations in excess of the amount or rate permitted under or consistent with any applicable law, rule or regulation.

(b) Payment at Highest Lawful Rate. If the Borrowers are not obliged to make a payment that they would otherwise be required to make, as a result of Section 5.6(a), the Borrowers shall make such payment to the maximum extent permitted by or consistent with applicable laws, rules, and regulations.

(c) Adjustment if Any Payment Exceeds Lawful Rate. If any provision of this Agreement or any of the other Credit Documents would obligate the Borrowers to make any payment of interest or other amount payable to any Lender in an amount or calculated at a rate that would be prohibited by any applicable law, rule or regulation, then notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law, such adjustment to be effected, to the extent necessary, by reducing the amount or rate of interest required to be paid by the Borrowers to the affected Lender under Section 2.8; provided that to the extent lawful, the interest or other amounts that would have been payable but were not payable as a result of the operation of this Section shall be cumulated and the interest payable to such Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the Federal Funds Effective Rate to the date of repayment, shall have been received by such Lender.

Notwithstanding the foregoing, and after giving effect to all adjustments contemplated thereby, if any Lender shall have received from the Borrowers an amount in excess of the maximum permitted by any applicable law, rule or regulation, then the Borrowers shall be entitled, by notice in writing to the Administrative Agent to obtain reimbursement from that Lender in an amount equal to such excess, and pending such reimbursement, such amount shall be deemed to be an amount payable by that Lender to the Borrowers.

Section 6. Conditions Precedent to Initial Borrowing

The initial Borrowing under this Agreement is subject to the satisfaction of the following conditions precedent, except as otherwise agreed between the Company and the Administrative Agent.

6.1 Credit Documents.

The Administrative Agent (or its counsel) shall have received:

(a) this Agreement, executed and delivered by a duly Authorized Officer of Holdings and the Company;

(b) the Guarantee, executed and delivered by a duly Authorized Officer of Holdings;

(c) the Pledge Agreement, executed and delivered by a duly Authorized Officer of each of Holdings and the Company;

(d) the Security Agreement, executed and delivered by a duly Authorized Officer of each of Holdings and the Company; and

(e) the ABL/Term Intercreditor Agreement, executed and delivered by the parties thereto.

6.2 Collateral. Except for any items referred to on Schedule 9.14(d):

(a) All outstanding equity interests in whatever form of each Borrower and each Restricted Subsidiary that is directly owned by or on behalf of any Credit Party and required to be pledged pursuant to the Security Documents shall have been pledged pursuant thereto;

(b) The Collateral Agent shall have received the certificates representing securities of the Borrowers and of each Credit Party's Wholly Owned Restricted Subsidiaries to the extent required to be delivered under the Security Documents and pledged under the Security Documents to the extent certificated, accompanied by instruments of transfer and undated stock powers endorsed in blank; and

(c) All Uniform Commercial Code financing statements, reasonably requested by the Collateral Agent to be filed, registered or recorded to create the Liens intended to be created by any Security Document and perfect such Liens to the extent required by, and with the priority required by, such Security Document shall have been delivered to the Collateral Agent for filing, registration or recording;

provided that each of the requirements set forth in this Section 6.2, except to the extent that a Lien on such Collateral may be perfected solely (x) by the filing of a financing statement under the Uniform Commercial Code or (y) by the delivery of stock certificates or other certificates, if any, of the Equity Interests of the Company to the extent possession of such stock certificates or other certificates perfects a security interest therein) shall not constitute conditions precedent to the initial Borrowing on the Closing Date after the Company's use of commercially reasonable efforts to provide such items on or prior to the Closing Date or without undue burden or expense if the Company agrees to deliver, or cause to be delivered, such documents and instruments, or take or cause to be taken such other actions as may be required to perfect such security interests within 90 days after the Closing Date (subject to extensions approved by the Administrative Agent in its reasonable discretion).

6.3 Legal Opinions. The Administrative Agent (or its counsel) shall have received the executed legal opinions, in customary form, of Kirkland & Ellis LLP, special New York counsel to the Credit Parties, and Proskauer Rose LLP, special Massachusetts counsel to the Credit Parties. Holdings and the Company hereby instruct and agree to instruct the other Credit Parties to have such counsel deliver such legal opinions.

6.4 Equity Investments. Equity Investments, which, to the extent constituting Capital Stock other than common Capital Stock, shall be on terms and conditions and pursuant to documentation reasonably satisfactory to the Joint Lead Arrangers and Bookrunners to the extent material to the interests of the Lenders, in an amount not less than the Minimum Equity Amount shall have been made.

6.5 Closing Certificates. The Administrative Agent (or its counsel) shall have received a certificate of each of Holdings and the Company, dated the Closing Date, substantially in the form of Exhibit E, with appropriate insertions, executed by the President or any Vice President and the Secretary or any Assistant Secretary of Holdings or the Company, as applicable, and attaching the documents referred to in Section 6.6.

6.6 Authorization of Proceedings of Holdings and the Company; Corporate Documents. The Administrative Agent shall have received (i) a copy of the resolutions of the board of directors or other managers of Holdings and the Company (or a duly authorized committee thereof) authorizing (a) the execution, delivery, and performance of the Credit Documents (and any agreements relating thereto) to which it is a party and (b) in the case of the Company, the extensions of credit contemplated hereunder, (ii) the Certificate of Incorporation and By-Laws, Certificate of Formation and Operating Agreement or other comparable Organizational Documents, as applicable, of Holdings and the Company, and (iii) signature and incumbency certificates (or other comparable documents evidencing the same) of the Authorized Officers of Holdings and the Company executing the Credit Documents to which it is a party.

6.7 Fees. The Agents and Lenders shall have received, substantially simultaneously with the funding of the First Lien Term Loans and Second Lien Loans, fees and, to the extent invoiced at least three business days prior to the Closing Date (except as otherwise reasonably agreed by the Borrower Representative) expenses in the amounts previously agreed in writing to be received on the Closing Date (which amounts may, at the Borrower Representative's option, be offset against the proceeds of the First Lien Term Loans).

6.8 Representations and Warranties. On the Closing Date, the Acquired Company Representations and the Specified Representations shall be true and correct in all material respects.

6.9 Solvency Certificate. On the Closing Date, the Administrative Agent shall have received a certificate from the Chief Executive Officer, President, the Chief Financial Officer, the Treasurer, the Vice President-Finance, a Director, a Manager, or any other senior financial officer of the Borrower Representative to the effect that after giving effect to the consummation of the Transactions, the Company, together with the Restricted Subsidiaries on a consolidated basis, is Solvent.

6.10 Acquisition. Substantially concurrently with the initial Credit Event hereunder, the Acquisition shall have been consummated in all material respects in accordance with the terms of the Acquisition Agreement (or the Joint Lead Arrangers and Bookrunners shall be reasonably satisfied with the arrangements in place for the consummation of the Acquisition reasonably promptly after the initial Credit Event hereunder and shall have received confirmation from representatives of the Company that such actions shall be taken promptly after the initial Credit Event hereunder).

6.11 Patriot Act. The Joint Lead Arrangers and Bookrunners shall have received such documentation and information as is reasonably requested in writing at least ten days prior to the Closing Date by the Administrative Agent about Holdings, the Borrowers and the other Guarantors to the extent the Administrative Agent and Holdings in good faith mutually agree is required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the Patriot Act.

6.12 Pro Forma Balance Sheet. The Joint Lead Arrangers shall have received a pro forma consolidated balance sheet and related pro forma consolidated statements of operations (collectively, the **"Pro Forma Financial Statements")** of the Company as of and for the twelve-month period ending October 27, 2013, prepared after giving effect to the Transactions as if the Transactions had occurred as of such date (in the case of such balance sheet) or at the beginning of such period (in the case of such other statements of income), which need not be prepared in compliance with Regulation S-X of the Securities Act of 1933, as amended, or include adjustments for purchase accounting (including adjustments of the type contemplated by ASC 805).

6.13 Financial Statements. The Joint Lead Arrangers and Bookrunners shall have received the Historical Financial Statements.

6.14 No Company Material Adverse Effect. Since December 23, 2013, there shall not have occurred any Company Material Adverse Effect.

6.15 Refinancing. After giving effect to the Transactions, the Company and its Restricted Subsidiaries shall have no material outstanding Indebtedness other than Indebtedness hereunder, under the First Lien Term Facility, under the Second Lien Facility or Indebtedness permitted to be incurred and remain outstanding under the Acquisition Agreement or the Credit Documents.

6.16 Initial Borrowing Base Certificate. The Administrative Agent shall have received the initial Borrowing Base Certificate meeting the requirements hereof.

6.17 Notice of Borrowing; Letter of Credit Request.

(a) Prior to the making of any Revolving Credit Loan and any Swingline Loan on the Closing Date, the Administrative Agent shall have received a Notice of Borrowing meeting the requirements of Section 2.3.

(b) Prior to the issuance of any Letter of Credit on the Closing Date, the Administrative Agent and the Letter of Credit Issuer shall have received a Letter of Credit Request meeting the requirements of Section 3.2(a).

(c) After giving effect to any requested Credit Event on the Closing Date, the aggregate Revolving Credit Exposure does not exceed the Line Cap.

For purposes of determining compliance with the conditions specified in Section 6 on the Closing Date, 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 Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

Section 7. Conditions Precedent to All Credit Events after the Closing Date.

The agreement of each Lender to make any Loan requested to be made by it on any date after the Closing Date (excluding Mandatory Borrowings and Revolving Credit Loans required to be made by the Lenders in respect of Unpaid Drawings pursuant to Sections 3.3 and 3.4) and the obligation of the Letter of Credit Issuer to issue Letters of Credit on any date after the Closing Date is subject to the satisfaction (or waiver) of the following conditions precedent:

7.1 No Default; Representations and Warranties. At the time of each Credit Event and also after giving effect thereto (a) no Default or Event of Default shall have occurred and be continuing and (b) all representations and warranties made by any Credit Party contained herein or in the other Credit Documents shall be true and correct in all material respects with the same effect as though such representations and warranties had been made on and as of the date of such Credit Event (except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date).

7.2 Notice of Borrowing; Letter of Credit Request.

(a) Prior to the making of each Revolving Credit Loan (other than any Revolving Credit Loan made pursuant to Section 3.4(a)) and each Swingline Loan, the Administrative Agent shall have received a Notice of Borrowing meeting the requirements of Section 2.3.

(b) Prior to the issuance of each Letter of Credit, the Administrative Agent and the Letter of Credit Issuer shall have received a Letter of Credit Request meeting the requirements of Section 3.2(a).

(c) After giving effect to any requested Credit Event, the aggregate Revolving Credit Exposure does not exceed the Line Cap.

The acceptance of the benefits of each Credit Event shall constitute a representation and warranty by each Credit Party to each of the Lenders that all the applicable conditions specified in Section 7 above have been satisfied as of that time.

Section 8. Representations and Warranties

In order to induce the Lenders to enter into this Agreement, to make the Loans and issue or participate in Letters of Credit as provided for herein, the Company makes the following representations and warranties to the Lenders, all of which shall survive the execution and delivery of this Agreement and the making of the Loans and the issuance of the Letters of Credit (it being understood that the following representations and warranties shall be deemed made with respect to any Foreign Subsidiary only to the extent relevant under applicable law); provided that, on the Closing Date, each such Person's representations under this Section 8 and warranties shall be limited to the Specified Representations:

8.1 Corporate Status. Each Credit Party (a) is a duly organized and validly existing corporation, limited liability company or other entity in good standing (if applicable) under the laws of the jurisdiction of its organization and has the corporate, limited liability company or other organizational power and authority to own its property and assets and to transact the business in which it is engaged and (b) has duly qualified and is authorized to do business and is in good standing (if applicable) in all jurisdictions where it is required, to be so qualified, except where the failure to be so qualified could not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

8.2 Corporate Power and Authority. Each Credit Party has the corporate or other organizational power and authority to execute, deliver and carry out the terms and provisions of the Credit Documents to which it is a party and has taken all necessary corporate or other organizational action to authorize the execution, delivery and performance of the Credit Documents to which it is a party. Each Credit Party has duly executed and delivered each Credit Document to which it is a party and each such Credit Document constitutes the legal, valid, and binding obligation of such Credit Party enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and subject to general principles of equity.

8.3 No Violation. Neither the execution, delivery or performance by any Credit Party of the Credit Documents to which it is a party nor compliance with the terms and provisions thereof nor the consummation of the Acquisition and the other transactions contemplated hereby or thereby will (a) contravene any applicable provision of any material law, statute, rule, regulation, order, writ, injunction or decree of any court or governmental instrumentality that would, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect or (b) violate any provision of the certificate of incorporation, by-laws, articles or other Organizational Documents of such Credit Party or any of the Restricted Subsidiaries.

8.4 Litigation. There are no actions, suits or proceedings pending or, to the knowledge of the Company, threatened in writing against the Company or any of the Restricted Subsidiaries that would, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

8.5 Margin Regulations. Neither the making of any Loan hereunder nor the use of the proceeds thereof will violate the provisions of Regulation T, U or X of the Board.

8.6 Governmental Approvals. The execution, delivery and performance of each Credit Document does not require any consent or approval of, registration or filing with, or other action by, any Governmental Authority, except for (i) such as have been obtained or made and are in full force and effect, (ii) filings, consents, approvals, registrations and recordings in respect of the Liens created pursuant to the Security Documents (and to release existing Liens), and (iii) such licenses, approvals, authorizations, registrations, filings or consents the failure of which to obtain or make could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

8.7 Investment Company Act. None of Holdings, the Borrowers, or any other Restricted Subsidiary is required to be registered as an "investment company" under the Investment Company Act of 1940, as amended.

8.8 True and Complete Disclosure.

(a) None of the written factual information and written data (taken as a whole) heretofore or contemporaneously furnished by or on behalf of the Company or any of its Restricted Subsidiaries or any of their respective authorized representatives to the Administrative Agent, any Joint Lead Arranger, and/or any Lender on or before the Closing Date (including all such written information and data contained in (i) the Confidential Information Memorandum (as updated prior to the Closing Date) concerning the Company and its Subsidiaries and (ii) the Credit Documents) for purposes of or in connection with this Agreement or any transaction contemplated herein contained any untrue statement of any material fact or omitted to state any material fact necessary to make such information and data (taken as a whole) not materially misleading at such time in light of the circumstances under which such information or data was furnished (after giving effect to all supplements and updates), it being understood and agreed that for purposes of this Section 8.8(a), such factual information and data shall not include pro forma financial

information, projections, estimates (including financial estimates, forecasts, and other forward-looking information) or other forward looking information and information of a general economic or general industry nature.

(b) The projections (including financial estimates and forecasts) contained in the information and data referred to in paragraph (a) above were based on good faith estimates and assumptions believed by such Persons to be reasonable at the time made, it being recognized by the Lenders that such projections as to future events are not to be viewed as facts or a guarantee of performance, are subject to significant uncertainties and contingencies, many of which are beyond the control of the Company and its Subsidiaries and that actual results during the period or periods covered by any such projections may differ from the projected results and such differences may be material.

8.9 Financial Condition; Financial Statements.

(a) (i) The Historical Financial Statements and (ii) the unaudited consolidated financial statement of the Acquired Company and Operating Companies, consisting of the unaudited consolidated balance sheet of the Acquired Company and Operating Companies as of December 29, 2013, and the related unaudited consolidated statements of income, changes in stockholders' equity and cash flows for the twelve month period ending on December 29, 2013, in each case present fairly in all material respects the consolidated financial position of the Acquired Company and the Operating Companies at the respective dates of said information, statements and results of operations for the respective periods covered thereby. The Pro Forma Financial Statements, copies of which have heretofore been furnished to the Administrative Agent, have been prepared based on the Historical Financial Statements and have been prepared in good faith, based on assumptions believed by the Company to be reasonable as of the date of delivery thereof, and present fairly in all material respects on a Pro Forma Basis the estimated financial position of Borrower and its Subsidiaries as at October 27, 2013 (as if the Transactions had been consummated on such date) and their estimated results of operations as if the Transactions had been consummated on October 27, 2013. The financial statements referred to in clause (a)(ii) of this Section 8.9 have been prepared in accordance with GAAP consistently applied except to the extent provided in the notes to said financial statements.

(b) There has been no Material Adverse Effect since the Closing Date.

Each Lender and the Administrative Agent hereby acknowledges and agrees that the Company and its Subsidiaries may be required to restate historical financial statements as the result of the implementation of changes in GAAP or IFRS, or the respective interpretation thereof, and that such restatements will not result in a Default or an Event of Default under the Credit Documents.

8.10 Compliance with Laws. Each Credit Party is in compliance with all Requirements of Law applicable to it or its property, except where the failure to be so in compliance could not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

8.11 Tax Matters. Except as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (a) the Company and each of the Restricted Subsidiaries has filed all Tax returns required to be filed by it and has timely paid all Taxes payable by it (whether or not shown on a Tax return and including in its capacity as withholding agent) that have become due, other than those being contested in good faith and by proper proceedings if it has maintained adequate reserves (in the good faith judgment of management of the Company or such Restricted Subsidiary, as applicable) with respect thereto in accordance with GAAP and (b) each of the Company and each of the Restricted Subsidiaries has paid, or has provided adequate reserves (in the good faith judgment of management of

the Company or such Restricted Subsidiary, as applicable) in accordance with GAAP for the payment of all Taxes not yet due and payable. There is no current or proposed Tax assessment, deficiency or other claim against the Company or any Restricted Subsidiary that would reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

8.12 Compliance with ERISA. Except as could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect, no ERISA Event has occurred or is reasonably expected to occur.

8.13 Subsidiaries. Schedule 8.13 lists each Subsidiary of Holdings and the Company, in each case, existing on the Closing Date, after giving effect to the Transactions.

8.14 Intellectual Property. Each of the Company and the Restricted Subsidiaries owns or has the right to use all Intellectual Property that is used in or otherwise necessary for the operation of their respective businesses as currently conducted, except where the failure of the foregoing could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect. The operation of their respective businesses by the Company and the Restricted Subsidiaries does not infringe upon, misappropriate, violate or otherwise conflict with the Intellectual Property of any third party, except as could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

8.15 Environmental Laws.

(a) Except as set forth on Schedule 8.15, or as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect: (i) each of the Company and the Restricted Subsidiaries and their respective operations and properties are in compliance with all applicable Environmental Laws; (ii) none of the Company nor any Restricted Subsidiary has received written notice of any Environmental Claim; (iii) none of the Company or any Restricted Subsidiary is conducting any investigation, removal, remedial or other corrective action pursuant to any Environmental Law at any location; and (iv) to the knowledge of the Borrower Representative, no underground or above ground storage tank or related piping, or any impoundment or other disposal area containing Hazardous Materials is located at, on or under any Real Estate currently owned or leased by the Company or any of the Restricted Subsidiaries.

(b) Except as set forth on Schedule 8.15, none of the Company or any of the Restricted Subsidiaries has treated, stored, transported, Released or arranged for disposal or transport for disposal or treatment of Hazardous Materials at, on, under or from any currently or, formerly owned or operated property nor, to the knowledge of the Borrower Representative, has there been any other Release of Hazardous Materials at, on, under or from any such properties, in each case, in a manner that would reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

8.16 Properties.

(a) Each of the Company and the Restricted Subsidiaries has good and valid record title to, valid leasehold interests in, or rights to use, all properties that are necessary for the operation of their respective businesses as currently conducted and as proposed to be conducted, free and clear of all Liens (other than any Liens permitted by this Agreement) and except where the failure to have such good title or interest could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect and (b) no Mortgage encumbers improved Real Estate that is located in an area that has been identified by the Secretary of Housing and Urban Development as an area having special flood hazards

within the meaning of the National Flood Insurance Act of 1968, as amended, unless flood insurance available under such Act has been obtained in accordance with Section 9.3(b).

(b) As of the Closing Date, no Credit Party owns any real property having a Fair Market Value in excess of $5,000,000.

(c) Schedule 8.16(c) sets forth all leases or subleases of real property by any Credit Party in effect as of the Closing Date.

8.17 Solvency. On the Closing Date (after giving effect to the Transactions, including the making of the First Lien Term Loans and the Second Lien Loans) immediately following the making of the Loans and after giving effect to the application of the proceeds of such Loans, the Company on a consolidated basis with the Restricted Subsidiaries will be Solvent.

8.18 Patriot Act. On the Closing Date, the use of proceeds of the Loans will not be used by Holdings, the Company and its Subsidiaries in violation of the PATRIOT Act in any material respect.

8.19 Security Interest in Collateral. Subject to the terms of the last paragraph of Section 6.2, the provisions of this Agreement and the other Credit Documents create legal, valid, and enforceable Liens on all of the Collateral in favor of the Collateral Agent, for the benefit itself and the other Secured Parties, subject, as to enforceability, to applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally and to general principles of equity and principles of good faith and dealing (provided that, with respect to the creation and perfection of security interests with respect to Indebtedness, Capital Stock and Stock Equivalents of Foreign Subsidiaries, only to the extent enforceability of such obligation with respect to which Capital Stock and Stock Equivalents of Foreign Subsidiaries is governed by the Uniform Commercial Code), and upon the making of such filings and taking of such other actions required to be taken hereby or by the applicable Credit Documents (including the filing of appropriate financing statements with the office of the Secretary of State of the state of organization of each Credit Party, the filing of appropriate notices with the U.S. Patent and Trademark Office and the U.S. Copyright Office, and the proper recordation of Mortgages and fixture filings with respect to any Mortgaged Property, in each case in favor of the Collateral Agent for the benefit of the Secured Parties and the delivery to the Collateral Agent of any stock certificates or promissory notes required to be delivered pursuant to the applicable Credit Documents), such Liens constitute perfected and continuing Liens on the Collateral of the type required by the Security Documents securing the Obligations to the extent such Liens may be perfected by such filings and the taking of such other actions.

8.20 Anti-Terrorism Laws.

(a) To the extent applicable, each of Holdings, the Borrower and its Subsidiaries is in compliance, in all material respects, with the Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto.

(b) No part of the proceeds of the Loans will be used by Holdings, the Company or any of their Subsidiaries, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain retain or direct business obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended.

(c) None of Holdings, the Company or any Restricted Subsidiary nor, to the knowledge of the Borrower Representative, any director, officer or employee of Holdings, the Company or any Restricted Subsidiary, (i) is a person on the list of *"'Specially Designated Nationals and Blocked Persons"* or (ii) is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("OFAC"); and the Borrower will not directly or indirectly use the proceeds of the Loans or otherwise knowingly make available such proceeds to any Person, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

8.21 Borrowing Base Certificates. The information set forth in each Borrowing Base Certificate is true and correct in all material respects and has been prepared in all material respects in accordance with the requirements of this Agreement.

Section 9. Affirmative Covenants.

The Company hereby covenants and agrees that on the Closing Date and thereafter, until the Commitments, the Swingline Commitment and each Letter of Credit have terminated or been Cash Collateralized in accordance with the terms of this Agreement and the Loans and Unpaid Drawings, together with interest, Fees and all other Obligations incurred hereunder (other than contingent indemnity obligations, Secured Hedge Obligations and Secured Cash Management Obligations and Letters of Credit Cash Collateralized in accordance with the terms of this Agreement), are paid in full:

9.1 Information Covenants. The Borrower Representative will furnish to the Administrative Agent (which shall promptly make such information available to the Lenders in accordance with its customary practice):

(a) Annual Financial Statements. As soon as available and in any event within five days after the date on which such financial statements are required to be filed with the SEC (after giving effect to any permitted extensions) (or, if such financial statements are not required to be filed with the SEC, on or before the date that is 90 days after the end of each such fiscal year (120 days in the case of fiscal years 2013 and 2014), the consolidated balance sheets of the Company and the Restricted Subsidiaries as at the end of such fiscal year, and the related consolidated statements of operations and cash flows for such fiscal year, and commencing with fiscal year 2015, setting forth comparative consolidated figures for the preceding fiscal years, all in reasonable detail (together with customary management discussion and analysis) and prepared in accordance with GAAP, and, in each case, certified by independent certified public accountants of recognized national standing whose opinion shall not be qualified as to the scope of audit or as to the status of the Company or any of the Material Subsidiaries (or group of Subsidiaries that together would constitute a Material Subsidiary) as a going concern (other than any exception, explanatory paragraph or qualification, that is expressly solely with respect to, or expressly resulting solely from, (i) an upcoming maturity date under any Indebtedness of the Company and its Subsidiaries occurring within one year from the time such opinion is delivered or (ii) any potential inability to satisfy a financial maintenance covenant on a future date or in a future period); provided, that if at the end of any applicable fiscal year there are any Unrestricted Subsidiaries, Borrower Representative shall also furnish the related consolidating balance sheets of the Company and the Restricted Subsidiaries as at the end of such fiscal year, and the related consolidating statements of operations and cash flows for such fiscal year, in each case, reflecting the adjustments necessary to eliminate such Unrestricted Subsidiaries from the consolidated balance sheets of the Company and the Restricted Subsidiaries as at the end of such fiscal year, and the related consolidated statements of operations and cash flows for such fiscal year;

provided further, that no such consolidating financial statements provided hereunder shall be required to be audited.

(b) Quarterly Financial Statements. As soon as available and in any event within five days after the date on which such financial statements are required to be filed with the SEC (after giving effect to any permitted extensions) with respect to each of the first three quarterly accounting periods in each fiscal year of the Company (or, if such financial statements are not required to be filed with the SEC, on or before the date that is 45 days after the end of each such quarterly accounting period (60 days for the first three fiscal quarters ending after the Closing Date)), the consolidated balance sheets of the Company and the Restricted Subsidiaries as at the end of such quarterly period and the related consolidated statements of operations for such quarterly accounting period and for the elapsed portion of the fiscal year ended with the last day of such quarterly period, and the related consolidated statement of cash flows for such quarterly accounting period and for the elapsed portion of the fiscal year ended with the last day of such quarterly period, and commencing with the quarter ending June 30, 2015 setting forth comparative consolidated figures for the related periods in the prior fiscal year or, in the case of such consolidated balance sheet, for the last day of the related period in the prior fiscal year, all of which shall be certified by an Authorized Officer of the Company as fairly presenting in all material respects the financial condition, results of operations and cash flows of the Company and its Restricted Subsidiaries in accordance with GAAP (except as noted therein), subject to changes resulting from normal year-end adjustments and the absence of footnotes.

(c) Budgets. Within 90 days (120 days in the case of fiscal year 2015) after the commencement of each fiscal year of the Company beginning with fiscal year 2015, a budget of the Company in reasonable detail on a quarterly basis for such fiscal year as customarily prepared by management of the Company for its internal use consistent in scope with the financial statements provided pursuant to Section 9.1(a), setting forth the principal assumptions upon which such budget is based (collectively, the **"Projections"),** which Projections shall in each case be accompanied by a certificate of an Authorized Officer of the Company stating that such Projections have been prepared in good faith on the basis of the assumptions stated therein, which assumptions were based on good faith estimates and assumptions believed by such Persons to be reasonable at the time of preparation of such Projections, it being recognized by the Lenders that such Projections and assumptions as to future events are not to be viewed as facts or a guarantee of performance, are subject to significant uncertainties and contingencies, many of which are beyond the control of the Company and its Subsidiaries and that actual results during the period or periods covered by any such Projections may differ from the projected results and such differences may be material.

(d) Officer's Certificates. Not later than five days after the delivery of the financial statements provided for in Sections 9.1(a) and (b), a certificate of an Authorized Officer of the Company to the effect that no Event of Default exists or, if any Event of Default does exist, specifying the nature and extent thereof, as the case may be, which certificate shall set forth (i) a specification of any change in the identity of the Restricted Subsidiaries and Unrestricted Subsidiaries as at the end of such fiscal year or period, as the case may be, from the Restricted Subsidiaries and Unrestricted Subsidiaries, respectively, provided to the Lenders on the Closing Date or the most recent fiscal year or period, as the case may be and (ii) a reasonably detailed calculation of the Fixed Charge Coverage Ratio and, to the extent then applicable, compliance with the provisions of Section 10.11. At the time of the delivery of the financial statements provided for in Section 9.1(a), a certificate of an Authorized Officer of the Company setting forth

changes to the legal name, jurisdiction of formation, type of entity and organizational number (or equivalent) to the Person organized in a jurisdiction where an organizational identification number is required to be included in a Uniform Commercial Code financing statement, in each case for each Credit Party or confirming that there has been no change in such information since the Closing Date or the date of the most recent certificate delivered pursuant to this clause (d), as the case may be.

(e) Notice of Events of Default or Litigation. Promptly after an Authorized Officer of the Company or any of the Restricted Subsidiaries obtains knowledge thereof, notice of (i) the occurrence of any event that constitutes an Event of Default, which notice shall specify the nature thereof, the period of existence thereof and what action the Company proposes to take with respect thereto, (ii) any litigation or governmental proceeding pending against the Company or any of the Subsidiaries that would reasonably be expected to be determined adversely and, if so determined, to result in a Material Adverse Effect, (iii) any judgment or decree entered against (or judgment lien on the assets of) the Credit Parties involving a liability of $1,000,000 or more and (iv) any litigation or governmental proceeding pending against the Company or any of the Restricted Subsidiaries that would reasonably be expected to be determined adversely and, if so determined, would result in a liability of $1,000,000 or more.

(f) Environmental Matters. Promptly after an Authorized Officer of the Company or any of the Restricted Subsidiaries obtains knowledge of any one or more of the following environmental matters, unless such environmental matters could not reasonably be expected to result in a Material Adverse Effect, notice of:

(i) any pending or threatened Environmental Claim against any Credit Party or any Real Estate; and

(ii) the conduct of any investigation, or any removal, remedial or other corrective action in response to the actual or alleged presence, Release or threatened Release of any Hazardous Material on, at, under or from any Real Estate.

All such notices shall describe in reasonable detail the nature of the claim, investigation or removal, remedial or other corrective action in response thereto. The term **"Real Estate"** shall mean land, buildings, facilities and improvements owned or leased by any Credit Party.

(g) Other Information. Promptly upon filing thereof, copies of any filings (including on Form 10-K, 10-Q or 8-K) or registration statements with, and reports to, the SEC or any analogous Governmental Authority in any relevant jurisdiction by the Company or any of the Restricted Subsidiaries (other than amendments to any registration statement (to the extent such registration statement, in the form it becomes effective, is delivered to the Administrative Agent), exhibits to any registration statement and, if applicable, any registration statements on Form S-8) and copies of all financial statements, proxy statements, notices, and reports that the Company or any of the Restricted Subsidiaries shall send to the holders of any publicly issued debt of the Company and/or any of the Restricted Subsidiaries, in their capacity as such holders, lenders or agents (in each case to the extent not theretofore delivered to the Administrative Agent pursuant to this Agreement) and, with reasonable promptness, such other information (financial or otherwise) as the Administrative Agent on its own behalf or on behalf of any Lender (acting through the Administrative Agent) may reasonably request in writing from time to time; provided, that none of the Company nor any Restricted Subsidiary will be required to disclose or

permit the inspection or discussion of, any document, information or other matter (i) that constitutes non-financial trade secrets or non-financial proprietary information, (ii) in respect of which disclosure to the Administrative Agent or any Lender (or their respective contractors) is prohibited by law, or any binding agreement or (iii) that is subject to attorney client or similar privilege or constitutes attorney work product.

Notwithstanding the foregoing, the obligations in clauses (a) and (b) of this Section 9.1 may be satisfied with respect to financial information of the Company and the Restricted Subsidiaries by furnishing (A) the applicable financial statements of the Borrowers or any direct or indirect parent of the Company or (B) the Company's (or any direct or indirect parent thereof), as applicable, Form 10-K or 10-Q, as applicable, filed with the SEC; provided that, with respect to each of subclauses (A) and (B) of this paragraph, to the extent such information relates to a parent of the Company, such information is accompanied by consolidating or other information that explains in reasonable detail the differences between the information relating to such parent, on the one hand, and the information relating to the Company and the Restricted Subsidiaries on a standalone basis, on the other hand.

(h) Borrowing Base Certificates. The Borrower Representative will furnish to the Administrative Agent a certificate in the form of Exhibit N (a "Borrowing Base Certificate") showing the Borrowing Base, each Borrowing Base Certificate to be certified as complete and correct in all material respects on behalf of the Borrower Representative by a Financial Officer of the Borrower Representative, as follows:

(i) on the 20th day of each month (the "Borrowing Base Delivery Date"), the Borrower Representative shall furnish a Borrowing Base Certificate as of the close of business on the immediately preceding calendar month;

(ii) more frequently (but not more frequently than weekly) as shall be reasonably determined by the Administrative Agent during the Accelerated Borrowing Base Delivery Period, the Borrower Representative shall furnish a Borrowing Base Certificate by a subsequent date reasonably determined by the Administrative Agent;

(iii) at any time any Overadvance Loans are outstanding, Borrower Representative may deliver Borrowing Base Certificates more frequently than monthly (as required by clause (h)(i)), but not more frequently than weekly unless otherwise agreed by the Administrative Agent, and the Borrowing Base shall be computed upon the Administrative Agent's receipt of such Borrowing Base Certificate; provided, that Borrowers shall then be required to maintain the frequency of delivery of such Borrowing Base Certificates for the immediately following thirty (30) day period; and

(iv) upon any Asset Sale of ABL Priority Collateral included in the Borrowing Base, if the Net Cash Proceeds thereof are in excess of $2,500,000, the Lead Borrower shall also furnish an updated Borrowing Base Certificate promptly upon the receipt of such Net Cash Proceeds.

All calculations of Excess Availability in any Borrowing Base Certificate shall originally be made by the Borrowers and certified by a Financial Officer of the Borrower Representative, provided that the Administrative Agent may from time to time review and with notice to the Borrower Representative adjust any such calculation to the extent the calculation is not made in

accordance with this Agreement or does not accurately reflect the Borrowing Base Reserve or to adjust the Borrowing Base Reserves in its Credit Judgment.

The Borrower Representative will furnish to the Administrative Agent at the time of delivery of each Borrowing Base Certificate such information as the Administrative Agent may reasonably request with respect to customer deposits, agings, freight/duty payables and gift card balances, a schedule of rent expenses by organized by location and a schedule of inventory organized by location.

Documents required to be delivered pursuant to clauses (a), (b), and (g) of this Section 9.1 (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the earliest date on which (i) the Company posts such documents, or provides a link thereto on the Company's website on the Internet; (ii) such documents are posted on the Company's behalf on IntraLinks/IntraAgency or another website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent), or (iii) such financial statements and/or other documents are posted on the SEC's website on the internet at www.sec.gov; provided, that, (A) the Borrower Representative shall, at the request of the Administrative Agent, continue to deliver copies (which delivery may be by electronic transmission) of such documents to the Administrative Agent and (B) the Borrower Representative shall notify (which notification may be by facsimile or electronic transmission) the Administrative Agent of the posting of any such documents on any website described in this paragraph. Each Lender shall be solely responsible for timely accessing posted documents or requesting delivery of paper copies of such documents from the Administrative Agent and maintaining its copies of such documents.

9.2 Books, Records, Inspections, Audit Rights and Appraisals.

(a) The Company will, and will cause each Restricted Subsidiary to, permit officers and designated representatives of the Administrative Agent to visit and inspect any of the properties or assets of the Company and any such Subsidiary in whomsoever's possession to the extent that it is within such party's control to permit such inspection (and shall use commercially reasonable efforts to cause such inspection to be permitted to the extent that it is not within such party's control to permit such inspection), and to examine the books and records of the Company and any such Subsidiary and discuss the affairs, finances and accounts of the Company and of any such Subsidiary with, and be advised as to the same by, its and their officers and independent accountants, all at such reasonable times and intervals and to such reasonable extent as the Administrative Agent may desire (and subject, in the case of any such meetings or advice from such independent accountants, to such accountants' customary policies and procedures); provided that, subject to clause (b) below and excluding any such visits and inspections during the continuation of an Event of Default, (1) the Administrative Agent shall not exercise such rights more than one time in any calendar year, which such visit will be at the Company's expense and (2) notwithstanding anything to the contrary in this Section 9.2, none of the Company or any of the Restricted Subsidiaries will be required to disclose, permit the inspection, examination or making copies or abstracts of, or discussion of, any document, information or other matter that (x) constitutes non-financial trade secrets or non-financial proprietary information, (y) in respect of which disclosure to the Administrative Agent or any Lender (or their respective representatives or contractors) is prohibited by law or any binding agreement or (z) is subject to attorney-client or similar privilege or constitutes attorney work product; provided, further, that when an Event of Default exists, the Administrative Agent (or any of its respective representatives or independent contractors) may do any of the foregoing at the expense of the Company at any time during normal business hours and upon reasonable advance notice. The Administrative Agent shall give the Company the opportunity to participate in any discussions with the Company's independent public accountants.

(b) The Borrower Representative will from time to time upon the request of the Administrative Agent, permit the Administrative Agent or professionals (including consultants and appraisers) retained by the Administrative Agent, on reasonable prior notice and during normal business hours, to conduct appraisals and commercial finance examinations, including, without limitation, of (i) the Borrowers' practices in the computation of the Borrowing Base, and (ii) the assets included in the Borrowing Base and related financial information such as, but not limited to, gross margins, payables, accruals and reserves. Subject to the following limitations, the Borrowers shall pay the reasonable out-of-pocket fees and expenses of the Administrative Agent and such professionals with respect to such evaluations, examinations and appraisals:

(i) the Administrative Agent may conduct (A) one (1) commercial finance examination in each calendar year for the Credit Parties, at the Credit Parties' expense and (B) one (1) additional commercial finance examination in a calendar year at any time in such year if either (x) any Overadvance Loans are outstanding or (y) Excess Availability for a period of five (5) consecutive Business Days is below 20% of the Line Cap, at the Borrowers' expense. Notwithstanding anything to the contrary contained herein, after the occurrence and during the continuance of any Event of Default, the Administrative Agent may cause such additional commercial finance examinations to be taken for each of the Credit Parties as the Administrative Agent, in its reasonable discretion, determines are necessary or appropriate (each, at the expense of the Credit Parties); and

(ii) the Administrative Agent may conduct (A) one (1) appraisal of the Inventory in each calendar year for the Credit Parties, at the Credit Parties' expense and (B) one (1) additional appraisal of the Inventory in a calendar year at any time in such year if either (x) any Overadvance Loans are outstanding or (y) Excess Availability for a period of five (5) consecutive Business Days is below 20% of the Line Cap, at the Borrowers' expense. Notwithstanding anything to the contrary contained herein, after the occurrence and during the continuance of any Event of Default, the Administrative Agent may cause such additional appraisals of the Inventory to be taken for each of the Credit Parties as the Administrative Agent, in its reasonable discretion, determines are necessary or appropriate (each, at the expense of the Credit Parties).

9.3 Maintenance of Insurance. (a) The Company will, and will cause each Material Subsidiary to, at all times maintain in full force and effect, pursuant to self-insurance arrangements or with insurance companies that the Company believes (in the good faith judgment of the management of the Company) are financially sound and responsible at the time the relevant coverage is placed or renewed, insurance in at least such amounts (after giving effect to any self-insurance which the Company believes (in the good faith judgment of management of the Company) is reasonable and prudent in light of the size and nature of its business and the availability of insurance on a cost-effective basis) and against at least such risks (and with such risk retentions) as the Company believes (in the good faith judgment of management of the Company) is reasonable and prudent in light of the size and nature of its business and the availability of insurance on a cost-effective basis; and will furnish to the Administrative Agent, promptly following written request from the Administrative Agent, information presented in reasonable detail as to the insurance so carried and (b) with respect to each Mortgaged Property, the Company will obtain flood insurance in such total amount as may reasonably be required by the Collateral Agent, if at any time the area in which any improvements located on any Mortgaged Property is designated a "special flood hazard area" in any Flood Insurance Rate Map published by the Federal Emergency Management Agency (or any successor agency), and otherwise comply with the National Flood Insurance Program as set forth in the Flood Disaster Protection Act of 1973, as amended from time to time. Each such policy of insurance shall (i) name the Collateral Agent, on behalf of the Secured Parties as an additional insured

thereunder as its interests may appear and (ii) in the case of each casualty insurance policy, contain a loss payable clause or endorsement that names the Collateral Agent, on behalf of the Secured Parties as the loss payee thereunder.

9.4 Payment of Taxes. The Company will pay and discharge, and will cause each of the Restricted Subsidiaries to pay and discharge, all material Taxes imposed upon it (including in its capacity as a withholding agent) or upon its income or profits, or upon any properties belonging to it, prior to the date on which material penalties attach thereto, and all lawful material claims in respect of any Taxes imposed, assessed or levied that, if unpaid, could reasonably be expected to become a material Lien upon any properties of the Company or any of the Restricted Subsidiaries; provided that neither the Company nor any of the Restricted Subsidiaries shall be required to pay any such Tax that is being contested in good faith and by proper proceedings if it has maintained adequate reserves (in the good faith judgment of management of the Company) with respect thereto in accordance with GAAP and the failure to pay could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

9.5 Preservation of Existence; Consolidated Corporate Franchises. The Company will, and will cause each Material Subsidiary to, take all actions necessary (a) to preserve and keep in full force and effect its existence, organizational rights and authority and (b) to maintain its rights, privileges (including its good standing (if applicable)), permits, licenses and franchises necessary in the normal conduct of its business, in each case, except to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect; provided, however, that the Company and its Subsidiaries may consummate any transaction permitted under Permitted Investments and Sections 10.2, 10.3, 10.4, or 10.5.

9.6 Compliance with Statutes, Regulations, Etc. The Company will, and will cause each Restricted Subsidiary to, (a) comply with all applicable laws, rules, regulations, and orders applicable to it or its property, including, without limitation, applicable laws administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury and the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations promulgated thereunder, and all governmental approvals or authorizations required to conduct its business, and to maintain all such governmental approvals or authorizations in full force and effect, (b) comply with, and use commercially reasonable efforts to ensure compliance by all tenants and subtenants, if any, with, all Environmental Laws, and obtain and comply with and maintain, and use commercially reasonable efforts to ensure that all tenants and subtenants obtain and comply with and maintain, any and all licenses, approvals, notifications, registrations or permits required by Environmental Laws, and (c) conduct and complete all investigations, studies, sampling and testing, and all remedial, removal, and other actions required under Environmental Laws and promptly comply with all lawful orders and directives of all Governmental Authorities regarding Environmental Laws, other than such orders and directives which are being timely contested in good faith by proper proceedings, except in each case of (a), (b), and (c) of this Section 9.6, where the failure to do so could not reasonably be expected to result in a Material Adverse Effect.

9.7 ERISA. (a) The Company will furnish to the Administrative Agent promptly following receipt thereof, copies of any documents described in Sections 101(k) or 101(1) of ERISA that any Credit Party may request with respect to any Multiemployer Plan to which a Credit Party is obligated to contribute; provided that if the Credit Parties have not requested such documents or notices from the administrator or sponsor of the applicable Multiemployer Plan, then, upon reasonable request of the Administrative Agent, the Credit Parties shall promptly make a request for such documents or notices from such administrator or sponsor and the Borrower Representative shall provide copies of such documents and notices to the Administrative Agent promptly after receipt thereof; and further provided, that the rights granted to the Administrative Agent in this Section shall be exercised not more than once

during a 12-month period, and (b) the Company will notify the Administrative Agent promptly following the occurrence of any ERISA Event that, alone or together with any other ERISA Events that have occurred, would reasonably be expected to result in liability of any Credit Party that could reasonably be expected to have a Material Adverse Effect.

9.8 Maintenance of Properties. The Company will, and will cause each of the Restricted Subsidiaries to, keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear, casualty, and condemnation excepted, except to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect.

9.9 Maintenance of Cash Management Systems.

(a) Annexed hereto as Schedule 9.9(a) is a list all deposit accounts and securities accounts (including any DDAs) that to the best knowledge of the Authorized Officers of the Credit Parties, are maintained by the Credit Parties as of the Closing Date, including with respect to each financial institution at which such account is maintained, (i) the name and address of such financial institution, (ii) the account number(s) maintained with such financial institution, and (iii) a contact person at such financial institution.

(b) Annexed hereto as Schedule 9.9(b) is a list describing, as of the Closing Date, all arrangements to which any Credit Party is a party with respect to the payment to such Credit Party of the proceeds of all credit card and debit card charges for sales by such Credit Party.

(c) On or prior to the date that is 90 days after the Closing Date (or such later date as the Administrative Agent shall reasonably agree), to the extent not previously delivered, each Credit Party shall:

(i) deliver to the Administrative Agent notifications (each, a "Credit Card Notification") substantially in the form attached hereto as Exhibit O which have been executed on behalf of such Credit Party and addressed to such Credit Party's credit card and debit card clearinghouses and processors listed on Schedule 9.9(b);

(ii) enter into a blocked account agreement (each, a "Blocked Account Agreement"), reasonably satisfactory to the Collateral Agent, with any Blocked Account Bank, including, without limitation, with respect to the deposit accounts and securities accounts existing as of the Closing Date listed on Schedule 9.9(a) (but excluding any Excluded Deposit Account) attached hereto (collectively, the "Blocked Accounts"); and

(iii) a Borrower shall have established a concentration account in its name (the "Concentration Account") with a Blocked Account Bank reasonably acceptable to the Administrative Agent, and entered into a Blocked Account Agreement, reasonably satisfactory to the Collateral Agent, with respect to the Concentration Account.

(d) Each Credit Card Notification and Blocked Account Agreement with respect to any DDA's or other deposit accounts shall require, during the continuance of a Cash Dominion Period (and delivery of notice thereof from the Collateral Agent to the Blocked Account Banks), the ACH or wire transfer on each Business Day (and whether or not there is then an outstanding balance in the Loan Account) to the Concentration Account of all available cash receipts (the "Cash Receipts") from:

(i) the sale of Inventory and other Collateral (whether or not constituting an Asset Sale Prepayment Event);

(ii) all proceeds of collections of Accounts (whether or not constituting an Asset Sale Prepayment Event);

(iii) all Net Cash Proceeds on account of any Asset Sale Prepayment Event of ABL Priority Collateral;

(iv) each Blocked Account (including all cash deposited therein from each DDA); and

(v) the cash proceeds of all credit card and debit card charges.

(vi) In addition, the Blocked Account Agreement for the Concentration Account shall provide, among other things, that during the continuation of a Cash Dominion Period, the bank at which such Concentration Account is maintained shall, upon receipt of notice by the Collateral Agent make daily sweeps from the Concentration Account into the Collateral Agent's account for application to the Obligations.

(e) Any cash or Cash Equivalents or Cash Receipts owned by any Credit Party (other than Excluded Deposit Accounts or such other accounts which the Administrative Agent may agree) shall be deposited to a Blocked Account that is subject to a Blocked Account Agreement. In addition to the foregoing, during the continuance of a Cash Dominion Period, at the reasonable request of the Collateral Agent, the Credit Parties shall provide the Collateral Agent with information and account statements with respect to the Blocked Accounts.

(f) The Credit Parties may close all deposit accounts and securities accounts (including any DDAs or Blocked Accounts) and/or open new deposit accounts and securities accounts (including any DDAs or Blocked Accounts, subject to the execution and delivery to the Collateral Agent of appropriate Blocked Account Agreements (except with respect to any Excluded Deposit Accounts or unless expressly waived by the Administrative Agent) consistent with the provisions of this Section 9.9 and otherwise reasonably satisfactory to the Collateral Agent. The Credit Parties shall furnish the Administrative Agent with prior written notice of their intention (x) to open any deposit accounts (other than any Excluded Deposit Account) and securities accounts (including any DDAs and Blocked Accounts) and the Administrative Agent shall promptly notify the Borrower Representative as to whether the Collateral Agent shall require a Blocked Account Agreement with the Person with whom such account will be maintained. Unless consented to in writing by the Administrative Agent, the Borrowers shall not enter into any agreements with credit card processors other than the ones expressly contemplated herein unless contemporaneously therewith, a Credit Card Notification, is executed and delivered to the Administrative Agent and (y) to close any Blocked Account.

(g) The Credit Parties may also maintain one or more disbursement accounts (the "Disbursement Accounts") to be used by the Credit Parties for disbursements and payments (including payroll) in the ordinary course of business or as otherwise permitted hereunder.

(h) During the continuance of a Cash Dominion Period, the Blocked Accounts and the Concentration Account shall at all times be under the sole dominion and control of the Collateral Agent. Each Credit Party hereby acknowledges and agrees that during the continuance of a Cash Dominion Period, (i) such Credit Party has no right of withdrawal from any Blocked Account or the Concentration Account, (ii) the funds on deposit in any Blocked Account or the Concentration Account shall at all times continue to be collateral security for all of the Obligations, and (iii) the funds on deposit in any Blocked Account or the Concentration Account shall be applied as provided in this Agreement. In

the event that, notwithstanding the provisions of this Section 9.9, during the continuation of a Cash Dominion Period, any Credit Party receives or otherwise has dominion and control of any Cash Receipts, such Cash Receipts shall be held in trust by such Credit Party for the Collateral Agent, shall not be commingled with any of such Credit Party's other funds or deposited in any account of such Credit Party and shall promptly be deposited into the Concentration Account or dealt with in such other fashion as such Credit Party may be instructed by the Collateral Agent.

(i) All amounts received by the Administrative Agent under this Section 9.9 during a Cash Dominion Period shall be applied in the manner set forth in Section 5.2(e) and in the priority set forth in Section 11.14 and such amounts held by Administrative Agent at any time when all of the Obligations then due have been repaid or Cash Collateralized shall be remitted to the operating account of a Credit Party designated by the Borrowers.

(j) The Collateral Agent shall promptly (but in any event within one (1) Business Day) furnish written notice to each Person with whom a Blocked Account is maintained of any termination of a Cash Dominion Period.

9.10 Physical Inventories. The Credit Parties, at their own expense, shall conduct a physical inventory to be undertaken in each twelve (12) month period (or alternatively, periodic cycle counts) consistent with historical practices, conducted following such methodology as is consistent with the methodology used in the immediately preceding inventory (or cycle count) or as otherwise may be reasonably satisfactory to the Administrative Agent. Following the completion of such inventory, the Borrowers shall promptly post such results to the Credit Parties' stock ledgers and general ledgers, as applicable.

9.11 Additional Guarantors and Grantors. Subject to any applicable limitations set forth in the Security Documents, the Company will cause each direct or indirect Subsidiary (other than any Excluded Subsidiary) formed or otherwise purchased or acquired after the Closing Date (including pursuant to a Permitted Acquisition), and each other Subsidiary that ceases to constitute an Excluded Subsidiary, within 45 days from the date of such formation, acquisition or cessation, as applicable (or such longer period as the Administrative Agent may agree in its reasonable discretion), and the Company may at its option cause any Subsidiary, to execute a supplement to each of the Guarantee, the Pledge Agreement and the Security Agreement in order to become a Guarantor under the Guarantee and a grantor under such Security Documents or, to the extent reasonably requested by the Collateral Agent, enter into a new Security Document substantially consistent with the analogous existing Security Documents and otherwise in form and substance reasonably satisfactory to such Collateral Agent and take all other action reasonably requested by the Collateral Agent to grant a perfected (with respect to Collateral consisting of Intellectual Property, if and to the extent required under the Security Agreement) security interest in its assets to substantially the same extent as created by the Credit Parties on the Closing Date. For the avoidance of doubt, no Credit Party or any Domestic Restricted Subsidiary shall be required to take any action outside the United States to perfect any security interest in the Collateral (including the execution of any agreement, document or other instrument governed by the law of any jurisdiction other than the United States, any State thereof or the District of Columbia).

9.12 Pledge of Additional Stock and Evidence of Indebtedness. Subject to any applicable limitations set forth in the Security Documents and other than (x) when in the reasonable determination of the Administrative Agent and the Borrower Representative (as agreed to in writing), the cost or other consequences of doing so would be excessive in view of the benefits to be obtained by the Lenders therefrom or (y) to the extent doing so would result in material adverse tax consequences as reasonably determined by the Borrower Representative in consultation with the Administrative Agent, the Company

will cause (i) all certificates representing Capital Stock and Stock Equivalents of any Restricted Subsidiary (other than any Excluded Stock and Stock Equivalents) held directly by the Company or any Guarantor, (ii) all evidences of Indebtedness in excess of $2,500,000 received by the Company or any of the Guarantors in connection with any disposition of assets pursuant to Section 10.4(b), and (iii) any promissory notes executed after the Closing Date evidencing Indebtedness in excess of $2,500,000 of the Company or any Subsidiary that is owing to the Company or any Guarantor, in each case, to be delivered to the Collateral Agent as security for the Obligations accompanied by undated instruments of transfer executed in blank pursuant to the terms of the Security Documents. Notwithstanding the foregoing any promissory note among the Company and/or its Subsidiaries need not be delivered to the Collateral Agent so long as (i) a global intercompany note superseding such promissory note has been delivered to the Collateral Agent, (ii) such promissory note is not delivered to any other party other than the Company or its Subsidiaries, in each case, owed money thereunder, and (iii) such promissory note indicates on its face that it is subject to the security interest of the Collateral Agent.

9.13 Use of Proceeds. The Borrowers will use the proceeds of the Loans made and Letters of Credit issued hereunder (a) in an aggregate amount not to exceed $5,500,000 to effect the Transactions (including working capital and/or purchase price adjustments), (b) to replace, backstop or cash collateralize existing letters of credit, (c) to the extent required to account for any "flex" original issue discount and/or upfront fees required pursuant to the Fee Letter, and (d) for working capital purposes. After the Closing Date, the Borrowers will use the proceeds of the Loans to finance working capital of the Borrowers and their Subsidiaries and for general corporate purposes of the Borrowers and their Subsidiaries (including for capital expenditures, acquisitions and other Investments, Restricted Payments and any other transaction not prohibited by the Credit Documents).

9.14 Further Assurances.

(a) Subject to the terms of Sections 9.11 and 9.12, this Section 9.14 and the Security Documents, the Company will, and will cause each other Credit Party to, execute any and all further documents, financing statements, agreements, and instruments, and take all such further actions (including the filing and recording of financing statements, fixture filings, mortgages, deeds of trust, and other documents) that may be required under any applicable law, or that the Collateral Agent or the Required Lenders may reasonably request, in order to grant, preserve, protect, and perfect (with respect to Collateral consisting of Intellectual Property, if and to the extent required under the Security Agreement) the validity and priority of the security interests created or intended to be created by the applicable Security Documents, all at the expense of the Company and the Restricted Subsidiaries. Each Credit Party shall give the Collateral Agent and the Administrative Agent prompt (and in any event within 5 Business Days (or such later period as agreed by the Administrative Agent)) notice of any change to its legal name, jurisdiction of formation, type of entity and organizational number (or equivalent).

(b) Subject to any applicable limitations set forth in the Security Documents and other than (x) when in the reasonable determination of the Administrative Agent and the Company (as agreed to in writing), the cost or other consequences of doing so would be excessive in view of the benefits to be obtained by the Lenders therefrom or (y) to the extent doing so would result in material adverse tax consequences as reasonably determined by the Borrower Representative in consultation with the Administrative Agent, if any assets (other than Excluded Property) (including any real estate or improvements thereto or any interest therein but excluding Capital Stock and Stock Equivalents of any Subsidiary and excluding any real estate which the Borrower or applicable Credit Party intends to dispose of pursuant to a Permitted Sale Leaseback so long as actually disposed of within 270 days of acquisition (or such longer period as the Administrative Agent may reasonably agree)) with a book value in excess of $5,000,000 (at the time of acquisition) are acquired by the Company or any other Credit Party after the

Closing Date (other than assets constituting Collateral under a Security Document that become subject to the Lien of the applicable Security Document upon acquisition thereof) that are of a nature secured by a Security Document or that constitute a fee interest in real property in the United States, the Company will notify the Collateral Agent, and, if requested by the Collateral Agent, the Company will cause such assets to be subjected to a Lien securing the Obligations and will take, and cause the other applicable Credit Parties to take, such actions as shall be necessary or reasonably requested by the Collateral Agent, as soon as commercially reasonable but in no event later than 90 days, unless extended by the Administrative Agent in its sole discretion, to grant and perfect such Liens consistent with the applicable requirements of the Security Documents, including actions described in clause (a) of this Section 9.14.

(c) Any Mortgage delivered to the Administrative Agent in accordance with the preceding clause (b) shall, if requested by the Collateral Agent, be received as soon as commercially reasonable but in no event later than 90 days (except as set forth in the preceding clause (b)), unless extended by the Administrative Agent in its sole discretion and accompanied by (x) a policy or policies (or an unconditional binding commitment therefor to be replaced by a final title policy) of title insurance issued by a nationally recognized title insurance company, in such amounts as reasonably acceptable to the Administrative Agent not to exceed the Fair Market Value of the applicable Mortgaged Property, insuring the Lien of each Mortgage as a valid third Lien on the Mortgaged Property described therein, free of any other Liens except as expressly permitted by Section 10.2 or as otherwise permitted by the Administrative Agent and otherwise in form and substance reasonably acceptable to the Administrative Agent and the Borrower Representative, together with such endorsements, coinsurance and reinsurance as the Administrative Agent may reasonably request but only to the extent such endorsements are (i) available in the relevant jurisdiction (provided in no event shall the Administrative Agent request a creditors' rights endorsement) and (ii) available at commercially reasonable rates, (y) an opinion of local counsel to the applicable Credit Party in form and substance reasonably acceptable to the Administrative Agent, (z) a completed "Life-of-Loan" Federal Emergency Management Agency Standard Flood Hazard Determination, and if any improvements on such Mortgaged Property are located in a special flood hazard area, (i) a notice about special flood hazard area status and flood disaster assistance duly executed by the applicable Credit Parties and (ii) certificates of insurance evidencing the insurance required by Section 9.3 in form and substance reasonably satisfactory to the Administrative Agent, and (aa) an ALTA survey in a form and substance reasonably acceptable to the Collateral Agent or such existing survey together with a no-change affidavit sufficient for the title company to remove all standard survey exceptions from the Title Policy related to such Mortgaged Property and issue the endorsements required in (x) above.

(d) The Company agrees that it will deliver, or will cause to be delivered, to the Administrative Agent, the items described on Schedule 9.14(d) on the Closing Date by the times specified with respect to such items, or such later time as the Administrative Agent may agree in its sole discretion.

9.15 [Reserved].

9.16 Lines of Business. The Company and the Restricted Subsidiaries, taken as a whole, will not fundamentally and substantively alter the character of their business, taken as a whole, from the business conducted by the Company and the Subsidiaries, taken as a whole, on the Closing Date and other business activities which are extensions thereof or otherwise incidental, synergistic, reasonably related, or ancillary to any of the foregoing (and non-core incidental businesses acquired in connection with any Permitted Acquisition or permitted Investment).

Section 10. Negative Covenants

The Company hereby covenants and agrees that on the Closing Date (immediately after consummation of the Acquisition) and thereafter, until the Commitments, the Swingline Commitment and each Letter of Credit have terminated or been Cash Collateralized in accordance with the terms of this Agreement and the Loans and Unpaid Drawings, together with interest, Fees, and all other Obligations incurred hereunder (other than contingent indemnity obligations, Secured Hedge Obligations and Secured Cash Management Obligations and Letters of Credit, Cash Collateralized in accordance with the terms of this Agreement), are paid in full:

10.1 Limitation on Indebtedness. The Company will not, and will not permit any Restricted Subsidiary to create, incur, issue, assume, guarantee or otherwise become liable, contingently or otherwise (collectively, **"incur"** and collectively, an **"incurrence")** with respect to any Indebtedness (including Acquired Indebtedness) and the Company will not issue any shares of Disqualified Stock and will not permit any Restricted Subsidiary to issue any shares of Disqualified Stock or, in the case of Restricted Subsidiaries that are not Borrowers or Guarantors, preferred stock; provided that the Company may incur Indebtedness (including Acquired Indebtedness) or issue shares of Disqualified Stock, and any Restricted Subsidiary may incur Indebtedness (including Acquired Indebtedness), issue shares of Disqualified Stock and issue shares of preferred stock, in an aggregate amount equal to $20,000,000 plus unlimited additional amounts if, after giving effect to the incurrence of such amount, the Company would be in compliance on a Pro Forma Basis with the Total Debt Leverage Test ; provided further that the amount of Indebtedness (other than Acquired Indebtedness), Disqualified Stock and preferred stock that may be incurred pursuant to the foregoing together with any amounts incurred under Section 10.1(n)(x) by Restricted Subsidiaries that are not Guarantors shall not exceed the greater of (x) $15,000,000 and (y) 30% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at any one time outstanding.

The foregoing limitations will not apply to:

(a) Indebtedness arising under the Credit Documents;

(b) (x) Indebtedness represented by the Second Lien Facility, Permitted Second Lien Exchange Notes, and any guarantee thereof in an aggregate principal amount not to exceed $80,000,000 (plus all accrued interest, fees and expenses) and (y) Indebtedness that may be incurred pursuant to Sections 2.14 and 10.1(x)(i) of the Second Lien Credit Agreement (as in effect on the Closing Date), in each case, pursuant to the definition of Maximum Incremental Facilities Amount in the Second Lien Credit Agreement (as in effect on the Closing Date);

(c) (i) Indebtedness (including any unused commitment) outstanding on the Closing Date listed on Schedule 10.1 and (ii) intercompany Indebtedness (including any unused commitment) outstanding on the Closing Date listed on Schedule 10.1 (other than intercompany Indebtedness owed by a Credit Party to another Credit Party);

(d) Indebtedness (including Capital Lease Obligations), Disqualified Stock and preferred stock incurred by the Company or any Restricted Subsidiary, to finance the purchase, lease, construction, installation, maintenance, replacement or improvement of property (real or personal) or equipment that is used or useful in a Similar Business, whether through the direct purchase of assets or the Capital Stock of any Person owning such assets and Indebtedness arising from the conversion of the obligations of the Company or any Restricted Subsidiary under or pursuant to any "synthetic lease" transactions to on- balance sheet Indebtedness of the Company or such Restricted Subsidiary, in an aggregate principal

amount which, when aggregated with the principal amount of all other Indebtedness, Disqualified Stock and preferred stock then outstanding and incurred pursuant to this clause (d) and all Refinancing Indebtedness incurred to refinance any other Indebtedness, Disqualified Stock and preferred stock incurred pursuant to this clause (d), does not exceed the greater of (x) $15,000,000 and (y) 25% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of incurrence; provided that Capitalized Lease Obligations incurred by the Company or any Restricted Subsidiary pursuant to this clause (d) in connection with a Permitted Sale Leaseback shall not be subject to the foregoing limitation so long as the proceeds of such Permitted Sale Leaseback are used by the Company or such Restricted Subsidiary to permanently repay outstanding Indebtedness secured by a Lien on the assets subject to such Permitted Sale Leaseback;

(e) Indebtedness incurred by the Company or any Restricted Subsidiary (including letter of credit obligations consistent with past practice constituting reimbursement obligations with respect to letters of credit issued in the ordinary course of business), in respect of workers' compensation claims, performance or surety bonds, health, disability or other employee benefits or property, casualty or liability insurance or self-insurance or other Indebtedness with respect to reimbursement or indemnification type obligations regarding workers' compensation claims, performance or surety bonds, health, disability or other employee benefits or property, casualty or liability insurance or self-insurance;

(f) Indebtedness arising from agreements of the Company or a Restricted Subsidiary providing for indemnification, adjustment of purchase price, earnout or similar obligations, in each case, incurred or assumed in connection with the acquisition or disposition of any business, assets or a Subsidiary or other Person, other than guarantees of Indebtedness incurred by any Person acquiring all or any portion of such business, assets or a Subsidiary for the purpose of financing such acquisition; provided that such Indebtedness is not reflected on the balance sheet of the Company or any Restricted Subsidiary (contingent obligations referred to in a footnote to financial statements and not otherwise reflected on the balance sheet will not be deemed to be reflected as Indebtedness on such balance sheet for purposes of this clause (f));

(g) Indebtedness of the Company to a Restricted Subsidiary; provided that any such Indebtedness owing to a Restricted Subsidiary that is not a Borrower or a Guarantor is subordinated in right of payment to the Obligations; provided, further, that any subsequent issuance or transfer of any Capital Stock or any other event which results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such Indebtedness (except to another Borrower or another Restricted Subsidiary) shall be deemed, in each case to be an incurrence of such Indebtedness not permitted by this clause;

(h) Indebtedness of a Restricted Subsidiary owing to the Company or another Restricted Subsidiary; provided that (i) if a Borrower or a Guarantor incurs such Indebtedness owing to a Restricted Subsidiary that is not a Borrower or a Guarantor, such Indebtedness is subordinated in right of payment to the Guarantee of such Guarantor and (ii) if a Restricted Subsidiary that is not a Credit Party incurs such Indebtedness owing to a Credit Party, such Investment shall be permitted by Section 10.5; provided, further, that any subsequent transfer of any such Indebtedness (except to the Company or another Restricted Subsidiary) shall be deemed, in each case to be an incurrence of such Indebtedness not permitted by this clause;

(i) shares of preferred stock of a Restricted Subsidiary issued to the Company or another Restricted Subsidiary; provided that any subsequent issuance or transfer of any Capital Stock or any other event which results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such shares of preferred stock (except to the Company or another Restricted

Subsidiary) shall be deemed in each case to be an issuance of such shares of preferred stock not permitted by this clause;

(j) Hedging Obligations (excluding Hedging Obligations entered into for speculative purposes);

(k) obligations in respect of self-insurance, performance, bid, appeal, and surety bonds and completion guarantees and similar obligations provided by the Company or any Restricted Subsidiary or obligations in respect of letters of credit, bank guarantees or similar instruments related thereto, in each case, in the ordinary course of business or consistent with past practice;

(l) (i) Indebtedness, Disqualified Stock and preferred stock of the Company or any Restricted Subsidiary in an aggregate principal amount or liquidation preference up to 100% of the net cash proceeds received by the Company since immediately after the Closing Date from the issue or sale of Equity Interests of the Company or cash contributed to the capital of the Company (in each case, other than Excluded Contributions, proceeds of Disqualified Stock or sales of Equity Interests to the Company or any of its Subsidiaries or proceeds of any Cure Amount) as determined in accordance with Sections 10.5(a)(iii)(B) and 10.5(a)(iii)(C) of the First Lien Term Loan Agreement (or comparable "builder basket" provision in respect of Refinancing Indebtedness) to the extent such net cash proceeds or cash have not been applied pursuant to such clauses to make Restricted Payments or to make other Investments, payments or exchanges pursuant to Section 10.5(b) or to make Permitted Investments (other than Permitted Investments specified in clauses (a) and (c) of the definition thereof) and (ii) Indebtedness, Disqualified Stock or preferred stock of the Company or any Restricted Subsidiary not otherwise permitted hereunder in an aggregate principal amount or liquidation preference, which when aggregated with the principal amount and liquidation preference of all other Indebtedness, Disqualified Stock and preferred stock then outstanding and incurred pursuant to this clause (l)(ii), does not at any one time outstanding exceed the greater of (x) $20,000,000 and (y) 40% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of incurrence (it being understood that any Indebtedness, Disqualified Stock or preferred stock incurred pursuant to this clause (l)(ii) shall cease to be deemed incurred or outstanding for purposes of this clause (l)(ii) but shall be deemed incurred for the purposes of the first paragraph of this Section 10.1 from and after the first date on which the Company or such Restricted Subsidiary could have incurred such Indebtedness, Disqualified Stock or preferred stock under the first paragraph of this Section 10.1 without reliance on this clause (l)(ii));

(m) the incurrence or issuance by the Company or any Restricted Subsidiary of Indebtedness, Disqualified Stock or preferred stock which serves to refinance any Indebtedness, Disqualified Stock or preferred stock incurred as permitted under the first paragraph of this Section 10.1 and clauses (b) and (c) above, clause (l)(i), this clause (m), clause (n) and clause (v) below or any Indebtedness, Disqualified Stock or preferred stock issued to so refinance, replace, refund, extend, renew, defease, restructure, amend, restate or otherwise modify (collectively, **"refinance")** such Indebtedness, Disqualified Stock or preferred stock (the **"Refinancing Indebtedness")** prior to its respective maturity; provided, that such Refinancing Indebtedness (1) has a weighted average life to maturity at the time such Refinancing Indebtedness is incurred which is not less than the remaining weighted average life to maturity of the Indebtedness, Disqualified Stock or preferred stock being refinanced, (2) to the extent such Refinancing Indebtedness refinances (i) Indebtedness that is unsecured or secured by a Lien ranking junior to the Liens securing the Obligations, such Refinancing Indebtedness is unsecured or secured by a Lien ranking junior to the Liens securing the Obligations or (ii) Disqualified Stock or preferred stock, such Refinancing Indebtedness must be Disqualified Stock or preferred stock, respectively, and (3) shall not include

Indebtedness, Disqualified Stock or preferred stock of a Subsidiary of the Company that is not a Borrower or a Guarantor that refinances Indebtedness, Disqualified Stock or preferred stock of a Borrower or a Guarantor;

(n) Indebtedness, Disqualified Stock or preferred stock of (x) the Company or a Restricted Subsidiary incurred or issued to finance an acquisition, merger, or consolidation; provided that the amount of Indebtedness (other than Acquired Indebtedness), Disqualified Stock and preferred stock that may be incurred pursuant to the foregoing, together with any amounts incurred under the first paragraph of this Section 10.1 by Restricted Subsidiaries that are not Guarantors shall not exceed the greater of (A) $15,000,000 and (B) 30% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at any one time outstanding, or (y) Persons that are acquired by the Company or any Restricted Subsidiary or merged into or consolidated with the Company or a Restricted Subsidiary in accordance with the terms hereof (including designating an Unrestricted Subsidiary a Restricted Subsidiary); provided that after giving effect to any such acquisition, merger, consolidation or designation described in this clause (n), the aggregate amount of Indebtedness, Disqualified Stock or preferred stock incurred pursuant to this clause (n) shall not to exceed the sum of (A) $25,000,000 plus (B) unlimited additional amounts if, after giving effect thereto (calculated on a Pro Forma Basis), the Interest Coverage Ratio of the Company and the Restricted Subsidiaries is at least 2.00 to 1.00 for the most recently ended Test Period (calculated on a Pro Forma Basis);

(o) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business;

(p) (i) Indebtedness of the Company or any Restricted Subsidiary supported by a letter of credit, in a principal amount not in excess of the stated amount of such letter of credit so long as such letter of credit is otherwise permitted to be incurred pursuant to this Section 10.1 or (ii) obligations in respect of letters of support, guarantees or similar obligations issued, made or incurred for the benefit of any Subsidiary of the Company to the extent required by law or in connection with any statutory filing or the delivery of audit opinions performed in jurisdictions other than within the United States;

(q) (1) any guarantee by the Company or a Restricted Subsidiary of Indebtedness or other obligations of any Restricted Subsidiary so long as in the case of a guarantee of Indebtedness by a Restricted Subsidiary that is not a Guarantor, such Indebtedness could have been incurred directly by the Restricted Subsidiary providing such guarantee or (2) any guarantee by a Restricted Subsidiary of Indebtedness of the Company;

(r) Indebtedness of Restricted Subsidiaries that are not Guarantors in an amount not to exceed, in the aggregate at any one time outstanding, the greater of (x) $5,000,000 and (y) 10% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) (it being understood that any Indebtedness incurred pursuant to this clause (r) shall cease to be deemed incurred or outstanding for purposes of this clause (r) but shall be deemed incurred for the purposes of the first paragraph of this covenant from and after the first date on which such Restricted Subsidiary could have incurred such Indebtedness under the first paragraph of this covenant without reliance on this clause (r));

(s) Indebtedness of the Company or any of the Restricted Subsidiaries consisting of (i) the financing of insurance premiums or (ii) take or pay obligations contained in supply arrangements in each case, incurred in the ordinary course of business or consistent with past practice;

(t) Indebtedness of the Company or any of the Restricted Subsidiaries undertaken in connection with cash management and related activities with respect to any Subsidiary or joint venture in the ordinary course of business, including with respect to financial accommodations of the type described in the definition of Cash Management Services;

(u) Indebtedness consisting of Indebtedness issued by the Company or any of the Restricted Subsidiaries to future, current or former officers, directors, managers and employees thereof, their respective estates, spouses or former spouses, in each case to finance the purchase or redemption of Equity Interests of the Company or any direct or indirect parent company of the Company to the extent described in clause (4) of Section 10.5(b);

(v) (x) Indebtedness represented by the First Lien Term Facility, Permitted First Lien Exchange Notes and any guarantee thereof in an aggregate principal amount not to exceed $180,000,000 (plus all accrued interest, fees and expenses) and (y) Indebtedness that may be incurred pursuant to Section 2.14 and Section 10.1(x)(i) of the First Lien Term Loan Agreement (as in effect on the Closing Date), in each case, pursuant to the definition of Maximum Incremental Facilities Amount in the First Lien Term Loan Agreement (as in effect on the Closing Date);

(w) [Reserved];

(x) [Reserved];

(y) [Reserved];

(z) Indebtedness constituting any part of any Permitted Reorganization; and

(aa) as long as the Payment Conditions are satisfied at the time of incurrence, unsecured Subordinated Indebtedness and other unsecured Indebtedness, in each case, the terms of which do not provide for any scheduled repayment, mandatory repayment, or redemption or sinking fund obligations prior to, at the time of incurrence, the latest Maturity Date (other than, in each case, customary offers or obligations to repurchase upon a change of control, asset sale, or casualty or condemnation event, AHYDO payments and customary acceleration rights after an event of default).

For purposes of determining compliance with this Section 10.1: (i) in the event that an item of Indebtedness, Disqualified Stock or preferred stock (or any portion thereof) meets the criteria of more than one of the categories of permitted Indebtedness, Disqualified Stock or preferred stock described in clauses (a) through (aa) above or is entitled to be incurred pursuant to the first paragraph of this Section 10.1, the Company, in its sole discretion, will classify and may reclassify such item of Indebtedness, Disqualified Stock or preferred stock (or any portion thereof) and will only be required to include the amount and type of such Indebtedness, Disqualified Stock or preferred stock in one of the above clauses or paragraphs; and (ii) at the time of incurrence, the Company will be entitled to divide and classify an item of Indebtedness in more than one of the types of Indebtedness described in this Section 10.1.

Accrual of interest or dividends, the accretion of accreted value, the accretion or amortization of original issue discount and the payment of interest or dividends in the form of additional Indebtedness, Disqualified Stock or preferred stock will not be deemed to be an incurrence of Indebtedness, Disqualified Stock or preferred stock for purposes of this covenant. Any Refinancing Indebtedness and any Indebtedness incurred to refinance Indebtedness incurred pursuant to clauses (a) and (l)(ii) above shall be deemed to include additional Indebtedness, Disqualified Stock or preferred stock incurred to pay

premiums (including reasonable tender premiums), defeasance costs, fees, and expenses in connection with such refinancing.

For purposes of determining compliance with any Dollar-denominated restriction on the incurrence of Indebtedness, the principal amount of Indebtedness denominated in another currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term debt, or first committed, in the case of revolving credit debt; provided that if such Indebtedness is incurred to refinance other Indebtedness denominated in another currency, and such refinancing would cause the applicable Dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such Dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed (i) the principal amount of such Indebtedness being refinanced plus (ii) the aggregate amount of fees, underwriting discounts, premiums, and other costs and expenses and accrued and unpaid interest incurred in connection with such refinancing.

The principal amount of any Indebtedness incurred to refinance other Indebtedness, if incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing.

This Agreement will not treat (1) unsecured Indebtedness as subordinated or junior to secured Indebtedness merely because it is unsecured or (2) senior Indebtedness as subordinated or junior to any other senior Indebtedness merely because it has a junior priority with respect to the same collateral.

10.2 Limitation on Liens.

(a) The Company will not, and will not permit any of the Restricted Subsidiaries to, create, incur, assume or suffer to exist any Lien upon any property or assets of any kind (real or personal, tangible or intangible) of the Company or any Restricted Subsidiary, whether now owned or hereafter acquired (each, a **"Subject Lien")** that secures obligations under any Indebtedness on any asset or property of the Company or any Restricted Subsidiary, except:

(i) in the case of Subject Liens on any Collateral, if such Subject Lien is a Permitted Lien; and

(ii) in the case of any other asset or property, any Subject Lien if (i) the Obligations are equally and ratably secured with (or on a senior basis to, in the case such Subject Lien secures any Junior Debt) the obligations secured by such Subject Lien or (ii) such Subject Lien is a Permitted Lien.

(b) Any Lien created for the benefit of the Secured Parties pursuant to the preceding paragraph shall provide by its terms that such Lien shall be automatically and unconditionally be released and discharged upon the release and discharge of the Subject Lien that gave rise to the obligation to so secure the Obligations.

10.3 Limitation on Fundamental Changes. The Company will not, and will not permit any of the Restricted Subsidiaries to, enter into any merger, consolidation or amalgamation, or liquidate, wind up

or dissolve itself (or suffer any liquidation or dissolution), or convey, sell, lease, assign, transfer or otherwise dispose of, all or substantially all its business units, assets or other properties, except that:

(a) so long as no Event of Default has occurred and is continuing or would result therefrom, any Subsidiary of the Company or any other Person may be merged, amalgamated or consolidated with or into the Company; provided that (A) the Company shall be the continuing or surviving corporation or (B) if the Person formed by or surviving any such merger, amalgamation or consolidation is not the Company (such other Person, the **"Successor Borrower"),** (1) the Successor Borrower shall be an entity organized or existing under the laws of the United States, any state thereof, the District of Columbia, (2) the Successor Borrower shall expressly assume all the obligations of the Company under this Agreement and the other Credit Documents in a manner and pursuant to documentation reasonably satisfactory to the Administrative Agent, (3) each Guarantor, unless it is the other party to such merger, amalgamation or consolidation, shall have by a supplement to the Guarantee confirmed that its guarantee thereunder shall apply to any Successor Borrower's obligations under this Agreement, (4) each Subsidiary grantor and each Subsidiary pledgor, unless it is the other party to such merger, amalgamation or consolidation, shall have by a supplement to any applicable Security Document affirmed that its obligations thereunder shall apply to its Guarantee as reaffirmed pursuant to clause (3), (5) each mortgagor of a Mortgaged Property, unless it is the other party to such merger, amalgamation or consolidation, shall have affirmed that its obligations under the applicable Mortgage shall apply to its Guarantee as reaffirmed pursuant to clause (3), (6) the Successor Borrower shall have delivered to the Administrative Agent (x) an officer's certificate of a Responsible Officer stating that such merger, amalgamation, or consolidation and such supplements preserve the enforceability of the Guarantee and the perfection and priority of the Liens under the applicable Security Documents and with respect to the satisfaction of the conditions set forth in clauses (7)(i) and (8) in this Section 9.3(a) and (y) if reasonably requested by the Administrative Agent, an opinion of counsel as to corporate matters and to the effect that the provisions set forth in the preceding clauses (3) through (5) preserve the enforceability of the Guarantee and the perfection of the Liens created under the applicable Security Documents, (7)(i) such transaction does not result in any material adverse tax consequences to any Credit Party and (ii) such transaction does not result in any adverse tax consequences to any Lender (unless reimbursed hereunder) or to the Administrative Agent (unless reimbursed hereunder), (8) no Change of Control shall occur and (9) the Administrative Agent shall have received at least five (5) Business Days' prior written notice of the proposed transaction and the Borrower Representative shall promptly and in any event at least two (2) Business Days' prior to the consummation of the transaction provide all information any Lender or any Agent may reasonably request to satisfy its "know your customer" and other similar requirements necessary for such Person to comply with its internal compliance and regulatory requirements with respect to the proposed Successor Borrower (it being understood that if the foregoing are satisfied, the Successor Borrower will succeed to, and be substituted for, such Borrower under this Agreement);

(b) so long as no Event of Default has occurred and is continuing or would result therefrom, any Subsidiary of the Company or any other Person (in each case, other than the Company) may be merged, amalgamated or consolidated with or into any one or more Subsidiaries of the Company; provided that (i) in the case of any merger, amalgamation or consolidation involving one or more Restricted Subsidiaries, (A) a Restricted Subsidiary shall be the continuing or surviving Person or (B) the Company shall cause the Person formed by or surviving any such merger, amalgamation or consolidation (if other than a Restricted Subsidiary) to become a Restricted Subsidiary, (ii) in the case of any merger, amalgamation or consolidation

involving one or more Guarantors, a Guarantor shall be the continuing or surviving Person or the Person formed by or surviving any such merger, amalgamation or consolidation and if the surviving Person is not already a Guarantor, such Person shall execute a supplement to the Guarantee and the relevant Security Documents in form and substance reasonably satisfactory to the Administrative Agent in order to become a Guarantor and pledgor, mortgagor and grantor, as applicable, thereunder for the benefit of the Secured Parties, and (iii) the Company shall have delivered to the Administrative Agent an officer's certificate stating that such merger, amalgamation or consolidation and any such supplements to any Security Document preserve the enforceability of the Guarantees and the perfection and priority of the Liens under the applicable Security Documents;

(c) the Acquisition may be consummated;

(d) (i) any Restricted Subsidiary that is not a Credit Party may convey, sell, lease, assign, transfer or otherwise dispose of any or all of its assets (upon voluntary liquidation or dissolution or otherwise) to the Company or any other Restricted Subsidiary or (ii) any Credit Party (other than the Company) may convey, sell, lease, assign, transfer or otherwise dispose of any or all of its assets (upon voluntary liquidation or dissolution or otherwise) to any other Credit Party;

(e) any Subsidiary may convey, sell, lease, assign, transfer or otherwise dispose of any or all of its assets (upon voluntary liquidation or dissolution or otherwise) to a Credit Party; provided that the consideration for any such disposition by any Person other than a Guarantor shall not exceed the fair value of such assets;

(f) any Restricted Subsidiary may liquidate or dissolve if the Company determines in good faith that such liquidation or dissolution is in the best interests of the Company and is not materially disadvantageous to the Lenders;

(g) the Company and the Restricted Subsidiaries may consummate a merger, dissolution, liquidation, consolidation, investment or conveyance, sale, lease, assignment or disposition, the purpose of which is to effect a disposition not prohibited by Section 10.4 or an investment permitted pursuant to Section 10.5 or an investment that constitutes a Permitted Investment;

(h) so long as no Event of Default has occurred and is continuing or would result therefrom, the Company or any Restricted Subsidiary may change its legal form;

(i) the Company and the Restricted Subsidiaries may consummate any Permitted Reorganization; and

(j) the Company, the Restricted Subsidiaries and the Unrestricted Subsidiaries may enter into and consummate an Intercompany License Agreement.

10.4 Limitation on Sale of Assets. the Company will not, and will not permit any Restricted Subsidiary to, consummate an Asset Sale, unless:

(a) the Company or such Restricted Subsidiary, as the case may be, receives consideration at the time of such Asset Sale at least equal to the Fair Market Value (as determined

at the time of contractually agreeing to such Asset Sale) of the assets sold or otherwise disposed of; and

(b) except in the case of a Permitted Asset Swap, if the property or assets sold or otherwise disposed of have a Fair Market Value in excess of $10,000,000, at least 75% of the consideration therefor received by the Company or such Restricted Subsidiary, as the case may be, is in the form of cash or Cash Equivalents; provided that the amount of:

(i) any liabilities (as reflected on the Company's most recent consolidated balance sheet or in the footnotes thereto, or if incurred or accrued subsequent to the date of such balance sheet, such liabilities that would have been reflected on the Company's consolidated balance sheet or in the footnotes thereto if such incurrence or accrual had taken place on or prior to the date of such balance sheet, as determined in good faith by the Company) of the Company, other than liabilities that are by their terms subordinated to the Loans, that are assumed by the transferee of any such assets (or are otherwise extinguished in connection with the transactions relating to such Asset Sale) and for which the Company and all such Restricted Subsidiaries have been validly released by all applicable creditors in writing;

(ii) any securities, notes or other obligations or assets received by the Company or such Restricted Subsidiary from such transferee that are converted by the Company or such Restricted Subsidiary into cash or Cash Equivalents, or by their terms are required to be satisfied for cash or Cash Equivalents (to the extent of the cash or Cash Equivalents received), in each case, within 180 days following the closing of such Asset Sale;

(iii) Indebtedness, other than liabilities that are by their terms subordinated to the Loans, that are of any Restricted Subsidiary that is no longer a Restricted Subsidiary as a result of such Asset Sale, to the extent that the Company and all Restricted Subsidiaries have been validly released from any Guarantee of payment of such Indebtedness in connection with such Asset Sale; and

(iv) any Designated Non-Cash Consideration received by the Company or such Restricted Subsidiary in such Asset Sale having an aggregate Fair Market Value, taken together with all other Designated Non-Cash Consideration received pursuant to this clause (iv) that is at that time outstanding, not to exceed the greater of $4,000,000 or 7.0% of Consolidated EBITDA at the time of the receipt of such Designated Non-Cash Consideration, with the Fair Market Value of each item of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value, shall be deemed to be cash for purposes of this provision and for no other purpose.

10.5 Limitation on Restricted Payments.

(a) the Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly:

(1) declare or pay any dividend or make any payment or distribution on account of the Company's or any Restricted Subsidiary's Equity Interests, including

any dividend or distribution payable in connection with any merger or consolidation, other than:

(A) dividends or distributions by the Company payable in Equity Interests (other than Disqualified Stock) of the Company or in options, warrants or other rights to purchase such Equity Interests, or

(B) dividends or distributions by a Restricted Subsidiary so long as, in the case of any dividend or distribution payable on or in respect of any class or series of securities issued by a Subsidiary other than a Wholly-Owned Subsidiary, the Company or a Restricted Subsidiary receives at least its pro rata share of such dividend or distribution in accordance with its Equity Interests in such class or series of securities;

(2) purchase, redeem, defease or otherwise acquire or retire for value any Equity Interests of the Company or any direct or indirect parent company of the Company, including in connection with any merger or consolidation;

(3) make any principal payment on, or redeem, repurchase, defease or otherwise acquire or retire for value in each case, prior to any scheduled repayment, sinking fund payment or maturity, any Junior Debt of the Company or any Restricted Subsidiary, other than (A) Indebtedness permitted under clauses (g) and (h) of Section 10.1, (B) the purchase, repurchase or other acquisition of Junior Debt purchased in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case due within one year of the date of purchase, repurchase or acquisition or (C) AHYDO Payments with respect to Indebtedness permitted under Section 10.1; or

(4) make any Restricted Investment;

(all such payments and other actions set forth in clauses (1) through (4) above (other than any exception thereto) being collectively referred to as **"Restricted Payments").**

(b) The foregoing provisions of Section 10.5(a) will not prohibit:

(1) the payment of any dividend or distribution or the consummation of any irrevocable redemption within 60 days after the date of declaration thereof or the giving of such irrevocable notice, as applicable, if at the date of declaration or the giving of such notice such payment would have complied with the provisions of this Agreement;

(2) (a) the redemption, repurchase, retirement or other acquisition of any Equity Interests **("Retired Capital Stock")** or Junior Debt of the Company or any Restricted Subsidiary, or any Equity Interests of any direct or indirect parent company of the Company, in exchange for, or out of the proceeds of the substantially concurrent sale (other than to a Restricted Subsidiary) of, Equity Interests of the Company or any direct or indirect parent company of the Company to the extent contributed to the Company (in each case, other than any Disqualified Stock) **("Refunding Capital Stock")** and (b) if immediately prior to the retirement of Retired Capital Stock, the declaration and payment of dividends thereon was permitted under clause (6) of this Section 10.5(b), the declaration and payment of dividends on the Refunding Capital Stock (other than

Refunding Capital Stock the proceeds of which were used to redeem, repurchase, retire or otherwise acquire any Equity Interests of any direct or indirect parent company of the Company) in an aggregate amount per year no greater than the aggregate amount of dividends per annum that was declarable and payable on such Retired Capital Stock immediately prior to such retirement;

(3) the prepayment, redemption, defeasance, repurchase or other acquisition or retirement for value of Junior Debt of the Company or a Restricted Subsidiary made by exchange for, or out of the proceeds of the substantially concurrent sale of, new Indebtedness of the Company, or a Restricted Subsidiary, as the case may be, which is incurred in compliance with Section 10.1 so long as: (A) the principal amount (or accreted value, if applicable) of such new Indebtedness does not exceed the principal amount of (or accreted value, if applicable), plus any accrued and unpaid interest on the Junior Debt being so redeemed, defeased, repurchased, exchanged, acquired or retired for value, plus the amount of any premium (including reasonable tender premiums), defeasance costs and any reasonable fees and expenses incurred in connection with the issuance of such new Indebtedness, (B) if such Junior Debt is subordinated to the Obligations, such new Indebtedness is subordinated to the Obligations or the applicable Guarantee at least to the same extent as such Junior Debt so purchased, exchanged, redeemed, defeased, repurchased, acquired or retired for value, (C) such new Indebtedness has a final scheduled maturity date equal to or later than the final scheduled maturity date of the Junior Debt being so redeemed, defeased, repurchased, exchanged, acquired or retired, (D) if such Junior Debt so purchased, exchanged, redeemed, repurchased, acquired or retired for value is (i) unsecured then such new Indebtedness shall be unsecured or (ii) is secured by a Lien ranking junior to the Liens securing the Obligations then such new Indebtedness shall be unsecured or secured by a Lien ranking junior to the Liens securing the Obligations, and (E) such new Indebtedness has a weighted average life to maturity equal to or greater than the remaining weighted average life to maturity of the Junior Debt being so redeemed, defeased, repurchased, exchanged, acquired or retired;

(4) a Restricted Payment to pay for the repurchase, retirement or other acquisition or retirement for value of Equity Interests (other than Disqualified Stock) of the Company or any direct or indirect parent company of the Company held by any future, present or former employee, director, manager or consultant of the Company, any of its Subsidiaries or any direct or indirect parent company of the Company, or their estates, descendants, family, spouse or former spouse pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement, or any stock subscription or shareholder agreement (including, for the avoidance of doubt, any principal and interest payable on any notes issued by the Company or any direct or indirect parent company of the Company in connection with such repurchase, retirement or other acquisition), including any Equity Interests rolled over by management of the Company or any direct or indirect parent company of the Company in connection with the Transactions; provided that, except with respect to non- discretionary purchases, the aggregate Restricted Payments made under this clause (4) subsequent to the Closing Date do not exceed in any calendar year $5,000,000 (with unused amounts in any calendar year being carried over to succeeding calendar years subject to maximum aggregate Restricted Payments under this clause (without giving effect to the following proviso) of $10,000,000 in any calendar year); provided, further,

that such amount in any calendar year may be increased by an amount not to exceed: (A) the cash proceeds from the sale of Equity Interests (other than Disqualified Stock) of the Company and, to the extent contributed to the Company, the cash proceeds from the sale of Equity Interests of any direct or indirect parent company of the Company, in each case to any future, present or former employees, directors, managers or consultants of the Company, any of its Subsidiaries or any direct or indirect parent company of the Company that occurs after the Closing Date, to the extent the cash proceeds from the sale of such Equity Interests have not otherwise been applied to the payment of Restricted Payments by virtue of clause (111) of Section 10.5(a) of the First Lien Term Loan Agreement (or comparable "builder basket" provision in respect of Refinancing Indebtedness) and are not used for any Cure Amount and are used to make such Restricted Payment within ninety (90) days of the receipt of such cash proceeds, plus (B) the cash proceeds of key man life insurance policies received by the Company and the Restricted Subsidiaries after the Closing Date which are used to make such Restricted Payment within ninety (90) days of the receipt of such cash proceeds, less (C) the amount of any Restricted Payments previously made pursuant to clauses (A) and (B) of this clause (4); and provided, further, that cancellation of Indebtedness owing to the Company or any Restricted Subsidiary from any future, present or former employees, directors, managers or consultants of the Company, any direct or indirect parent company of the Company or any Restricted Subsidiary, or their estates, descendants, family, spouse or former spouse pursuant in connection with a repurchase of Equity Interests of the Company or any direct or indirect parent company of the Company will not be deemed to constitute a Restricted Payment for purposes of this Section 10.5 or any other provision of this Agreement;

(5) the declaration and payment of dividends to holders of any class or series of Disqualified Stock of the Company or any Restricted Subsidiary or any class or series of preferred stock of any Restricted Subsidiary, in each case, issued in accordance with Section 10.1 to the extent such dividends are included in the definition of Fixed Charges;

(6) [reserved];

(7) Investments in Unrestricted Subsidiaries having an aggregate Fair Market Value, taken together with all other Investments made pursuant to this clause (7) that are at the time outstanding, without giving effect to the sale of an Unrestricted Subsidiary to the extent the proceeds of such sale do not consist of cash, Cash Equivalents or marketable securities, not to exceed the greater of (x) $15,000,000 and (y) 25% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of such Investment (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value), provided that the Payment Conditions have been satisfied with respect thereto;

(8) payments made or expected to be made by the Company or any Restricted Subsidiary in respect of withholding or similar taxes payable upon exercise of Equity Interests by any future, present or former employee, director, manager, or consultant and repurchases of Equity Interests deemed to occur upon exercise of stock options or warrants if such Equity Interests represent a portion of the exercise price of such options or warrants;

(9) the declaration and payment of dividends on the Company's common stock (or the payment of dividends to any direct or indirect parent company of the Company to fund a payment of dividends on such company's common stock), following consummation of the first public offering of the Company's common stock or the common stock of any direct or indirect parent company of the Company after the Closing Date, of up to 6.00% per annum of the net cash proceeds received by or contributed to the Company in or from any such public offering, other than public offerings with respect to the Company's common stock registered on Form S-8 and other than any public sale constituting an Excluded Contribution;

(10) (x) scheduled or mandatory payments (including any premium) as and when due in respect of Indebtedness under the First Lien Term Facility and the Second Lien Facility and (y) prepayments of principal of and any required premium on loans under the First Lien Term Loan Agreement and Second Lien Term Loan Agreement in connection with the removal of a lender pursuant to Section 13.7 of the First Lien Term Loan Agreement or Second Lien Term Loan Agreement (or any comparable provision in respect of Refinancing Indebtedness) or the payment of any fees in connection with amendments thereto;

(11) other Restricted Payments in an aggregate amount taken together with all other Restricted Payments made pursuant to this clause not to exceed the greater of (x) $15,000,000 and (y) 30% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time made, provided that the Payment Conditions have been satisfied with respect thereto;

(12) [reserved];

(13) any Restricted Payment made in connection with the Transactions and the fees and expenses related thereto or used to fund amounts owed to Affiliates (including dividends to any direct or indirect parent company of the Company to permit payment by such parent of such amount), to the extent permitted by Section 10.10 (other than clause (b) thereof), and Restricted Payments in respect of working capital adjustments or purchase price adjustments pursuant to the Acquisition Agreement, any Permitted Acquisition or other Permitted Investment and to satisfy indemnity and other similar obligations under the Acquisition Agreement, any Permitted Acquisitions or other Permitted Investments;

(14) other Restricted Payments to the extent that at the time such Restricted Payment is made, the Payment Conditions have been satisfied with respect thereto;

(15) the declaration and payment of dividends by the Company to, or the making of loans to, any direct or indirect parent company of the Company in amounts required for any direct or indirect parent company to pay: (A) franchise and excise taxes, and other fees and expenses, required to maintain its organizational existence, (B) consolidated, combined or similar foreign, federal, state and local income and similar taxes, to the extent that such income taxes are attributable to the income of the Company and the Restricted Subsidiaries and, to the extent of the amount actually received from its Unrestricted Subsidiaries, in amounts required to pay such taxes to the extent attributable to the income of such Unrestricted Subsidiaries, provided that in each case the amount of

such payments with respect to any fiscal year does not exceed the amount that the Company, the Restricted Subsidiaries and the Unrestricted Subsidiaries (to the extent described above) would have been required to pay in respect of such foreign, federal, state and local income taxes for such fiscal year had the Company, the Restricted Subsidiaries and the Unrestricted Subsidiaries (to the extent described above) been a stand-alone taxpayer or stand-alone group (separate from any such direct or indirect parent company of the Company) for all fiscal years ending after the Closing Date, (C) customary salary, bonus, and other benefits payable to officers, employees, directors, and managers of any direct or indirect parent company of the Company to the extent such salaries, bonuses, and other benefits are attributable to the ownership or operation of the Company and the Restricted Subsidiaries, including the Company's proportionate share of such amount relating to such parent company being a public company, (D) general corporate or other operating (including, without limitation, expenses related to auditing or other accounting matters) and overhead costs and expenses of any direct or indirect parent company of the Company to the extent such costs and expenses are attributable to the ownership or operation of the Company and the Restricted Subsidiaries, including the Company's proportionate share of such amount relating to such parent company being a public company, (E) amounts required for any direct or indirect parent company of the Company to pay fees and expenses incurred by any direct or indirect parent company of the Company related to (i) the maintenance by such parent entity of its corporate or other entity existence and (ii) transactions of such parent company of the Company of the type described in clause (xi) of the definition of Consolidated Net Income, (F) cash payments in lieu of issuing fractional shares in connection with the exercise of warrants, options or other securities convertible into or exchangeable for Equity Interests of the Company or any such direct or indirect parent company of the Company, and (G) repurchases deemed to occur upon the cashless exercise of stock options;

(16) the repurchase, redemption or other acquisition for value of Equity Interests of the Company deemed to occur in connection with paying cash in lieu of fractional shares of such Equity Interests in connection with a share dividend, distribution, share split, reverse share split, merger, consolidation, amalgamation or other business combination of the Company, in each case, permitted under this Agreement;

(17) the distribution, by dividend or otherwise, of shares of Capital Stock of, or Indebtedness owed to the Company or a Restricted Subsidiary by, Unrestricted Subsidiaries (other than Unrestricted Subsidiaries, the primary assets of which are cash and/or Cash Equivalents);

(18) any Restricted Payment constituting any part of a Permitted Reorganization;

(19) the prepayment, redemption, defeasance, repurchase or other acquisition or retirement for value of First Lien Term Loans and Second Lien Loans in an aggregate amount pursuant to this clause (19) not to exceed the greater of (x) $13,000,000 and (y) 25% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis); and

(20) scheduled payments of principal in respect of any Subordinated Indebtedness (subject to applicable subordination provisions related thereto);

provided that at the time of, and after giving effect to, any Restricted Payment permitted under clauses (11) and (19), no Event of Default shall have occurred and be continuing or would occur as a consequence thereof (or in the case of a Restricted Investment, no Event of Default under Section 11.1 or 11.5 shall have occurred and be continuing or would occur as a consequence thereof).

The Company will not permit any Unrestricted Subsidiary to become a Restricted Subsidiary except pursuant to the last sentence of the definition of Unrestricted Subsidiary. For purposes of designating any Restricted Subsidiary as an Unrestricted Subsidiary, all outstanding Investments by the Company and the Restricted Subsidiaries (except to the extent repaid) in the Subsidiary so designated will be deemed to be Restricted Payments in an amount determined as set forth in the last sentence of the definition of Investment. Such designation will be permitted only if a Restricted Payment in such amount would be permitted at such time, whether pursuant to clauses (7), (11) or (14) of Section 10.5(b), or pursuant to the definition of Permitted Investments, and if such Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. Unrestricted Subsidiaries will not be subject to any of the restrictive covenants set forth in this Agreement.

For purposes of determining compliance with this covenant, in the event that a proposed Restricted Payment or Investment (or a portion thereof) meets the criteria of clauses (1) through (20) and/or one or more of the exceptions contained in the definition of Permitted Investments, the Company will be entitled to classify or later reclassify (based on circumstances existing on the date of such reclassification) such Restricted Payment (or portion thereof) among such clauses (1) through (20), in a manner that otherwise complies with this covenant.

10.6 Limitation on Subsidiary Distributions. The Company will not, and will not permit any of the Restricted Subsidiaries that are not Borrowers or Guarantors to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or consensual restriction on the ability of any such Restricted Subsidiary to:

(a) (i) pay dividends or make any other distributions to the Company or any Restricted Subsidiary on its Capital Stock or with respect to any other interest or participation in, or measured by, its profits or (ii) pay any Indebtedness owed to the Company or any Restricted Subsidiary;

(b) make loans or advances to the Company or any Restricted Subsidiary; or

(c) sell, lease or transfer any of its properties or assets to the Company or any Restricted Subsidiary;

except (in each case) for such encumbrances or restrictions existing under or by reason of:

(i) contractual encumbrances or restrictions in effect on the Closing Date, including pursuant to this Agreement and the related documentation and related Hedging Obligations;

(ii) (x) the Second Lien Credit Documents and the Second Lien Loans and (y) the First Lien Term Loan Credit Documents and the First Lien Term Loans;

(iii) purchase money obligations for property acquired in the ordinary course of business or consistent with past practice and Capitalized Lease Obligations that impose restrictions of the nature discussed in clause (c) above on the property so acquired;

(iv) Requirement of Law or any applicable rule, regulation or order;

(v) any agreement or other instrument of a Person acquired by or merged or consolidated with or into the Company or any Restricted Subsidiary, or of an Unrestricted Subsidiary that is designated a Restricted Subsidiary, or that is assumed in connection with the acquisition of assets from such Person, in each case that is in existence at the time of such transaction (but not created in contemplation thereof), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person and its Subsidiaries, or the property or assets of the Person and its Subsidiaries, so acquired or designated;

(vi) contracts for the sale of assets, including customary restrictions with respect to a Subsidiary of the Company pursuant to an agreement that has been entered into for the sale or disposition of all or substantially all of the Capital Stock or assets of such Subsidiary and restrictions on transfer of assets subject to Permitted Liens;

(vii) (x) secured Indebtedness otherwise permitted to be incurred pursuant to Sections 10.1 and 10.2 that limit the right of the debtor to dispose of the assets securing such Indebtedness and (y) restrictions on transfers of assets subject to Permitted Liens (but, with respect to any such Permitted Lien, only to the extent that such transfer restrictions apply solely to the assets that are the subject of such Permitted Lien);

(viii) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business;

(ix) other Indebtedness, Disqualified Stock or preferred stock of Restricted Subsidiaries permitted to be incurred subsequent to the Closing Date pursuant to the provisions of Section 10.1;

(x) customary provisions in joint venture agreements or arrangements and other similar agreements or arrangements relating solely to such joint venture and the Equity Interests issued thereby;

(xi) customary provisions contained in leases, sub-leases, licenses, sub-licenses or similar agreements, in each case, entered into in the ordinary course of business;

(xii) [reserved]; and

(xiii) any encumbrances or restrictions of the type referred to in clauses (a), (b), and (c) above imposed by any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (i) through (xii) above; provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements, or refinancings (x) are, in the good faith judgment of the Company's board of directors, no more restrictive in any material respect with respect to such encumbrance and other restrictions taken as a whole than those prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing or (y) do not materially impair the Borrowers' ability to pay their respective obligations under the Credit Documents as and when due (as determined in good faith by the Borrower Representative).

10.7 Modifications of Organizational Documents. The Company shall not agree, and shall not permit any of the Restricted Subsidiaries to agree, to any material amendment, restatement, supplement or

other modification to, or waiver of, any of its Organizational Documents after the Closing Date in a manner that is materially adverse to the Lenders, except as required by law.

10.8 Permitted Activities. The Company shall not engage in any material operating or business activities; *provided* that the following and any activities incidental thereto shall be permitted in any event: (i) its ownership of the Equity Interests of the Company and activities incidental thereto, including payment of dividends and other amounts in respect of its Equity Interests, (ii) the maintenance of its legal existence (including the ability to incur fees, costs and expenses relating to such maintenance), (iii) the performance of its obligations with respect to the Transactions, the Credit Documents, the First Lien Term Loan Credit Documents, the Second Lien Credit Documents and any other documents governing Indebtedness permitted hereby, (iv) any public offering of its common stock or any other issuance or sale of its Equity Interests, (v) financing activities, including the issuance of securities, incurrence of debt, payment of dividends, making contributions to the capital of the Company and guaranteeing the obligations of the Company, (vi) if applicable, participating in tax, accounting and other administrative matters as a member of the consolidated group of Holding and the Company, (vii) holding any cash or property (but not operate any property), (viii) making of any Restricted Payments or Investments permitted hereunder, (ix) providing indemnification to officers and directors, (x) activities relating to any Permitted Reorganization, (xi) merge, amalgamate or consolidate with or into any direct or indirect parent or subsidiary of Holdings (pursuant to the definition of "Holdings"), (xii) repurchases of Indebtedness through open market purchases and Dutch auctions and (xiii) any activities incidental or reasonably related to the foregoing.

10.9 Fiscal Years. The Company shall not permit, and shall not permit any Restricted Subsidiary to, change its fiscal year to end on dates inconsistent with past practice; provided, however, that the Company may, upon written notice to the Administrative Agent change the financial reporting convention specified above to (x) align the dates of such fiscal year and for any Restricted Subsidiary whose fiscal years end on dates different from those of the Company or (y) any other financial reporting convention reasonably acceptable to the Administrative Agent, in which case the Company and the Administrative Agent will, and are hereby authorized by the Lenders to, make any adjustments to this Agreement that are necessary in order to reflect such change in financial reporting.

10.10 Affiliate Transactions. The Company shall not conduct, and shall not permit the Restricted Subsidiaries to conduct, any transactions with a value in excess of $1,500,000 with any of its Affiliates (other than the Company and the Restricted Subsidiaries or any entity that becomes a Restricted Subsidiary as a result of such transaction) on terms that are substantially less as favorable to the Company or such Restricted Subsidiary as it would obtain in a comparable arm's-length transaction with a Person that is not an Affiliate, as determined by the board of directors of the Company or such Restricted Subsidiary in good faith; provided that the foregoing restrictions shall not apply to (a)(i) the payment of fees to the Sponsor for management, consulting, and financial services rendered to the Company and the Restricted Subsidiaries pursuant to the Sponsor Management Agreement, (ii) customary investment banking and financial advisory fees paid to the Sponsor for services rendered to the Company and the Subsidiaries in connection with divestitures, acquisitions, financings and other transactions which payments are approved by a majority of the board of directors of the Company in good faith and (iii) indemnification and reimbursement of expenses pursuant to the Sponsor Management Agreement, (b) transactions permitted by Section 10.5, (c) consummation of the Transactions and the payment of the Transaction Expenses, (d) the issuance of Capital Stock or Stock Equivalents of the Company (or any direct or indirect parent thereof) or any of its Subsidiaries not otherwise prohibited by the Credit Documents, (e) loans, advances and other transactions between or among the Company, any Restricted Subsidiary or any joint venture (regardless of the form of legal entity) in which the Company or any

Subsidiary has invested (and which Subsidiary or joint venture would not be an Affiliate of the Company but for the Company's or a Subsidiary's ownership of Capital Stock or Stock Equivalents in such joint venture or Subsidiary) to the extent permitted under Section 10, (f) employment and severance arrangements between the Company and the Restricted Subsidiaries and their respective officers, employees or consultants (including management and employee benefit plans or agreements, stock option plans and other compensatory arrangements) in the ordinary course of business (including loans and advances in connection therewith), (g) payments by the Company (and any direct or indirect parent thereof) and the Subsidiaries pursuant to the tax sharing agreements among the Company (and any such parent) and the Subsidiaries that are permitted under Section 10.5(b)(15); provided that in each case the amount of such payments in any fiscal year does not exceed the amount that the Company, the Restricted Subsidiaries and the Unrestricted Subsidiaries (to the extent of the amount received from Unrestricted Subsidiaries) would have been required to pay in respect of such foreign, federal, state and/or local taxes for such fiscal year had the Company, the Restricted Subsidiaries and the Unrestricted Subsidiaries (to the extent described above) paid such taxes separately from any such direct or indirect parent company of the Company, (h) the payment of customary fees and reasonable out of pocket costs to, and indemnities provided on behalf of, directors, managers, consultants, officers, employees of the Company (or any direct or indirect parent thereof) and the Subsidiaries in the ordinary course of business to the extent attributable to the ownership or operation of the Company and the Subsidiaries, (i) transactions undertaken pursuant to membership in a purchasing consortium, (j) transactions pursuant to any agreement or arrangement as in effect as of the Closing Date, or any amendment, modification, supplement or replacement thereto (so long as any such amendment, modification, supplement or replacement is not disadvantageous in any material respect to the Lenders when taken as a whole as compared to the applicable agreement as in effect on the Closing Date as determined by the Borrower Representative in good faith), (k) [reserved], (1) the existence and performance of agreements and transactions with any Unrestricted Subsidiary that were entered into prior to the designation of a Restricted Subsidiary as such Unrestricted Subsidiary to the extent that the transaction was permitted at the time that it was entered into with such Restricted Subsidiary and transactions entered into by an Unrestricted Subsidiary with an Affiliate prior to the redesignation of any such Unrestricted Subsidiary as a Restricted Subsidiary; provided that such transaction was not entered into in contemplation of such designation or redesignation, as applicable, and (m) Affiliate repurchases of loans and commitments pursuant to the terms of the First Lien Term Facility and Second Lien Facility, and the payments and other transactions contemplated therein in respect thereof.

10.11 Financial Covenant. If either (a) Excess Availability at any time is less than the greater of (x) 12.5% of the Line Cap and (y) $5,000,000 or (b) any Overadvance Loans are outstanding at any time (each of the events in clauses (a) and (b), a "Financial Covenant Trigger Event"), Borrowers shall not permit the Fixed Charge Coverage Ratio to be less than 1.00 to 1.00 as of the last day of any Test Period, commencing with the Test Period ended on or immediately prior to the date that the Financial Covenant Trigger Event occurs and (ii) such requirement to maintain a Fixed Charge Coverage Ratio of at least 1.00 to 1.00 shall no longer apply (a) with respect to any Financial Covenant Trigger Event described in clause (a), if Excess Availability on each day during any period of 30 consecutive calendar days commencing after the date of such Financial Covenant Trigger Event shall be at least the greater of (x) 12.5% of the Line Cap and (y) $5,000,000 and/or (b) with respect to any Financial Covenant Trigger Event described in clause (b), no Overadvance Loans are outstanding, after which time the requirement to comply with the Consolidated Fixed Charge Coverage Ratio shall not apply unless a subsequent Financial Covenant Trigger Event occurs.

Section 11. Events of Default

Upon the occurrence of any of the following specified events (each an **"Event of Default"):**

11.1 Payments. Any Borrower shall (a) default in the payment when due of any principal of the Loans, (b) default, and such default shall continue for five or more Business Days, in the payment when due of any interest on the Loans or Unpaid Drawings, or (c) default, and such default shall continue for ten or more Business Days, in the payment when due of any Fees or of any other amounts owing hereunder or under any other Credit Document; or

11.2 Representations, Etc. (a) On the Closing Date, any Specified Representation shall be false or incorrect in any material respect as of the Closing Date and (b) after the Closing Date, any representation, warranty or statement made or deemed made by any Credit Party herein or in any other Credit Document or any certificate delivered or required to be delivered pursuant hereto or thereto shall prove to be untrue in any material respect on the date as of which made or deemed made, and, to the extent capable of being cured, such incorrect representation or warranty shall remain incorrect for a period of 30 days after written notice thereof from the Administrative Agent to the Borrower Representative; or

11.3 Covenants. Any Credit Party shall:

(a) default in the due performance or observance by it of any term, covenant or agreement contained in Section 9.1(e)(i), Section 9.5 (solely with respect to the Company), Section 9.9, Section 9.14(d) or Section 10; provided that any Event of Default under Section 10.11 is subject to the provisions of Section 11.15; or

(b) default in the due performance or observance by it of any term, covenant or agreement contained in Section 9.1(d), Section 9.2(b) or Section 9.1(h) and such default shall continue unremedied for a period of at least five (5) Business Days (or, solely in the case of Section 9.1(h)(ii), 2 Business Days if Borrowing Base Certificates are required to be delivered weekly); or

(c) default in the due performance or observance by it of any term, covenant or agreement (other than those referred to in Section 11.1 or 11.2 or clause (a) or (b) of this Section 11.3) contained in this Agreement or any Security Document and such default shall continue unremedied for a period of at least 30 days after receipt of written notice by the Company from the Administrative Agent or the Required Lenders; or

11.4 Default Under Other Agreements. (a) Holdings, the Company or any of the Restricted Subsidiaries shall (i) default in any payment with respect to any Indebtedness (other than the Obligations) in excess of $20,000,000 in the aggregate, for Holdings, the Company and such Restricted Subsidiaries, beyond the period of grace and following all required notices, if any, provided in the instrument or agreement under which such Indebtedness was created or (ii) default in the observance or performance of any agreement or condition relating to any such Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist (after giving effect to all applicable grace period and delivery of all required notices) (other than, with respect to Indebtedness consisting of any Hedge Agreements, termination events or equivalent events pursuant to the terms of such Hedge Agreements (it being understood that clause (i) shall apply to any failure to make any payment in excess of $20,000,000 that is required as a result of any such termination or similar event and that is not otherwise being contested in good faith)), the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Indebtedness (or a trustee or agent on

behalf of such holder or holders) to cause, any such Indebtedness to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity; or (b) without limiting the provisions of clause (a) above, any such Indebtedness shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment or as a mandatory prepayment (and, with respect to Indebtedness consisting of any Hedge Agreements, other than due to a termination event or equivalent event pursuant to the terms of such Hedge Agreements (it being understood that clause (a)(i) above shall apply to any failure to make any payment in excess of $20,000,000 that is required as a result of any such termination or equivalent event and that is not otherwise being contested in good faith)), prior to the stated maturity thereof; provided that clauses (a) and (b) shall not apply to (x) secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness, if such sale or transfer is permitted hereunder and under the documents providing for such Indebtedness, (y) Indebtedness which is convertible into Equity Interests and converts to Equity Interests in accordance with its terms and such conversion is not prohibited hereunder, or (z) any breach or default that is (I) remedied by Holdings, the Company or the applicable Restricted Subsidiary or (II) waived (including in the form of amendment) by the required holders of the applicable item of Indebtedness, in either case, prior to the acceleration of Loans pursuant to this Section 11; or

11.5 Bankruptcy, Etc. Except as otherwise permitted by Section 10.3, Holdings, the Company or any other Material Subsidiary shall commence a voluntary case, proceeding or action concerning itself under (a) Title 11 of the United States Code entitled "Bankruptcy," or (b) in the case of any Foreign Subsidiary that is a Material Subsidiary, any domestic or foreign law relating to bankruptcy, judicial management, insolvency, liquidation, receivership, reorganization, administration or relief of debtors in effect in its jurisdiction of incorporation, in each case as now or hereafter in effect, or any successor thereto (collectively, the **"Bankruptcy Code");** or an involuntary case, proceeding or action is commenced against Holdings, the Company or any other Material Subsidiary and the petition is not controverted within 30 days after commencement of the case, proceeding or action; or an involuntary case, proceeding or action is commenced against Holdings, the Company or any other Material Subsidiary and the petition is not dismissed within 60 days after commencement of the case, proceeding or action; or a custodian (as defined in the Bankruptcy Code), judicial manager, compulsory manager, receiver, receiver manager, trustee, liquidator, administrator, administrative receiver or similar Person is appointed for, or takes charge of, all or substantially all of the property of Holdings, the Company or any other Material Subsidiary; or Holdings, the Company or any other Material Subsidiary commences any other voluntary proceeding or action under any reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency, winding-up, administration or liquidation or similar law of any jurisdiction whether now or hereafter in effect relating to Holdings, the Company or any other Material Subsidiary; or there is commenced against Holdings, the Company or any other Material Subsidiary any such proceeding or action that remains undismissed for a period of 60 days; or Holdings, the Company or any other Material Subsidiary is adjudicated bankrupt; or any order of relief or other order approving any such case or proceeding or action is entered; or Holdings, the Company or any other Material Subsidiary suffers any appointment of any custodian receiver, receiver manager, trustee, administrator or the like for it or any substantial part of its property to continue undischarged or unstayed for a period of 60 days; or Holdings, the Company or any other Material Subsidiary makes a general assignment for the benefit of creditors; or

11.6 ERISA. (a) An ERISA Event shall have occurred, (b) a trustee shall be appointed by a United States district court to administer any Pension Plan(s), (c) the PBGC shall institute proceedings to terminate any Pension Plan(s), (d) any Credit Party or any of their respective ERISA Affiliates shall have been notified by the sponsor of a Multiemployer Plan that it has incurred or will be assessed Withdrawal

Liability to such Multiemployer Plan and such entity does not have reasonable grounds for contesting such Withdrawal Liability or is not contesting such Withdrawal Liability in a timely and appropriate manner or (e) any other event or condition of noncompliance with applicable Legal Requirements shall occur or exist with respect to a Plan; and in each case in clauses (a) through (e) above, such event or condition, together with all other such events or conditions, if any, would reasonably be expected to result in a Material Adverse Effect; or

11.7 Guarantee. Any Guarantee provided by any Credit Party or any material provision thereof shall cease to be in full force or effect (other than pursuant to the terms hereof and thereof) or any such Guarantor thereunder or any other Credit Party shall deny or disaffirm in writing any such Guarantor's obligations under the Guarantee; or

11.8 Security Documents. Any Security Document pursuant to which the Capital Stock or Stock Equivalents of any Borrower or any Subsidiary is pledged or any material provision thereof shall cease to be in full force or effect (other than pursuant to the terms hereof or thereof, as a result of acts or omissions of the Collateral Agent or any Lender or as a result of the Collateral Agent's failure to maintain possession of any Stock or Stock Equivalents that have been previously delivered to it) or any pledgor thereunder or any Credit Party shall deny or disaffirm in writing any pledgor's obligations under any Security Document; or

11.9 Security Agreement. The Security Agreement or any other Security Document pursuant to which the assets of Holdings, the Company or any other Material Subsidiary are pledged as Collateral or any material provision thereof shall cease to be in full force or effect (other than pursuant to the terms hereof or thereof, as a result of acts or omissions of the Collateral Agent in respect of certificates, promissory notes or instruments actually delivered to it or as a result of the Collateral Agent's failure to file a Uniform Commercial Code continuation statement) or any grantor thereunder or any Credit Party shall deny or disaffirm in writing any grantor's obligations under the Security Agreement or any other Security Document; or

11.10 Mortgages. Any Mortgage or any material provision of any Mortgage relating to any material portion of the Collateral shall cease to be in full force or effect (other than pursuant to the terms hereof or thereof or as a result of acts or omissions of the Collateral Agent or any Lender) or any mortgagor thereunder or any Credit Party shall deny or disaffirm in writing any mortgagor's obligations under any Mortgage; or

11.11 Judgments. One or more final judgments or decrees shall be entered against Holdings, the Company or any of the Restricted Subsidiaries involving a liability of $20,000,000 or more in the aggregate for all such judgments and decrees for Holdings, the Company and the Restricted Subsidiaries (to the extent not covered by insurance or indemnities as to which the applicable insurance company or third party has not denied coverage) and any such judgments or decrees shall not have been satisfied, vacated, discharged or stayed or bonded pending appeal within 60 consecutive days after the entry thereof; or

11.12 Change of Control. A Change of Control shall occur.

11.13 Remedies Upon Event of Default. If an Event of Default occurs and is continuing, the Administrative Agent shall, upon the written request of the Required Lenders, by written notice to the Company, take any or all of the following actions, without prejudice to the rights of the Administrative Agent or any Lender to enforce its claims against Holdings and the Borrowers, except as otherwise specifically provided for in this Agreement (provided that, if an Event of Default specified in Section 11.5

shall occur with respect to any Borrower or Holdings, the result that would occur upon the giving of written notice by the Administrative Agent as specified in clauses (i), (ii), (iii), and (iv) below shall occur automatically without the giving of any such notice): (i) declare the Total Revolving Credit Commitment and Swingline Commitment terminated, whereupon the Revolving Credit Commitment and Swingline Commitment, if any, of each Lender or the Swingline Lender, as the case may be, shall forthwith terminate immediately and any Fees theretofore accrued shall forthwith become due and payable without any other notice of any kind; (ii) declare the principal of and any accrued interest and fees in respect of all Loans and all Obligations to be, whereupon the same shall become, forthwith due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by each Borrower to the extent permitted by applicable law; (iii) terminate any Letter of Credit that may be terminated in accordance with its terms; and/or (iv) direct the Borrowers to pay (and each Borrower agrees that upon receipt of such notice, or upon the occurrence of an Event of Default specified in Section 11.5 with respect to any Borrower, it will pay) to the Administrative Agent at the Administrative Agent's Office such additional amounts of cash as are necessary to Cash Collateralize all Letters of Credit Outstanding, to be held as security for the Borrower's respective reimbursement obligations for Drawings that may subsequently occur thereunder; provided, that in the case of an Event of Default under Section 11.3(a) in respect of a failure to observe or perform the covenant under Section 10.11, such actions will be permitted to occur only following the expiration of the ability to effectuate the Cure Right if such Cure Right has not been so exercised.

11.14 Application of Proceeds. Subject to the terms of the ABL/Term Loan Intercreditor Agreement, any amount received by the Administrative Agent or the Collateral Agent from any Credit Party (or from proceeds of any Collateral) during the continuance of a Cash Dominion Period or following any acceleration of the Obligations under this Agreement or any Event of Default with respect to any Credit Party under Section 11.5 shall be applied:

(i) *first,* to the payment of all reasonable and documented costs and expenses incurred by the Administrative Agent or the Collateral Agent in connection with any collection or sale of the Collateral or otherwise in connection with any Credit Document, including all court costs and the reasonable fees and expenses of its agents and legal counsel, the repayment of all Protective Advances and any other advances made by the Administrative Agent or the Collateral Agent hereunder or under any other Credit Document on behalf of any Credit Party and any other Obligations owing to, and reasonable and documented costs or expenses incurred by, the Administrative Agent or the Collateral Agent in connection with the exercise of any right or remedy hereunder or under any other Credit Document or otherwise to the extent payable or reimbursable hereunder or thereunder;

(ii) *second,* to the payment of reasonable and documented costs or expenses incurred by any Lender to the extent reimbursable hereunder;

(iii) *third,* to payment of all accrued unpaid interest on the Obligations and Fees owed to Agents, Lenders, and Letter of Credit Issuers;

(iv) *fourth,* to payment of principal of the Obligations (other than any Obligations any under Secured Cash Management Agreements and Secured Hedge Agreements) including, without limitation, Unpaid Drawings and amounts necessary to Cash Collateralize all Letters of Credit Outstanding on the date of any payment, and to the payment of any Obligations under any Secured Hedge Agreement solely to the extent of any Secured Hedge Reserve established at the request of the Borrowers in connection with entering into of such Secured Hedge Agreement which the Administrative Agent has acknowledged is subject to this clause (iv);

(v) *fifth,* to payment of any other Obligations, including Obligations any under Secured Cash Management Agreements and Secured Hedge Agreements; and

(vi) *sixth,* any surplus then remaining shall be paid to the applicable Credit Parties or their successors or assigns or to whomsoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

provided that any amount applied to Cash Collateralize any Letters of Credit Outstanding that has not been applied to reimbursement of Unpaid Drawings under the applicable Letters of Credit at the time of expiration of all such Letters of Credit shall be applied by the Administrative Agent in the order specified in clauses (i) through (vi) above. In carrying out the foregoing, (i) amounts received shall be applied in the numerical order provided until exhausted prior to the application to the next succeeding category, (ii) each of the Lenders or other Persons entitled to payment shall receive an amount equal to its pro rata share of amounts available to be applied pursuant to clauses (ii) through (v) above, and (iii) amounts applied to the principal of any Loans shall be applied first, to outstanding Swingline Loans, second to outstanding Overadvance Loans, third, to outstanding Tranche A Loans and fourth, to outstanding Tranche B Loans. Notwithstanding the foregoing, amounts received from any Guarantor that is not an "Eligible Contract Participant" (as defined in the Commodity Exchange Act) shall not be applied to its Obligations that are Excluded Swap Obligations.

11.15 Equity Cure. Notwithstanding anything to the contrary contained in this Section 11, in the event that the Company fails to comply with the requirement of the financial covenant set forth in Section 10.11, after the beginning or the relevant fiscal period until the expiration of the 10th day following the date financial statements referred to in Sections 9.1(a) or (b) are required to be delivered in respect of such fiscal period for which such financial covenant is being measured (the "Cure Expiration Date"), any holder of Capital Stock or Stock Equivalents of the Company or any direct or indirect parent of the Company shall have the right to cure such failure (the **"Cure Right")** by causing cash net equity proceeds derived from an issuance of Capital Stock or Stock Equivalents (other than Disqualified Stock, unless reasonably satisfactory to the Administrative Agent) by the Company (or from a contribution to the common equity capital of the Company) to be contributed, directly or indirectly, as cash common equity to the Company, and upon receipt by the Company of such cash contribution (such cash amount being referred to as the **"Cure Amount")** or, if applicable, the Notice of Intent to Cure as set forth below, pursuant to the exercise of such Cure Right, such financial covenant shall be recalculated giving effect to the following pro forma adjustments:

(a) Consolidated EBITDA shall be increased, solely for the purpose of determining the existence of an Event of Default resulting from a breach of the financial covenant set forth in Section 10.11 with respect to any period of four consecutive fiscal quarters that includes the fiscal quarter for which the Cure Right was exercised and not for any other purpose under this Agreement, by an amount equal to the Cure Amount;

(b) if, after giving effect to the foregoing recalculations, the Company shall then be in compliance with the requirements of the financial covenant set forth in Section 10.11, the Company shall be deemed to have satisfied the requirements of the financial covenant set forth in Section 10.11 as of the relevant date of determination with the same effect as though there had been no failure to comply therewith at such date, and the applicable breach or default of such financial covenant that had occurred shall be deemed cured for the purposes of this Agreement; provided that (i) in each period of four consecutive fiscal quarters there shall be at least two fiscal quarters in which no Cure Right is made, (ii) there shall be a maximum of five Cure Rights made during the term of this Agreement, (iii) each Cure Amount shall be no greater than the amount

required to cause the Company to be in compliance with the financial covenant set forth in Section 10.11, (iv) all Cure Amounts shall be disregarded for the purposes of any financial ratio determination under the Credit Documents other than for determining compliance with Section 10.11 and (v) there shall be no pro forma reduction in Indebtedness with the proceeds of any Cure Amount for determining compliance with the financial covenant in respect of the fiscal period for which the Cure Right is exercised; and

(c) neither the Administrative Agent, the Collateral Agent nor any Lender or Secured Party shall exercise any remedy under the Credit Documents or applicable law on the basis of an Event of Default caused by the failure to comply with Section 10.11 until after the Cure Expiration Date and the Company has not exercised the Cure Right (except to the extent that the Borrower Representative has confirmed in writing that it does not intend to exercise the Cure Right).

The Company may provide written notice to the Administrative Agent that it intends to exercise the Cure Right (the **"Notice of Intent to Cure")** in advance of receipt of the Cure Amount (it being understood that to the extent such notice is provided in advance of delivery of a Compliance Certificate for the applicable fiscal period, the amount of such net equity proceeds that is designated as the Cure Amount may be lower than specified in the Notice of Intent to Cure to the extent the amount necessary to cure such Event of Default is less than the full amount originally designated). Upon receipt by the Administrative Agent of the Notice of Intent to Cure, the Company shall be deemed to satisfied the requirement of the financial covenant as set forth in clause (b) above; provided that if the Cure Expiration Date has occurred without the Cure Amount having been received and designated, any such Default or Event of Default shall be deemed reinstated. Notwithstanding the foregoing, the Lenders and the LC Issuer shall not be obligated to fund any Loans or honor any Letter of Credit Request until receipt by the Administrative Agent of the Cure Amount.

Section 12. The Agents

12.1 Appointment.

(a) Each Lender hereby irrevocably designates and appoints the Administrative Agent as the agent of such Lender under this Agreement and the other Credit Documents and irrevocably authorizes the Administrative Agent, in such capacity, to take such action on its behalf under the provisions of this Agreement and the other Credit Documents and to exercise such powers and perform such duties as are expressly delegated to the Administrative Agent by the terms of this Agreement and the other Credit Documents, together with such other powers as are reasonably incidental thereto. The provisions of this Section 12 (other than Section 12.1(c) with respect to the Joint Lead Arrangers and Bookrunners and Sections 12.1, 12.9, 12.11 and 12.12 with respect to the Company) are solely for the benefit of the Agents and the Lenders, none of Holdings, the Borrowers or any other Credit Party shall have rights as third party beneficiary of any such provision. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Administrative Agent shall not have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Credit Document or otherwise exist against the Administrative Agent. In performing its functions and duties hereunder, each Agent shall act solely as an agent of Lenders and does not assume and shall not be deemed to have assumed any obligation towards or relationship of agency or trust with or for Holdings, the Borrowers or any of their respective subsidiaries.

(b) The Administrative Agent, each Lender, the Swingline Lender and the Letter of Credit Issuer hereby irrevocably designate and appoint the Collateral Agent as the agent with respect to the Collateral, and each of the Administrative Agent, each Lender, the Swingline Lender and the Letter of Credit Issuer irrevocably authorizes the Collateral Agent, in such capacity, to take such action on its behalf under the provisions of this Agreement and the other Credit Documents and to exercise such powers and perform such duties as are expressly delegated to the Collateral Agent by the terms of this Agreement and the other Credit Documents, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Collateral Agent shall not have any duties or responsibilities except those expressly set forth herein, or any fiduciary relationship with any of the Administrative Agent, the Lenders, the Swingline Lender or the Letter of Credit Issuers, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Credit Document or otherwise exist against the Collateral Agent.

(c) Each of the Syndication Agent, Joint Lead Arrangers and Bookrunners, in its capacity as such, shall not have any obligations, duties or responsibilities under this Agreement but shall be entitled to all benefits of this Section 12.

12.2 Delegation of Duties. The Administrative Agent and the Collateral Agent may each execute any of its duties under this Agreement and the other Credit Documents by or through agents, sub-agents, employees or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. Neither the Administrative Agent nor the Collateral Agent shall be responsible for the negligence or misconduct of any agents, subagents or attorneys-in-fact selected by it in the absence of its gross negligence or willful misconduct (as determined in the final non-appealable judgment of a court of competent jurisdiction).

12.3 Exculpatory Provisions. No Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates shall be (a) liable for any action lawfully taken or omitted to be taken by any of them under or in connection with this Agreement or any other Credit Document (except for its or such Person's own gross negligence or willful misconduct, as determined in the final non-appealable judgment of a court of competent jurisdiction, in connection with its duties expressly set forth herein) or (b) responsible in any manner to any of the Lenders or any participant for any recitals, statements, representations or warranties made by any of Holdings, any Borrower, any other Guarantor, any other Credit Party or any officer thereof contained in this Agreement or any other Credit Document or in any certificate, report, statement or other document referred to or provided for in, or received by such Agent under or in connection with, this Agreement or any other Credit Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Credit Document, or the perfection or priority of any Lien or security interest created or purported to be created under the Security Documents, or for any failure of Holdings, any Borrower, any other Guarantor or any other Credit Party to perform its obligations hereunder or thereunder. No Agent shall be under any obligation to any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Credit Document, or to inspect the properties, books or records of any Credit Party or any Affiliate thereof. The Collateral Agent shall not be under any obligation to the Administrative Agent or any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Credit Document, or to inspect the properties, books or records of any Credit Party.

12.4 Reliance by Agents. The Administrative Agent and the Collateral Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, resolution, notice, consent, certificate, affidavit, letter, telecopy, telex or teletype message, statement, order or other document or instruction

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 (including counsel to Holdings and the Borrowers), independent accountants and other experts selected by the Administrative Agent or the Collateral Agent. The Administrative Agent may deem and treat the Lender specified in the Register with respect to any amount owing hereunder as the owner thereof for all purposes unless a written notice of assignment, negotiation or transfer thereof shall have been filed with the Administrative Agent. The Administrative Agent and the Collateral Agent shall be fully justified in failing or refusing to take any action under this Agreement or any other Credit Document unless it shall first receive such advice or concurrence of the Required Lenders as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense that may be incurred by it by reason of taking or continuing to take any such action. The Administrative Agent and the Collateral Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement and the other Credit Documents in accordance with a request of the Required Lenders, and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Loans; provided that the Administrative Agent and the Collateral Agent shall not be required to take any action that, in its opinion or in the opinion of its counsel, may expose it to liability or that is contrary to any Credit Document or applicable law.

12.5 Notice of Default. Neither the Administrative Agent nor the Collateral Agent shall be deemed to have knowledge or notice of the occurrence of any Default or Event of Default hereunder unless the Administrative Agent or the Collateral Agent has received written notice from a Lender or the Borrower Representative referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default." In the event that the Administrative Agent receives such a notice, it shall give notice thereof to the Lenders and the Collateral Agent. The Administrative Agent shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Required Lenders; provided that unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable in the best interests of the Lenders except to the extent that this Agreement requires that such action be taken only with the approval of the Required Lenders or each of the Lenders, as applicable.

12.6 Non-Reliance on Administrative Agent, Collateral Agent, and Other Lenders. Each Lender expressly acknowledges that neither the Administrative Agent nor the Collateral Agent nor any of their respective officers, directors, employees, agents, attorneys-in-fact or Affiliates has made any representations or warranties to it and that no act by the Administrative Agent or the Collateral Agent hereinafter taken, including any review of the affairs of Holdings, any Borrower, any other Guarantor or any other Credit Party, shall be deemed to constitute any representation or warranty by the Administrative Agent or the Collateral Agent to any Lender, the Swingline Lender or any Letter of Credit Issuer. Each Lender, the Swingline Lender and the Letter of Credit Issuer represents to the Administrative Agent and the Collateral Agent that it has, independently and without reliance upon the Administrative Agent, the Collateral Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property, financial and other condition and creditworthiness of Holdings, any Borrower, any other Guarantor, and other Credit Party and made its own decision to make its Loans hereunder and enter into this Agreement. Each Lender also represents that it will, independently and without reliance upon the Administrative Agent, the Collateral 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 analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Credit Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and

creditworthiness of Holdings, any Borrower, any other Guarantor and any other Credit Party. Except for notices, reports, and other documents expressly required to be furnished to the Lenders by the Administrative Agent hereunder, neither the Administrative Agent nor the Collateral Agent shall have any duty or responsibility to provide any Lender with any credit or other information concerning the business, assets, operations, properties, financial condition, prospects or creditworthiness of Holdings, any Borrower, any other Guarantor or any other Credit Party that may come into the possession of the Administrative Agent or the Collateral Agent any of their respective officers, directors, employees, agents, attorneys-in-fact or Affiliates.

12.7 Indemnification. The Lenders agree to severally indemnify each Agent in its capacity as such (to the extent not reimbursed by the Credit Parties and without limiting the obligation of the Credit Parties to do so), ratably according to their respective portions of the Total Credit Exposure in effect on the date on which indemnification is sought (or, if indemnification is sought after the date upon which the Commitments shall have terminated and the Loans shall have been paid in full, ratably in accordance with their respective portions of the Total Credit Exposure in effect immediately prior to such date), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses, or disbursements of any kind whatsoever that may at any time (including at any time following the payment of the Loans) be imposed on, incurred by or asserted against an Agent in any way relating to or arising out of the Commitments, this Agreement, any of the other Credit Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by the Administrative Agent or the Collateral Agent under or in connection with any of the foregoing; provided that no Lender shall be liable to an Agent for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from such Agent's gross negligence or willful misconduct as determined by a final non-appealable judgment of a court of competent jurisdiction; provided, further, that no action taken by the Administrative Agent in accordance with the directions of the Required Lenders (or such other number or percentage of the Lenders as shall be required by the Credit Documents) shall be deemed to constitute gross negligence or willful misconduct for purposes of this Section 12.7. In the case of any investigation, litigation or proceeding giving rise to any liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever that may at any time occur (including at any time following the payment of the Loans), this Section 12.7 applies whether any such investigation, litigation or proceeding is brought by any Lender or any other Person. Without limitation of the foregoing, each Lender shall reimburse each Agent upon demand for its ratable share of any costs or out-of-pocket expenses (including attorneys' fees) incurred by such Agent in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice rendered in respect of rights or responsibilities under, this Agreement, any other Credit Document, or any document contemplated by or referred to herein, to the extent that such Agent is not reimbursed for such expenses by or on behalf of Holdings or the Borrowers; provided that such reimbursement by the Lenders shall not affect Holdings' or the Borrowers' continuing reimbursement obligations with respect thereto. If any indemnity furnished to any Agent for any purpose shall, in the opinion of such Agent, be insufficient or become impaired, such Agent may call for additional indemnity and cease, or not commence, to do the acts indemnified against until such additional indemnity is furnished; provided, in no event shall this sentence require any Lender to indemnify any Agent against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement in excess of such Lender's pro rata portion thereof; and provided, further, this sentence shall not be deemed to require any Lender to indemnify any Agent against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement resulting from such Agent's gross negligence or willful misconduct as determined by a final non-appealable judgment of a court of competent jurisdiction. The agreements in this Section 12.7 shall survive the

payment of the Loans and all other amounts payable hereunder. The indemnity provided to each Agent under this Section 12.7 shall also apply to such Agent's respective Affiliates, directors, officers, members, controlling persons, employees, trustees, investment advisors and agents and successors.

12.8 Agents in Their Individual Capacities. The agency hereby created shall in no way impair or affect any of the rights and powers of, or impose any duties or obligations upon, any Agent in its individual capacity as a Lender hereunder. Each Agent and its Affiliates may make loans to, accept deposits from and generally engage in any kind of business with Holdings, any Borrower, any other Guarantor, and any other Credit Party as though such Agent were not an Agent hereunder and under the other Credit Documents. With respect to the Loans made by it, each Agent shall have the same rights and powers under this Agreement and the other Credit Documents as any Lender and may exercise the same as though it were not an Agent, and the terms Lender and Lenders shall include each Agent in its individual capacity.

12.9 Successor Agents, (a) Each of the Administrative Agent and the Collateral Agent may at any time give notice of its resignation to the Lenders, the Letter of Credit Issuer and the Borrower Representative. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, subject to the consent of the Borrower Representative (not to be unreasonably withheld or delayed) so long as no Event of Default under Sections 11.1 or 11.5 is continuing, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Agent gives notice of its resignation (the **"Resignation Effective Date"),** then the retiring Agent may on behalf of the Lenders, appoint a successor Agent meeting the qualifications set forth above (including receipt of the Borrower Representative's consent); provided that if the Administrative Agent or the Collateral Agent shall notify the Borrower Representative and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice.

(b) If the Person serving as the Administrative Agent is a Defaulting Lender pursuant to clause (v) of the definition of Lender Default, the Required Lenders may to the extent permitted by applicable law, subject to the consent of the Borrower Representative (not to be unreasonably withheld or delayed), by notice in writing to the Borrower Representative and such Person remove such Person as the Administrative Agent and, in consultation with the Borrower Representative, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days (or such earlier day as shall be agreed by the Required Lenders) (the **"Removal Effective Date"),** then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable), (1) the retiring or removed agent shall be discharged from its duties and obligations hereunder and under the other Credit Documents (except that in the case of any collateral security held by the Collateral Agent on behalf of the Lenders or the Letter of Credit Issuer under any of the Credit Documents, the retiring or removed Collateral Agent shall continue to hold such collateral security as nominee until such time as a successor Collateral Agent is appointed) and (2) all payments, communications and determinations provided to be made by, to or through the retiring or removed Administrative Agent shall instead be made by or to each Lender and the Letter of Credit Issuer directly, until such time as the Required Lenders appoint a successor Agent as provided for above in this paragraph. Upon the acceptance of a successor's appointment as the Administrative Agent or the Collateral Agent, as the case may be, hereunder, and upon the execution and filing or recording of such

financing statements, or amendments thereto, and such amendments or supplements to the Mortgages, and such other instruments or notices, as may be necessary or desirable, or as the Required Lenders may request, in order to continue the perfection of the Liens granted or purported to be granted by the Security Documents, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) or removed Agent, and the retiring or removed Agent shall be discharged from all of its duties and obligations hereunder or under the other Credit Documents (if not already discharged therefrom as provided above in this Section 12.9). Except as provided above, any resignation or removal of Royal Bank of Canada as the Administrative Agent pursuant to this Section 12.9 shall also constitute the resignation or removal of Royal Bank of Canada as the Collateral Agent. The fees payable by the Borrower Representative (following the effectiveness of such appointment) to such Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower Representative and such successor. After the retiring or removed Agent's resignation or removal hereunder and under the other Credit Documents, the provisions of this Section 12 (including Section 12.7) and Section 13.5 shall continue in effect for the benefit of such retiring or removed Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Agent was acting as an Agent.

(d) Any resignation by or removal of Royal Bank of Canada as the Administrative Agent pursuant to this Section 12.9 shall also constitute its resignation or removal as Swingline Lender and its Affiliate's resignation or removal as the Letter of Credit Issuer. Upon the acceptance of a successor's appointment as the Administrative Agent hereunder, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Letter of Credit Issuer and Swingline Lender (but only if all outstanding Swingline Loans have been paid in full in cash), (b) the retiring Letter of Credit Issuer and Swingline Lender shall be discharged from all of their respective duties and obligations hereunder or under the other Credit Documents, and (c) the successor Letter of Credit Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to the retiring Letter of Credit Issuer to effectively assume the obligations of the retiring Letter of Credit Issuer with respect to such Letters of Credit.

12.10 Withholding Tax. To the extent required by any applicable law, the Administrative Agent may withhold from any payment to any Lender under any Credit Document an amount equivalent to any applicable withholding Tax. If the Internal Revenue Service or any authority of the United States or other jurisdiction asserts a claim that the Administrative Agent did not properly withhold Tax from amounts paid to or for the account of any Lender for any reason (including, because the appropriate form was not delivered, was not properly executed, or because such Lender failed to notify the Administrative Agent of a change in circumstances that rendered the exemption from, or reduction of, withholding Tax ineffective) or if the Administrative Agent reasonably determines that a payment was made to a Lender pursuant to this Agreement without deduction of applicable withholding Tax from such payment, such Lender shall indemnify the Administrative Agent (to the extent that the Administrative Agent has not already been reimbursed by any applicable Credit Party and without limiting the obligation of any applicable Credit Party to do so) fully for all amounts paid, directly or indirectly, by the Administrative Agent as Tax or otherwise, including penalties, additions to Tax and interest, together with all expenses incurred, including legal expenses, allocated staff costs and any out of pocket expenses. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under this Agreement or any other Credit Document against any amount due to the Administrative Agent under this Section 12.10. The agreements in Section 12.10 shall survive the resignation and/or replacement of the Administrative Agent, any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or

discharge of all other Obligations. For the avoidance of doubt, for purposes of this Section 12.10, the term Lender includes the Letter of Credit Issuer and the Swingline Lender.

12.11 Agents Under Security Documents and Guarantee. Each Secured Party hereby further authorizes the Administrative Agent or the Collateral Agent, as applicable, on behalf of and for the benefit of the Secured Parties, to be the agent for and representative of the Secured Parties with respect to the Collateral and the Security Documents. Subject to Section 13.1, without further written consent or authorization from any Secured Party, the Administrative Agent or the Collateral Agent, as applicable, may execute any documents or instruments necessary to (a) release any Lien on any property granted to or held by the Administrative Agent or the Collateral Agent (or any sub-agent thereof) under any Credit Document (i) upon the Maturity Date and the payment in full (or Cash Collateralization) of all Obligations (except for contingent indemnification obligations in respect of which a claim has not yet been made, Secured Hedge Obligations, and Secured Cash Management Obligations), (ii) that is sold or to be sold or transferred as part of or in connection with any sale or other transfer permitted hereunder or under any other Credit Document to a Person that is not a Credit Party or in connection with the designation of any Restricted Subsidiary as an Unrestricted Subsidiary, (iii) if the property subject to such Lien is owned by a Credit Party, upon the release of such Credit Party from its Guarantee otherwise in accordance with the Credit Documents, (iv) as to the extent provided in the Security Documents or (v) if approved, authorized or ratified in writing in accordance with Section 13.1; (b) release any Guarantor from its obligations under the Guarantee if such Person ceases to be a Restricted Subsidiary (or becomes an Excluded Subsidiary) as a result of a transaction or designation permitted hereunder; (c) subordinate any Lien on any property granted to or held by the Administrative Agent or the Collateral Agent under any Credit Document to the holder of any Lien permitted under clauses (v), (vi) (solely with respect to Section 10.1(d)), (vii), and (ix) of the definition of Permitted Lien; or (d) enter into subordination or intercreditor agreements with respect to Indebtedness to the extent the Administrative Agent or the Collateral Agent is otherwise contemplated herein as being a party to such intercreditor or subordination agreement, including the ABL/Term Loan Intercreditor Agreement.

The Collateral Agent shall have its own independent right to demand payment of the amounts payable by any Borrower under this Section 12.11, irrespective of any discharge of the Borrower's obligations to pay those amounts to the other Lenders resulting from failure by them to take appropriate steps in insolvency proceedings affecting any Borrower to preserve their entitlement to be paid those amounts.

Any amount due and payable by the Borrowers to the Collateral Agent under this Section 12.11 shall be decreased to the extent that the other Lenders have received (and are able to retain) payment in full of the corresponding amount under the other provisions of the Credit Documents and any amount due and payable by the Borrowers to the Collateral Agent under those provisions shall be decreased to the extent that the Collateral Agent has received (and is able to retain) payment in full of the corresponding amount under this Section 12.11.

12.12 Right to Realize on Collateral and Enforce Guarantee. Anything contained in any of the Credit Documents to the contrary notwithstanding, the Company, the Agents, and each Secured Party hereby agree that (i) no Secured Party shall have any right individually to realize upon any of the Collateral or to enforce the Guarantee, it being understood and agreed that all powers, rights, and remedies hereunder may be exercised solely by the Administrative Agent, on behalf of the Secured Parties in accordance with the terms hereof and all powers, rights, and remedies under the Security Documents may be exercised solely by the Collateral Agent, and (ii) in the event of a foreclosure by the Collateral Agent on any of the Collateral pursuant to a public or private sale or other disposition, the

Collateral Agent or any Lender may be the purchaser or licensor of any or all of such Collateral at any such sale or other disposition and the Collateral Agent, as agent for and representative of the Secured Parties (but not any Lender or Lenders in its or their respective individual capacities unless Required Lenders shall otherwise agree in writing) shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such public sale, to use and apply any of the Obligations as a credit on account of the purchase price for any collateral payable by the Collateral Agent at such sale or other disposition. No holder of Secured Hedge Obligations or Secured Cash Management Obligations shall have any rights in connection with the management or release of any Collateral or of the obligations of any Credit Party under this Agreement. No holder of Secured Hedge Obligations or Secured Cash Management Obligations that obtains the benefits of any Guarantee or any Collateral by virtue of the provisions hereof or of any other Credit Document shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Credit Document or otherwise in respect of the Collateral (including the release or impairment of any Collateral) other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Credit Documents. Notwithstanding any other provision of this Agreement to the contrary, the Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Obligations arising under Secured Hedge Agreements and Secured Cash Management Agreements, unless the Administrative Agent has received written notice of such Obligations, together with such supporting documentation as the Administrative Agent may request, from the applicable Cash Management Bank or Hedge Bank, as the case may be.

12.13 ABL/Term Loan Intercreditor Agreement Governs. The Administrative Agent, the Collateral Agent, and each Lender (a) hereby agrees that it will be bound by and will take no actions contrary to the provisions of any intercreditor agreement entered into pursuant to the terms hereof, (b) hereby authorizes and instructs the Administrative Agent and the Collateral Agent to enter into each intercreditor agreement (including the ABL/Term Loan Intercreditor Agreement) entered into pursuant to the terms hereof and to subject the Liens securing the Secured Obligations to the provisions thereof and (c) hereby consents to the subordination of the Liens on the Collateral other than the ABL Priority Collateral securing the Obligations on the terms set forth in the ABL/Term Loan Intercreditor Agreement. The foregoing provisions are intended as an inducement to the lenders under the Second Lien Credit Documents and First Lien Credit Documents to extend credit to the Credit Parties and such lenders are intended third party beneficiaries of such provisions. In the event of any conflict or inconsistency between the provisions of each intercreditor agreement (including the ABL/Term Loan Intercreditor Agreement) and this Agreement, the provisions of such intercreditor agreement shall control.

Section 13. Miscellaneous

13.1 Amendments, Waivers, and Releases. Neither this Agreement nor any other Credit Document, nor any terms hereof or thereof, may be amended, supplemented or modified except in accordance with the provisions of this Section 13.1. Except as provided to the contrary under Section 2.14, and other than with respect to any amendment, modification or waiver contemplated in the proviso to clause (i) below, which shall only require the consent of the Lenders expressly set forth therein and not Required Lenders, the Required Lenders may, or, with the written consent of the Required Lenders, the Administrative Agent and/or the Collateral Agent may, from time to time, (a) enter into with the relevant Credit Party or Credit Parties written amendments, supplements or modifications hereto and to the other Credit Documents for the purpose of adding any provisions to this Agreement or the other Credit Documents or changing in any manner the rights of the Lenders or of the Credit Parties hereunder or thereunder or (b) waive in writing, on such terms and conditions as the Required Lenders or the Administrative Agent and/or the Collateral Agent, as the case may be, may specify in such instrument,

any of the requirements of this Agreement or the other Credit Documents or any Default or Event of Default and its consequences; provided, however, that each such waiver and each such amendment, supplement or modification shall be effective only in the specific instance and for the specific purpose for which given; and provided, further, that no such waiver and no such amendment, supplement or modification shall (x) (i) forgive or reduce any portion of any Loan or extend the final scheduled maturity date of any Loan or reduce the stated rate (it being understood that only the consent of the Required Lenders shall be necessary to waive any obligation of the Borrowers to pay interest at the "default rate" or amend Section 2.8(c)), or forgive any portion thereof, or extend the date for the payment, of any interest or fee payable hereunder (other than as a result of waiving the applicability of any post-default increase in interest rates), or extend the final expiration date of any Letter of Credit beyond the L/C Facility Maturity Date, or amend or modify any provisions of Sections 5.3(a) (with respect to the ratable allocation of any payments only) and 13.8(a) and 13.20, or make any Loan, interest, Fee or other amount payable in any currency other than expressly provided herein, in each case without the written consent of each Lender directly and adversely affected thereby; provided that a waiver of any condition precedent in Section 6 or 7 of this Agreement, the waiver of any Default, Event of Default, default interest, mandatory prepayment or reductions, any modification, waiver or amendment to the financial definitions or financial ratios or any component thereof or the waiver of any other covenant shall not constitute an increase of any Commitment of a Lender, a reduction or forgiveness in the interest rates or the fees or premiums or a postponement of any date scheduled for the payment of principal or interest or an extension of the final maturity of any Loan or the scheduled termination date of any Commitment, in each case for purposes of this clause (i), or (ii) consent to the assignment or transfer by any Borrower of its rights and obligations under any Credit Document to which it is a party (except as permitted pursuant to Section 10.3), in each case without the written consent of each Lender directly and adversely affected thereby, or (iii) amend, modify or waive any provision of Section 12 without the written consent of the then-current Administrative Agent and Collateral Agent in a manner that directly and adversely affects such Person, or (iv) amend, modify or waive any provision of Section 3 with respect to any Letter of Credit, or any other provision hereof, without the written consent of the Letter of Credit Issuer to the extent such amendment, modification or waiver directly and adversely affects the Letters of Credit Issuer, or (v) amend, modify or waive any provisions hereof relating to Swingline Loans without the written consent of the Swingline Lender in a manner that directly and adversely affects such Person, or (vi) release all or substantially all of the Guarantors under the Guarantees (except as expressly permitted by the Guarantees, the ABL/Term Loan Intercreditor Agreement or this Agreement) or release all or substantially all of the Collateral under the Security Documents (except as expressly permitted by the Security Documents, the ABL/Term Loan Intercreditor Agreement or this Agreement) without the prior written consent of each Lender, or (vii) reduce the percentages specified in the definitions of the terms "Required Lenders" or "Supermajority Lenders", or amend, modify or waive any provision of this Section 13.1 that has the effect of decreasing the number of Lenders that must approve any amendment, modification or waiver, without the written consent of each Lender, or (viii) amend, modify or waive the definition of the terms "Excess Availability" or "Borrowing Base" or any component definition used therein (including, without limitation, the definitions of "Eligible Credit Card Receivable", "Eligible In-Transit Inventory" and "Eligible Inventory") if, as a result thereof, the amounts available to be borrowed by the Borrowers would be increased without the prior written consent of Supermajority Lenders; provided that the foregoing shall not limit the discretion of the Agents to change, establish or eliminate any Borrowing Base Reserves or to add Accounts and Inventory acquired in a Permitted Acquisition to the Borrowing Base as provided herein, (y) notwithstanding anything to the contrary in clause (x), (i) extend the final expiration date of any Lender's Commitment or (ii) increase the aggregate amount of the Commitments of any Lender, in each case, without the written consent of such Lender or (z) in connection with an amendment that addresses solely a repricing transaction in which any Class of Revolving Credit Commitments and Revolving Loans in respect thereof is refinanced with a replacement Class of Revolving Credit

Commitments and Revolving Loans in respect thereof bearing (or is modified in such a manner such that the resulting Revolving Credit Commitments and Revolving Loans in respect thereof bear) a lower "effective yield", only the consent of the Lenders holding Revolving Credit Commitments subject to such permitted repricing transaction that will continue as a Lender in respect of the repriced tranche of Revolving Credit Commitments and Revolving Loans in respect thereof or modified Revolving Credit Commitments and Revolving Loans in respect thereof.

Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except (x) that the Commitment of such Lender may not be increased or extended without the consent of such Lender (it being understood that any Commitments or Loans held or deemed held by any Defaulting Lender shall be excluded for a vote of the Lenders hereunder requiring any consent of the Lenders) and (y) for any such amendment, waiver or consent that treats such Defaulting Lender disproportionately from the other Lender of the same Class (other than because of its status as a Defaulting Lender).

Any such waiver and any such amendment, supplement or modification shall apply equally to each of the affected Lenders and shall be binding upon Holdings, the Borrowers, such Lenders, the Administrative Agent and all future holders of the affected Loans. In the case of any waiver, Holdings, the Borrowers, the Lenders and the Administrative Agent shall be restored to their former positions and rights hereunder and under the other Credit Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing, it being understood that no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon. In connection with the foregoing provisions, the Administrative Agent may, but shall have no obligations to, with the concurrence of any Lender, execute amendments, modifications, waivers or consents on behalf of such Lender.

Notwithstanding the foregoing, in addition to any credit extensions and related Joinder Agreement(s) effectuated without the consent of Lenders in accordance with Section 2.14, this Agreement may be amended (or amended and restated) with the written consent of the Required Lenders, the Administrative Agent, Holdings and the Borrowers (a) to add one or more additional credit facilities to this Agreement and to permit the extensions of credit from time to time outstanding thereunder and the accrued interest and fees in respect thereof to share ratably in the benefits of this Agreement and the other Credit Documents with the Loans and the accrued interest and fees in respect thereof and (b) to include appropriately the Lenders holding such credit facilities in any determination of the Required Lenders and other definitions related to such new Loans.

The Lenders hereby irrevocably agree that the Liens granted to the Collateral Agent by the Credit Parties on any Collateral shall be automatically released (i) in full, upon the termination of this Agreement and the payment of all Obligations hereunder (except for (w) contingent indemnification obligations in respect of which a claim has not yet been made, (x) Secured Hedge Obligations, (y) Cash Collateralized Letters of Credit pursuant to arrangements reasonably acceptable to the applicable Letter of Credit Issuer, and (z) Secured Cash Management Obligations), (ii) upon the sale or other disposition of such Collateral (including as part of or in connection with any other sale or other disposition permitted hereunder) to any Person other than another Credit Party, to the extent such sale or other disposition is made in compliance with the terms of this Agreement (and the Collateral Agent may rely conclusively on a certificate to that effect provided to it by any Credit Party upon its reasonable request without further inquiry), (iii) to the extent such Collateral is comprised of property leased to a Credit Party, upon termination or expiration of such lease, (iv) if the release of such Lien is approved, authorized or ratified in writing by the Required Lenders (or such other percentage of the Lenders whose consent may be

required in accordance with this Section 13.1), (v) to the extent the property constituting such Collateral is owned by any Guarantor, upon the release of such Guarantor from its obligations under the applicable Guarantee (in accordance with the second following sentence), (vi) as required to effect any sale or other disposition of Collateral in connection with any exercise of remedies of the Collateral Agent pursuant to the Security Documents, and (vii) if such assets constitute Excluded Property or Excluded Stock or Stock Equivalents. Any such release shall not in any manner discharge, affect, or impair the Obligations or any Liens (other than those being released) upon (or obligations (other than those being released) of the Credit Parties in respect of) all interests retained by the Credit Parties, including the proceeds of any sale, all of which shall continue to constitute part of the Collateral except to the extent otherwise released in accordance with the provisions of the Credit Documents. Additionally, the Lenders hereby irrevocably agree that any Restricted Subsidiary that is a Guarantor shall be released from the Guarantees upon consummation of any transaction resulting in such Subsidiary ceasing to constitute a Restricted Subsidiary. The Lenders hereby authorize the Administrative Agent and the Collateral Agent, as applicable, to execute and deliver any instruments, documents, and agreements necessary or desirable to evidence and confirm the release of any Guarantor or Collateral pursuant to the foregoing provisions of this paragraph, all without the further consent or joinder of any Lender.

Notwithstanding anything herein to the contrary, the Credit Documents may be amended to (i) add syndication or documentation agents and make customary changes and references related thereto and (ii) if applicable, add or modify "parallel debt" language in any jurisdiction in favor of the Collateral Agent or add Collateral Agents, in each case (i) and (ii) with the consent of only the Borrower Representative and the Administrative Agent, and in the case of (ii), the Collateral Agent.

Notwithstanding anything in this Agreement (including, without limitation, this Section 13.1) or any other Credit Document to the contrary, (i) this Agreement and the other Credit Documents may be amended to effect an incremental facility or extension facility pursuant to Section 2.14 (and the Administrative Agent and the Borrower Representative may effect such amendments to this Agreement and the other Credit Documents without the consent of any other party as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Borrower Representative, to effect the terms of any such incremental facility or extension facility); (ii) no Lender consent is required to effect any amendment or supplement to the ABL/Term Loan Intercreditor Agreement or other intercreditor agreement or arrangement permitted under this Agreement that is for the purpose of adding the holders of any Indebtedness as expressly contemplated by the terms of the ABL/Term Loan Intercreditor Agreement or such other intercreditor agreement or arrangement permitted under this Agreement, as applicable (it being understood that any such amendment or supplement may make such other changes to the applicable intercreditor agreement as, in the good faith determination of the Administrative Agent, are required to effectuate the foregoing; provided that such other changes are not adverse, in any material respect, to the interests of the Lenders taken as a whole); provided, further, that no such agreement shall amend, modify or otherwise directly and adversely affect the rights or duties of the Administrative Agent hereunder or under any other Credit Document without the prior written consent of the Administrative Agent; (iii) any provision of this Agreement or any other Credit Document may be amended by an agreement in writing entered into by the Borrower Representative and the Administrative Agent to (x) cure any ambiguity, omission, mistake, defect or inconsistency (as reasonably determined by the Administrative Agent and the Borrower Representative) and (y) to effect administrative changes of a technical or immaterial nature (including to effect changes to the terms and conditions applicable solely to the Letter of Credit Issuer in respect of issuances of Letters of Credit) and such amendment shall be deemed approved by the Lenders if the Lenders shall have received at least five Business Days' prior written notice of such change and the Administrative Agent shall not have received, within five Business Days ofthe date of such notice to the Lenders, a written notice from the Required Lenders stating that the

Required Lenders object to such amendment; and (iv) guarantees, collateral documents and related documents executed by Credit Parties in connection with this Agreement may be in a form reasonably determined by the Administrative Agent and may be, together with any other Credit Document, entered into, amended, supplemented or waived, without the consent of any other Person, by the applicable Credit Party or Credit Parties and the Administrative Agent or the Collateral Agent in its or their respective sole discretion, to (A) effect the granting, perfection, protection, expansion or enhancement of any security interest in any Collateral or additional property to become Collateral for the benefit of the Secured Parties, (B) as required by local law or advice of counsel to give effect to, or protect any security interest for the benefit of the Secured Parties, in any property or so that the security interests therein comply with applicable requirements of law, or (C) to cure ambiguities, omissions, mistakes or defects (as reasonably determined by the Administrative Agent and the Borrower Representative) or to cause such guarantee, collateral security document or other document to be consistent with this Agreement and the other Credit Documents.

Notwithstanding anything in this Agreement or any Security Document to the contrary, the Administrative Agent may, in its sole discretion, grant extensions of time for the satisfaction of any of the requirements under Sections 9.11, 9.12 and 9.14 or any Security Documents in respect of any particular Collateral or any particular Subsidiary if it determines that the satisfaction thereof with respect to such Collateral or such Subsidiary cannot be accomplished without undue expense or unreasonable effort or due to factors beyond the control of Holdings, the Company and the Restricted Subsidiaries by the time or times at which it would otherwise be required to be satisfied under this Agreement or any Security Document.

13.2 Notices. Unless otherwise expressly provided herein, all notices and other communications provided for hereunder or under any other Credit Document shall be in writing (including by facsimile transmission). All such written notices shall be mailed, faxed or delivered to the applicable address, facsimile number or electronic mail address, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(a) if to Holdings, any Borrower, the Administrative Agent, the Collateral Agent, the Letter of Credit Issuer or the Swingline Lender, to the address, facsimile number, electronic mail address or telephone number specified for such Person on Schedule 13.2 or to such other address, facsimile number, electronic mail address or telephone number as shall be designated by such party in a notice to the other parties; and

(b) if to any other Lender, to the address, facsimile number, electronic mail address or telephone number specified in its Administrative Questionnaire or to such other address, facsimile number, electronic mail address or telephone number as shall be designated by such party in a notice to Holdings and the Borrower Representative, the Administrative Agent, the Collateral Agent, the Letter of Credit Issuer and the Swingline Lender.

All such notices and other communications shall be deemed to be given or made upon the earlier to occur of (i) actual receipt by the relevant party hereto and (ii) (A) if delivered by hand or by courier, when signed for by or on behalf of the relevant party hereto; (B) if delivered by mail, three Business Days after deposit in the mails, postage prepaid; (C) if delivered by facsimile, when sent and receipt has been confirmed by telephone; and (D) if delivered by electronic mail, when delivered; provided that notices and other communications to the Administrative Agent or the Lenders pursuant to Sections 2.3, 2.6, 2.9, 4.2 and 5.1 shall not be effective until received.

13.3 No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the Administrative Agent, the Collateral Agent or any Lender, any right, remedy, power or privilege hereunder or under the other Credit Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers, and privileges provided by law.

13.4 Survival of Representations and Warranties. All representations and warranties made hereunder, in the other Credit Documents and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Agreement and the making of the Loans hereunder.

13.5 Payment of Expenses; Indemnification. Holdings and the Borrowers agree (a) to pay or reimburse the Agents for all their reasonable and documented out-of-pocket costs and expenses incurred in connection with the development, preparation and execution and delivery of, and any amendment, supplement, waiver or modification to, this Agreement and the other Credit Documents and any other documents prepared in connection herewith or therewith, and the consummation and administration of the transactions contemplated hereby and thereby, and in the case of legal fees and expenses limited to the reasonable fees, disbursements and other charges of Paul Hastings LLP, as counsel to the Agents and, if reasonably necessary, of a single firm of local counsel in each applicable material jurisdiction, other than allocated costs of in-house counsel, and such other counsel retained with the Company's consent (such consent not to be unreasonably withheld or delayed), (b) to pay or reimburse each Agent for all its reasonable and documented out-of-pocket costs and expenses incurred in connection with the enforcement or preservation of any rights under this Agreement, the other Credit Documents and any such other documents, including, and in the case of (i) legal fees and expenses limited to the reasonable fees, disbursements and other charges of Paul Hastings LLP, as counsel to the Agents and, if reasonably necessary, of a single firm of local counsel in each applicable material jurisdiction, other than allocated costs of in-house counsel, and such other counsel retained with the Company's consent (such consent not to be unreasonably withheld or delayed), (c) to pay, indemnify, and hold harmless each Lender and Agent from, any and all recording and filing fees, and (d) to pay, indemnify, and hold harmless each Lender and Agent and their respective Affiliates (other than Excluded Affiliates), directors, officers, members, controlling persons, employees, trustees, investment advisors, and agents and successors of the foregoing (excluding any Excluded Affiliate, the **"Indemnified Persons")** from and against any and all other liabilities, obligations, losses, damages, penalties, claims, demands, actions, judgments, suits, costs, expenses, or disbursements of any kind or nature whatsoever regardless of whether any such Indemnified Person is a party thereto, in the case of legal fees and expenses, the reasonable and documented fees, disbursements, and other charges of one primary counsel and one local counsel in each relevant jurisdiction to such Indemnified Persons (unless there is an actual or perceived conflict of interest or the availability of different claims or defenses in which case after obtaining the Borrower Representative's consent (which consent shall not be unreasonably withheld or delayed), each such Person may retain its own counsel), arising out of or relating to any claim, litigation, investigation or other proceeding (including any investigation or inquiry related to the foregoing) that is related to the Transactions (including, without limitation, the Acquisition) or, with respect to the execution, delivery, enforcement, performance, and administration of this Agreement, the other Credit Documents and any such other documents, including, without limitation, any of the foregoing relating to the violation of, noncompliance with or liability under, any Environmental Law, in each case, applicable to Holdings or any of its Subsidiaries or to any actual or alleged presence, Release or threatened Release of Hazardous Materials involving or attributable to Holdings or any of its Subsidiaries (all the foregoing in this clause (d),

collectively, the **"Indemnified Liabilities");** provided that Holdings shall have no obligation hereunder to any Indemnified Person with respect to Indemnified Liabilities (i) resulting from disputes between and among Persons otherwise entitled to indemnification or (ii) to the extent it has been determined by a final non-appealable judgment of a court of competent jurisdiction to have resulted from (x) the gross negligence, bad faith, fraud or willful misconduct of such Indemnified Person (or any of such Indemnified Person's affiliates or any of its or their respective officers, directors, employees, agents, controlling persons, members or the successors of any of the foregoing) and (y) a material breach of any Credit Document by such Indemnified Person (or any of such Indemnified Person's affiliates or any of its or their respective officers, directors, employees, agents, controlling persons, members or the successors of any of the foregoing); provided that the Agents (and their related affiliates, officers, directors, employees, agents, controlling persons, advisors and other representatives), to the extent acting in their capacity as such, shall remain indemnified in respect of such disputes to the extent otherwise entitled to be so indemnified hereunder. No Person entitled to indemnification under clause (d) of this Section 13.5 or any other Person party hereto shall be liable for any damages to any other Indemnified Person or party hereto arising from the use by others of any information or other materials obtained through IntraLinks or other similar information transmission systems in connection with this Agreement except to the extent that such damage resulted from willful misconduct or gross negligence of such Indemnified Person, such other Person (or any of such Indemnified Person's or such other Person's affiliates or any of its or their respective officers, directors, employees, agents, controlling persons, members or the successors of any of the foregoing), nor shall any such Person have any liability for any special, punitive, indirect or consequential damages relating to this Agreement or any other Credit Document or arising out of its activities in connection herewith or therewith (whether before or after the Closing Date). In the case of an investigation, litigation or other proceeding to which the indemnity in this Section 13.5 applies, such indemnity shall be effective whether or not such investigation, litigation or proceeding is brought by any Credit Party, its directors, stockholders or creditors or any other Person, whether or not any Indemnified Person is otherwise a party thereto. All amounts payable under this Section 13.5 shall be paid within ten Business Days of receipt by Borrower Representative of an invoice relating thereto setting forth such expense in reasonable retail.

Holdings, the Borrowers, and their Subsidiaries shall not be liable for any settlement of any proceeding effected without the Borrower Representative's written consent (which consent shall not be unreasonably withheld or delayed), but if settled with the Borrower Representative's written consent or if there is a final and non-appealable judgment by a court of competent jurisdiction for the plaintiff in any such proceeding, Holdings, the Borrowers, and the other Guarantors agree to indemnify and hold harmless each Indemnified Person from and against any and all losses, claims, damages, liabilities, and reasonable and documented legal or other out-of-pocket expenses by reason of such settlement or judgment in accordance with and to the extent provided in the other provisions herein.

Holdings, the Borrowers and their Subsidiaries shall not, without the prior written consent of any Indemnified Person (which consent shall not be unreasonably withheld or delayed), effect any settlement of any pending or threatened proceedings in respect of which indemnity could have been sought hereunder by such Indemnified Person unless such settlement (i) includes an unconditional release of such Indemnified Person in form and substance reasonably satisfactory to such Indemnified Person from all liability or claims that are the subject matter of such proceedings and (ii) does not include any statement as to or any admission of fault, culpability, wrongdoing or a failure to act by or on behalf of any Indemnified Person.

Each Indemnified Person, by its acceptance of the benefits of this Section 13.5, agrees to refund and return any and all amounts paid by Holdings and the Borrowers to it if, pursuant to limitations on

indemnification set forth in this Section 13.5, such Indemnified Person was not entitled to receipt of such amounts.

The agreements in this Section 13.5 shall survive repayment of the Loans and all other amounts payable hereunder. This Section 13.5 shall not apply with respect to Taxes, other than any Taxes that represent liabilities, obligations, losses, damages, penalties, judgments, costs, expenses, or disbursements, etc., arising from any non-Tax claim.

13.6 Successors and Assigns; Participations and Assignments.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that (i) except as expressly permitted by Section 10.3, the Borrowers may not assign or otherwise transfer any of their rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender (and any attempted assignment or transfer by any Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section 13.6. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants (to the extent provided in clause (c) of this Section 13.6) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the Collateral Agent the Letter of Credit Issuer and the Lenders and each other Person entitled to indemnification under Section 13.5) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) (i) Subject to the conditions set forth in clause (b)(ii) below and Section 13.7, any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans (including participations in L/C Obligations or Swingline Loans) at the time owing to it) with the prior written consent (such consent not be unreasonably withheld or delayed; it being understood that, without limitation, the Borrower Representative shall have the right to withhold or delay its consent to any assignment if, in order for such assignment to comply with applicable law, any Borrower would be required to obtain the consent of, or make any filing or registration with, any Governmental Authority) of:

(A) the Borrower Representative; provided that no consent of the Borrower Representative shall be required for an assignment of Loans or Commitments to any assignee if an Event of Default under Section 11.1 or Section 11.5 (with respect to any Borrower) has occurred and is continuing; provided further that the Borrower Representative shall have been deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received written notice thereof; and

(B) the Administrative Agent, the Swingline Lender and the Letter of Credit Issuer (in each case, not to be unreasonably withheld or delayed); provided, that no consent of the Administrative Agent, the Swingline Lender and the Letter of Credit Issuer shall be required for an assignment of any Revolving Credit Commitments and Revolving Loans to a lender, an Affiliate of a Lender, an Approved Fund or an Affiliated Lender.

Notwithstanding the foregoing, no such assignment shall be made to a natural Person, Excluded Affiliate, Disqualified Lender, Defaulting Lender, Holdings, the Borrowers or any of their Subsidiaries, the Sponsor or any Affiliate of the Sponsor. For the avoidance of doubt, the Administrative Agent shall

bear no responsibility or liability for monitoring and enforcing the list of Persons who are Disqualified Lenders at any time.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans of any Class, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Administrative Agent) shall not be less than $5,000,000 in the case of Revolving Credit Commitments, unless each of the Borrower Representative and the Administrative Agent otherwise consents (which consents shall not be unreasonably withheld or delayed); provided that no such consent of the Borrower Representative shall be required if an Event of Default under Section 11.1 or Section 11.5 (with respect to any Borrower) has occurred and is continuing; provided, further, that contemporaneous assignments by a Lender and its Affiliates or Approved Funds shall be aggregated for purposes of meeting the minimum assignment amount requirements stated above (and simultaneous assignments to or by two or more Related Funds shall be treated as one assignment), if any;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement; provided that this clause shall not be construed to prohibit the assignment of a proportionate part of all the assigning Lender's rights and obligations in respect of one Class of Commitments or Loans;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Acceptance via an electronic settlement system or other method reasonably acceptable to the Administrative Agent, together with a processing and recordation fee in the amount of $3,500; provided that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment; provided, further, that such recordation fee shall not be payable in the case of assignments by any Affiliate of the Joint Lead Arrangers and Bookrunners; and

(D) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an administrative questionnaire in a form approved by the Administrative Agent and the Borrower Representative (the **"Administrative Questionnaire")** and applicable tax forms (as required under Section 5.4(e)).

(iii) Subject to acceptance and recording thereof pursuant to clause (b)(iv) of this Section 13.6, from and after the effective date specified in each Assignment and Acceptance, the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Acceptance, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.10, 2.11, 3.5, 5.4 and 13.5). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 13.6 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 clause (c) of this Section 13.6. For the avoidance of doubt, in case of an assignment to a new Lender pursuant to this Section 13.6, (i) the

Administrative Agent, the new Lender and other Lenders shall acquire the same rights and assume the same obligations between themselves as they would have acquired and assumed had the new Lender been an original Lender signatory to this Agreement with the rights and/or obligations acquired or assumed by it as a result of the assignment and to the extent of the assignment the assigning Lender shall each be released from further obligations under the Credit Documents and (ii) the benefit of each Security Document shall be maintained in favor of the new Lender.

(iv) The Administrative Agent, acting for this purpose as an agent of the Borrowers, shall maintain at the Administrative Agent's Office a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amount of the Loans (and stated interest amounts) and any payment made by the Letter of Credit Issuer under any Letter of Credit owing to each Lender pursuant to the terms hereof from time to time (the **"Register"**). Further, the Register shall contain the name and address of the Administrative Agent and the lending office through which each such Person acts under this Agreement. The entries in the Register shall be conclusive, absent manifest error, and the Borrowers, the Administrative Agent, the Collateral Agent the Letter of Credit Issuer and the Lenders shall 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 Borrower Representative, the Collateral Agent, the Letter of Credit Issuer, the Administrative Agent and its Affiliates and, with respect to itself, any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of a duly completed Assignment and Acceptance executed by an assigning Lender and an assignee, the assignee's completed Administrative Questionnaire and applicable tax forms (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in clause (b) of this Section 13.6 and any written consent to such assignment required by clause (b) of this Section 13.6, the Administrative Agent shall promptly accept such Assignment and Acceptance and record the information contained therein in the Register. No assignment, whether or not evidenced by a promissory note, shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this clause (b)(v).

(c) (i) Any Lender may, without the consent of the Borrower Representative or the Administrative Agent, the Letter of Credit Issuer or the Swingline Lender sell participations to one or more banks or other entities (other than (x) Holdings and its Subsidiaries, (y) any Disqualified Lender and (z) any Affiliated Lender provided, however, that, notwithstanding clause (y) hereof, participations may be sold to Disqualified Lenders unless a list of Disqualified Lenders has been made available to all Lenders who so request) (each, a **"Participant")** in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans owing to it); provided that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (C) the Borrower Representative, the Administrative Agent, the Letter of Credit Issuer, and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, the Administrative Agent shall bear no responsibility or liability for monitoring and enforcing the list of Disqualified Lenders or the sales of participations thereto at any time. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement or any other Credit Document; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in clauses (i)

and (vi) of the second proviso to Section 13.1 that affects such Participant. Subject to clause (c)(ii) of this Section 13.6, each Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.10, 2.11, 3.5 and 5.4 to the same extent as if it were a Lender (subject to the limitations and requirements of those Sections as though it were a Lender and had acquired its interest by assignment pursuant to clause (b) of this Section 13.6, including the requirements of clause (e) of Section 5.4) (it being agreed that any documentation required under Section 5.4(e) shall be provided to the participating Lender). To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 13.8(b) as though it were a Lender; provided such Participant shall be subject to Section 13.8(a) as though it were a Lender.

(ii) A Participant shall not be entitled to receive any greater payment under Section 2.10, 2.11, 3.5 or 5.4 than the applicable Lender would have been entitled to receive absent the sale of such the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower Representative's prior written consent (which consent shall not be unreasonably withheld). Each Lender that sells a participation shall, acting solely for this purpose as an agent of the Borrowers, maintain a register on which it enters the name and address of each participant and the principal amounts (and stated interest amounts) of each Participant's interest in the Loans or other obligations under this Agreement (the **"Participant Register"**). The entries in the Participant Register shall be conclusive, absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. No Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Credit Document) except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.l03-l(c) of the United States Treasury Regulations.

(d) Any Lender may, without the consent of the Borrower Representative or the Administrative Agent, at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section 13.6 shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(e) Subject to Section 13.16, the Borrower Representative authorizes each Lender to disclose to any Participant, secured creditor of such Lender or assignee (each, a **"Transferee")** and any prospective Transferee any and all financial information in such Lender's possession concerning the Borrowers and their Affiliates that has been delivered to such Lender by or on behalf of the Borrowers and their Affiliates pursuant to this Agreement or that has been delivered to such Lender by or on behalf of the Borrowers and their Affiliates in connection with such Lender's credit evaluation of the Borrowers and their Affiliates prior to becoming a party to this Agreement.

(f) The words "execution," "signed," "signature," and words of like import in any Assignment and Acceptance shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

(g) SPY Lender. Notwithstanding anything to the contrary contained herein, any Lender (a **"Granting Lender")** may grant to a special purpose funding vehicle (an **"SPV"),** identified as such in writing from time to time by the Granting Lender to the Administrative Agent and the Borrower Representative, the option to provide to the Borrowers all or any part of any Loan that such Granting Lender would otherwise be obligated to make the Borrowers pursuant to this Agreement; provided that (i) nothing herein shall constitute a commitment by any SPV to make any Loan and (ii) if an SPV elects not to exercise such option or otherwise fails to provide all or any part of such Loan, the Granting Lender shall be obligated to make such Loan pursuant to the terms hereof. The making of a Loan by an SPV hereunder shall utilize the Commitment of the Granting Lender to the same extent, and as if, such Loan were made by such Granting Lender. Each party hereto hereby agrees that no SPV shall be liable for any indemnity or similar payment obligation under this Agreement (all liability for which shall remain with the Granting Lender). In furtherance of the foregoing, each party hereto hereby agrees (which agreement shall survive the termination of this Agreement) that, prior to the date that is one year and one day after the payment in full of all outstanding commercial paper or other senior indebtedness of any SPV, it shall not institute against, or join any other Person in instituting against, such SPV any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings under the laws of the United States or any State thereof. In addition, notwithstanding anything to the contrary contained in this Section 13.6, any SPV may (i) with notice to, but without the prior written consent of, the Borrower Representative and the Administrative Agent and without paying any processing fee therefor, assign all or a portion of its interests in any Loans to the Granting Lender or to any financial institutions (consented to by the Borrower Representative and the Administrative Agent) other than a Disqualified Lender providing liquidity and/or credit support to or for the account of such SPV to support the funding or maintenance of Loans and (ii) subject to Section 13.16, disclose on a confidential basis any non-public information relating to its Loans to any rating agency, commercial paper dealer or provider of any surety, guarantee or credit or liquidity enhancement to such SPV. This Section 13.6(g) may not be amended without the written consent of the SPV. Notwithstanding anything to the contrary in this Agreement but subject to the following sentence, each SPV shall be entitled to the benefits of Sections 2.10, 2.11, 3.5 and 5.4 to the same extent as if it were a Lender (subject to the limitations and requirements of those Sections as though it were a Lender and had acquired its interest by assignment pursuant to clause (b) of this Section 13.6, including the requirements of clause (e) of Section 5.4 (it being agreed that any documentation required under Section 5.4(e) shall be provided to the Granting Lender)). Notwithstanding the prior sentence, an SPV shall not be entitled to receive any greater payment under Section 2.10, 2.11, 3.5 or 5.4 than its Granting Lender would have been entitled to receive absent the grant to such SPV, unless such grant to such SPV is made with the Borrower Representative's prior written consent (which consent shall not be unreasonably withheld).

13.7 Replacements of Lenders Under Certain Circumstances.

(a) The Borrowers shall be permitted (x) to replace any Lender or (y) terminate the Commitment of such Lender or Letter of Credit Issuer, as the case may be, and (1) in the case of a Lender (other than the Letter of Credit Issuer), repay all Obligations of the Borrowers due and owing to such Lender relating to the Loans and participations held by such Lender as of such termination date and (2) in the case of the Letter of Credit Issuer, repay all Obligations of the Borrowers owing to such Letter of Credit Issuer relating to the Loans and participations held by the Letter of Credit Issuer as of such termination date and cancel or backstop on terms satisfactory to such Letter of Credit Issuer any Letters of Credit issued by it that (a) requests reimbursement for amounts owing pursuant to Sections 2.10 or 5.4, (b) is affected in the manner described in Section 2.10(a)(iii) and as a result thereof any of the actions described in such Section is required to be taken, or (c) becomes a Defaulting Lender, with a replacement bank or other financial institution; provided that (i) such replacement does not conflict with any

Requirement of Law, (ii) no Event of Default under Sections 11.1 or 11.5 shall have occurred and be continuing at the time of such replacement, (iii) the Borrowers shall repay (or the replacement bank or institution shall purchase, at par) all Loans and other amounts pursuant to Sections 2.10, 2.11, or 5.4, as the case may be, owing to such replaced Lender prior to the date of replacement, (iv) the replacement bank or institution, if not already a Lender, an Affiliate of the Lender, an Affiliated Lender or Approved Fund, and the terms and conditions of such replacement, shall be reasonably satisfactory to the Administrative Agent, (v) the replacement bank or institution, if not already a Lender shall be subject to the provisions of Section 13.6(b), (vi) the replaced Lender shall be obligated to make such replacement in accordance with the provisions of Section 13.6 (provided that unless otherwise agreed the Borrowers shall be obligated to pay the registration and processing fee referred to therein), and (vii) any such replacement shall not be deemed to be a waiver of any rights that the Borrowers, the Administrative Agent or any other Lender shall have against the replaced Lender.

(b) If any Lender (such Lender, a **"Non-Consenting Lender"**) has failed to consent to a proposed amendment, waiver, discharge or termination that pursuant to the terms of Section 13.1 requires the consent of either (i) all of the Lenders directly and adversely affected or (ii) all of the Lenders, and, in each case, with respect to which the Required Lenders (or at least 50.1% of the directly and adversely affected Lenders) shall have granted their consent, then, the Borrowers shall have the right (unless such Non-Consenting Lender grants such consent) to (x) replace such Non-Consenting Lender by requiring such Non-Consenting Lender to assign its Loans, and its Commitments hereunder to one or more assignees reasonably acceptable to the Administrative Agent (to the extent such consent would be required under Section 13.6) or to terminate the Commitment of such Lender or Letter of Credit Issuer, as the case may be, and (1) in the case of a Lender (other than the Letter of Credit Issuer), repay all Obligations of the Borrowers due and owing to such Lender relating to the Loans and participations held by such Lender as of such termination date and (2) in the case of the Letter of Credit Issuer, repay all Obligations of the Borrowers owing to such Letter of Credit Issuer relating to the Loans and participations held by the Letter of Credit Issuer as of such termination date and cancel or backstop on terms satisfactory to such Letter of Credit Issuer any Letters of Credit issued by it); provided that (a) all Obligations hereunder of the Borrowers owing to such Non-Consenting Lender being replaced shall be paid in full to such Non-Consenting Lender concurrently with such assignment including any amounts that such Lender may be owed pursuant to Section 2.11, and (b) the replacement Lender shall purchase the foregoing by paying to such Non-Consenting Lender a price equal to the principal amount thereof plus accrued and unpaid interest thereon, and (c) the Borrowers shall pay to such Non-Consenting Lender the amount, if any, owing to such Lender pursuant to Section 5.1(b). In connection with any such assignment, the Borrowers, the Administrative Agent, such Non-Consenting Lender and the replacement Lender shall otherwise comply with Section 13.6.

13.8 Adjustments; Set-off

(a) Except as contemplated in Section 13.6 or elsewhere herein, if any Lender (a **"Benefited Lender"**) shall at any time receive any payment of all or part of its Loans, or interest thereon, or receive any collateral in respect thereof (whether voluntarily or involuntarily, by set-off, pursuant to events or proceedings of the nature referred to in Section 11.5, or otherwise), in a greater proportion than any such payment to or collateral received by any other Lender, if any, in respect of such other Lender's Loans, or interest thereon, such Benefited Lender shall purchase for cash from the other Lenders a participating interest in such portion of each such other Lender's Loan, or shall provide such other Lenders with the benefits of any such collateral, or the proceeds thereof, as shall be necessary to cause such Benefited Lender to share the excess payment or benefits of such collateral or proceeds ratably with each of the Lenders; provided, however, that if all or any portion of such excess payment or benefits is thereafter

recovered from such Benefited Lender, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest.

(b) After the occurrence and during the continuance of an Event of Default, in addition to any rights and remedies of the Lenders provided by law, each Lender shall have the right, without prior notice to the Credit Parties but with the prior consent of the Administrative Agent, any such notice being expressly waived by the Credit Parties to the extent permitted by applicable law, upon any amount becoming due and payable by the Credit Parties hereunder (whether at the stated maturity, by acceleration or otherwise) to set-off and appropriate and apply against such amount any and all deposits (general or special, time or demand, provisional or final) (other than payroll, trust, tax, fiduciary, and petty cash accounts), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Lender or any branch or agency thereof to or for the credit or the account of the Credit Parties. Each Lender agrees promptly to notify the Credit Parties and the Administrative Agent after any such set-off and application made by such Lender; provided that the failure to give such notice shall not affect the validity of such set-off and application.

13.9 Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by facsimile or other electronic transmission), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. A set of the copies of this Agreement signed by all the parties shall be lodged with the Borrower Representative and the Administrative Agent.

13.10 Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

13.11 Integration. This Agreement and the other Credit Documents represent the agreement of Holdings, the Borrowers, the Collateral Agent, the Administrative Agent and the Lenders with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by Holdings, the Borrowers, the Administrative Agent, the Collateral Agent nor any Lender relative to subject matter hereof not expressly set forth or referred to herein or in the other Credit Documents.

13.12 GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK. EACH LETTER OF CREDIT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

13.13 Submission to Jurisdiction; Waivers. Each party hereto irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Credit Documents to which it is a party to the exclusive general jurisdiction of the courts of the State of New York or the courts of the United States for the Southern District of New York, in each case sitting in New York City in the Borough of Manhattan, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives (to the extent permitted by applicable law) any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same or to commence or support any such action or proceeding in any other courts;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such Person at its address set forth on Schedule 13.2 at such other address of which the Administrative Agent shall have been notified pursuant to Section 13.2;

(d) agrees that nothing herein shall affect the right of the Administrative Agent, any Lender or another Secured Party to effect service of process in any other manner permitted by law or to commence legal proceedings or otherwise proceed against Holdings or any Borrower or any other Credit Party in any other jurisdiction; and

(e) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section 13.13 any special, exemplary, punitive or consequential damages.

13.14 Acknowledgments. Each Borrower hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution, and delivery of this Agreement and the other Credit Documents;

(b) (i) the credit facilities provided for hereunder and any related arranging or other services in connection therewith (including in connection with any amendment, waiver or other modification hereof or of any other Credit Document) are an arm's-length commercial transaction between the Borrowers and the other Credit Parties, on the one hand, and the Administrative Agent, the Lenders and the other Agents on the other hand, and the Borrowers and the other Credit Parties are capable of evaluating and understanding and understand and accept the terms, risks and conditions of the transactions contemplated hereby and by the other Credit Documents (including any amendment, waiver or other modification hereof or thereof); (ii) in connection with the process leading to such transaction, each of the Administrative Agent and the other Agents, is and has been acting solely as a principal and is not the financial advisor, agent or fiduciary for the Borrowers, any other Credit Parties or any of their respective Affiliates, stockholders, creditors or employees, or any other Person; (iii) neither the Administrative Agent nor any other Agent has assumed or will assume an advisory, agency or fiduciary responsibility in favor of the Borrowers or any other Credit Party with respect to any of the transactions contemplated hereby or the process leading thereto, including with respect to any amendment, waiver or other modification hereof or of any other Credit Document (irrespective of whether the Administrative Agent or other Agent has advised or is currently advising the Borrowers, the other Credit Parties or their respective Affiliates on other matters) and neither the Administrative Agent or other Agent has any obligation to the Borrowers, the other Credit Parties or their respective Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Credit Documents; (iv) the Administrative Agent, each other Agent and each Affiliate of the foregoing may be engaged in a broad range of transactions that involve interests that differ from those of the Borrowers and their Affiliates, and neither the Administrative Agent nor any other Agent has any obligation to disclose any of such interests by virtue of any advisory, agency or fiduciary relationship; and (v) neither the Administrative Agent nor any other Agent has provided and none will provide any legal, accounting, regulatory or tax advice with respect to any of the transactions contemplated hereby

(including any amendment, waiver or other modification hereof or of any other Credit Document) and the Borrowers have consulted their own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate. Each Borrower hereby waives and releases, to the fullest extent permitted by law, any claims that it may have against the Administrative Agent or any other Agent with respect to any breach or alleged breach of agency or fiduciary duty; and

(c) no joint venture is created hereby or by the other Credit Documents or otherwise exists by virtue of the transactions contemplated hereby among the Lenders or among the Borrowers, on the one hand, and any Lender, on the other hand.

13.15 WAIVERS OF JURY TRIAL. EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVE (TO THE EXTENT PERMITTED BY APPLICABLE LAW) TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

13.16 Confidentiality. The Administrative Agent, each other Agent and each Lender (collectively, the **"Restricted Persons"** and, each a **"Restricted Person")** shall treat confidentially all non-public information provided to any Restricted Person by or on behalf of any Credit Party hereunder in connection with such Restricted Person's evaluation of whether to become a Lender hereunder or obtained by such Restricted Person pursuant to the requirements of this Agreement **("Confidential Information")** and shall not publish, disclose or otherwise divulge such Confidential Information; provided that nothing herein shall prevent any Restricted Person from disclosing any such Confidential Information (a) pursuant to the order of any court or administrative agency or in any pending legal, judicial or administrative proceeding, or otherwise as required by applicable law, rule or regulation or compulsory legal process (in which case such Restricted Person agrees (except with respect to any routine or ordinary course audit or examination conducted by bank accountants or any governmental or bank regulatory authority exercising examination or regulatory authority), to the extent practicable and not prohibited by applicable law, rule or regulation, to inform the Borrower Representative promptly thereof prior to disclosure), (b) upon the request or demand of any regulatory authority having jurisdiction over such Restricted Person or any of its Affiliates (in which case such Restricted Person agrees (except with respect to any routine or ordinary course audit or examination conducted by bank accountants or any governmental or bank regulatory authority exercising examination or regulatory authority) to the extent practicable and not prohibited by applicable law, rule or regulation, to inform the Borrower Representative promptly thereof prior to disclosure), (c) to the extent that such Confidential Information becomes publicly available other than by reason of improper disclosure by such Restricted Person or any of its affiliates or any related parties thereto in violation of any confidentiality obligations owing under this Section 13.16, (d) to the extent that such Confidential Information is received by such Restricted Person from a third party that is not, to such Restricted Person's knowledge, subject to confidentiality obligations owing to any Credit Party or any of their respective subsidiaries or affiliates, (e) to the extent that such Confidential Information was already in our possession prior to any duty or other undertaking of confidentiality or is independently developed by the Restricted Persons without the use of such Confidential Information, (f) to such Restricted Person's affiliates and to its and their respective officers, directors, partners, employees, legal counsel, independent auditors, and other experts or agents who need to know such Confidential Information in connection with providing the Loans or action as an Agent hereunder and who are informed of the confidential nature of such Confidential Information and who are subject to customary confidentiality obligations of professional practice or who agree to be bound by the terms of this Section 13.16 (or confidentiality provisions at least as restrictive as those set forth in this Section 13.16) (with each such Restricted Person, to the extent within its control, responsible for such person's compliance with this paragraph), (g) to potential or prospective Lenders, hedge providers,

participants or assignees, in each case who agree (pursuant to customary syndication practice) to be bound by the terms of this Section 13.16 (or confidentiality provisions at least as restrictive as those set forth in this Section 13.16); provided that (i) the disclosure of any such Confidential Information to any Lenders, hedge providers or prospective Lenders, hedge providers or participants or prospective participants referred to above shall be made subject to the acknowledgment and acceptance by such Lender, hedge provider or prospective Lender or part1c1pant or prospective part1c1pant that such Confidential Information is being disseminated on a confidential basis (on substantially the terms set forth in this Section 13.16 or confidentiality provisions at least as restrictive as those set forth in this Section 13.16) in accordance with the standard syndication processes of such Restricted Person or customary market standards for dissemination of such type of information, which shall in any event require "click through" or other affirmative actions on the part of recipient to access such Confidential Information and (ii) no such disclosure shall be made by such Restricted Person to any person that is at such time a Disqualified Lender, (h) for purposes of establishing a "due diligence" defense, or (i) to rating agencies in connection with obtaining ratings for any Borrower and the Credit Facilities to the extent such rating agencies are subject to customary confidentiality obligations of professional practice or agree to be bound by the terms of this Section 13.16 (or confidentiality provisions at least as restrictive as those set forth in this Section 13.16). Notwithstanding the foregoing, (i) Confidential Information shall not include, with respect to any Person, information available to it or its Affiliates on a non-confidential basis from a source other than Holdings, its Subsidiaries or their respective Affiliates, (ii) the Administrative Agent shall not be responsible for compliance with this Section 13.16 by any other Restricted Person (other than its officers, directors or employees), (iii) in no event shall any Lender, the Administrative Agent or any other Agent be obligated or required to return any materials furnished by Holdings or any of its Subsidiaries, and (iv) each Agent and each Lender may disclose the existence of this Agreement and the information about this Agreement to market data collectors, similar services providers to the lending industry, and service providers to the Agents and the Lenders in connection with the administration and management of this Agreement and the other Credit Documents.

13.17 Direct Website Communications. Each of Holdings and the Borrowers may, at its option, provide to the Administrative Agent any information, documents and other materials that it is obligated to furnish to the Administrative Agent pursuant to the Credit Documents, including, without limitation, all notices, requests, financial statements, financial, and other reports, certificates, and other information materials, but excluding any such communication that (A) relates to a request for a new, or a conversion of an existing, borrowing or other extension of credit (including any election of an interest rate or interest period relating thereto), (B) relates to the payment of any principal or other amount due under this Agreement prior to the scheduled date therefor, (C) provides notice of any default or event of default under this Agreement or (D) is required to be delivered to satisfy any condition precedent to the effectiveness of this Agreement and/or any borrowing or other extension of credit thereunder (all such non-excluded communications being referred to herein collectively as "Communications"), by transmitting the Communications in an electronic/soft medium in a format reasonably acceptable to the Administrative Agent to the Administrative Agent at an email address provided by the Administrative Agent from time to time; provided that (i) upon written request by the Administrative Agent or the Borrower Representative shall deliver paper copies of such documents to the Administrative Agent for further distribution to each Lender until a written request to cease delivering paper copies is given by the Administrative Agent and (ii) the Borrower Representative shall notify (which may be by facsimile or electronic mail) the Administrative Agent of the posting of any such documents and provide to the Administrative Agent by electronic mail electronic versions (i.e., soft copies) of such documents. Each Lender shall be solely responsible for timely accessing posted documents or requesting delivery of paper copies of such documents from the Administrative Agent and maintaining its copies of such documents. Nothing in this Section 13.17 shall prejudice the right of Holdings, the Borrower Representative, the

Administrative Agent, any other Agent or any Lender to give any notice or other communication pursuant to any Credit Document in any other manner specified in such Credit Document.

The Administrative Agent agrees that the receipt of the Communications by the Administrative Agent at its e-mail address set forth above shall constitute effective delivery of the Communications to the Administrative Agent for purposes of the Credit Documents. Each Lender agrees that notice to it (as provided in the next sentence) specifying that the Communications have been posted to the Platform shall constitute effective delivery of the Communications to such Lender for purposes of the Credit Documents. Each Lender agrees (A) to notify the Administrative Agent in writing (including by electronic communication) from time to time of such Lender's e-mail address to which the foregoing notice may be sent by electronic transmission and (B) that the foregoing notice may be sent to such e-mail address.

(a) Each of Holdings and the Borrowers further agrees that any Agent may make the Communications available to the Lenders by posting the Communications on Intralinks or a substantially similar electronic transmission system (the **"Platform"),** so long as the access to such Platform (i) is limited to the Agents, the Lenders and Transferees or prospective Transferees and (ii) remains subject to the confidentiality requirements set forth in Section 13.16.

(b) THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF ANY MATERIALS OR INFORMATION PROVIDED BY THE CREDIT PARTIES (THE **"BORROWER MATERIALS")** OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the **"Agent Parties"** and each an **"Agent Party")** have any liability to any Borrower, any Lender, or any other Person for losses, claims, damages, liabilities, or expenses of any kind (whether in tort, contract or otherwise) arising out of the Borrower Representative's or the Administrative Agent's transmission of Borrower Materials through the internet, except to the extent the liability of any Agent Party resulted from such Agent Party's (or any of its Related Parties' (other than any trustee or advisor)) gross negligence, bad faith or willful misconduct or material breach of the Credit Documents as determined in the final non-appealable judgment of a court of competent jurisdiction.

(c) Each of Holdings and the Borrowers and each Lender acknowledge that certain of the Lenders may be "public-side" Lenders (Lenders that do not wish to receive material non-public information with respect to Holdings, the Borrowers, the Subsidiaries or their securities) and, if documents or notices required to be delivered pursuant to the Credit Documents or otherwise are being distributed through the Platform, any document or notice that Holdings or the Borrower Representative has indicated contains only publicly available information with respect to Holdings or the Borrowers may be posted on that portion of the Platform designated for such public-side Lenders. If Holdings or the Borrower Representative has not indicated whether a document or notice delivered contains only publicly available information, the Administrative Agent shall post such document or notice solely on that portion of the Platform designated for Lenders who wish to receive material nonpublic information with respect to Holdings, the Borrowers, the Subsidiaries and their securities. Notwithstanding the foregoing, each of Holdings and the Borrower Representative shall use commercially reasonable efforts to indicate whether any document or notice contains only publicly available information.

13.18 USA PATRIOT Act. Each Lender hereby notifies each Credit Party that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the **"Patriot Act"),** it is required to obtain, verify, and record information that identifies each Credit Party, which information includes the name and address of each Credit Party and other information that will allow such Lender to identify each Credit Party in accordance with the Patriot Act.

13.19 Judgment Currency. If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder or any other Credit Document in one currency into another currency, the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the first currency with such other currency on the Business Day preceding that on which final judgment is given. The obligation of the Borrowers in respect of any such sum due from it to the Administrative Agent or the Lenders hereunder or under the other Credit Documents shall, notwithstanding any judgment in a currency (the **"Judgment Currency")** other than that in which such sum is denominated in accordance with the applicable provisions of this Agreement (the **"Agreement Currency"),** be discharged only to the extent that on the Business Day following receipt by the Administrative Agent of any sum adjudged to be so due in the Judgment Currency, the Administrative Agent may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency. If the amount of the Agreement Currency so purchased is less than the sum originally due to the Administrative Agent from the Borrowers in the Agreement Currency, the Borrowers agree, as a separate joint and several obligation and notwithstanding any such judgment, to indemnify the Administrative Agent or the Person to whom such obligation was owing against such loss. If the amount of the Agreement Currency so purchased is greater than the sum originally due to the Administrative Agent in such currency, the Administrative Agent agrees to return the amount of any excess to the Borrowers (or to any other Person who may be entitled thereto under applicable law).

13.20 Payments Set Aside. To the extent that any payment by or on behalf of Holdings or the Borrowers is made to any Agent or any Lender, or any Agent or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by such Agent or such Lender in its discretion) to be repaid to a trustee, receiver, or any other party, in connection with any proceeding or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender severally agrees to pay to the Administrative Agent upon demand its applicable share of any amount so recovered from or repaid by any Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the applicable Overnight Rate from time to time in effect.

13.21 No Fiduciary Duty. Each Agent, each Lender and their Affiliates (collectively, solely for purposes of this paragraph, the **"Lenders"),** may have economic interests that conflict with those of the Credit Parties, their stockholders and/or their affiliates. Each Credit Party agrees that nothing in the Credit Documents or otherwise will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between any Lender, on the one hand, and such Credit Party, its stockholders or its affiliates, on the other. The Credit Parties acknowledge and agree that (i) the transactions contemplated by the Credit Documents (including the exercise of rights and remedies hereunder and thereunder) are arm's-length commercial transactions between the Lenders, on the one hand, and the Credit Parties, on the other, and (ii) in connection therewith and with the process leading thereto, (x) no Lender has assumed an advisory or fiduciary responsibility in favor of any Credit Party, its stockholders or its affiliates with respect to the transactions contemplated hereby (or the exercise of rights or remedies with respect thereto) or the process leading thereto (irrespective of whether any Lender has

advised, is currently advising or will advise any Credit Party, its stockholders or its Affiliates on other matters) or any other obligation to any Credit Party except the obligations expressly set forth in the Credit Documents and (y) each Lender is acting solely as principal and not as the agent or fiduciary of any Credit Party, its management, stockholders or creditors. Each Credit Party acknowledges and agrees that it has consulted its own legal and financial advisors to the extent it deemed appropriate and that it is responsible for making its own independent judgment with respect to such transactions and the process leading thereto. Each Credit Party agrees that it will not claim that any Lender has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to such Credit Party, in connection with such transaction or the process leading thereto.

13.22 [Reserved].

13.23 [Reserved].

13.24 Designation of a Subsidiary Borrower. The designation of a Subsidiary Borrower pursuant to Section 2.17 is subject to the conditions precedent that the Borrower Representative or such proposed Subsidiary Borrower shall have furnished or caused to be furnished to the Administrative Agent (or its counsel):

(a) a certificate of such Subsidiary substantially in the form of Exhibit E, with appropriate insertions, executed by the President or any Vice President and the Secretary or any Assistant Secretary of such Subsidiary and attaching the documents referred to in Section 6.6;

(b) an executed legal opinion, in customary form and consistent with the legal opinion with respect to the Company delivered pursuant to Section 6.3, with respect to such Subsidiary;

(c) subject to Section 9.12 and Section 13.1, if such Subsidiary Borrower is not already a Guarantor, all Security Documents, guarantees and other documents and instruments as such Subsidiary Borrower shall be required to deliver to become a Guarantor; and

(d) all documentation and other information required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations.

13.25 Obligations Joint and Several. The Borrowers shall have joint and several liability in respect of all Obligations hereunder and under any other Credit Document to which any Borrower is a party, without regard to any defense (other than the defense of payment), setoff or counterclaim which may at any time be available to or be asserted by any other Credit Party against the Lenders, or by any other circumstance whatsoever (with or without notice to or knowledge of the Borrowers) which constitutes, or might be construed to constitute, an equitable or legal discharge of the Borrowers' liability hereunder, in bankruptcy or in any other instance, and such Obligations of the Borrowers shall not be conditioned or contingent upon the pursuit by the Lenders or any other person at any time of any right or remedy against the Borrowers or against any other person which may be or become liable in respect of all or any part of the Obligations or against any Collateral or Guarantee therefor or right of offset with respect thereto. The Borrowers hereby acknowledge that this Agreement is the independent and several obligation of each Borrower (regardless of which Borrower shall have delivered a Notice of Borrowing) and may be enforced against each Borrower separately, whether or not enforcement of any right or remedy hereunder has been sought against any other Borrower. Each Borrower hereby expressly waives, with respect to any of the Loans made to any other Borrower hereunder and any of the amounts owing hereunder by such other Credit Parties in respect of such Loans, diligence, presentment, demand of payment, protest and all notices whatsoever, and any requirement that the Administrative Agent or any

Lender exhaust any right, power or remedy or proceed against such other Credit Parties under this Agreement or any other agreement or instrument referred to herein or against any other person under any other guarantee of, or security for, any of such amounts owing hereunder. Further, the provisions of the Guarantee set forth in Sections 2, 4 and 5 thereof are hereby incorporated by reference and shall be deemed to apply to the Obligations of the Subsidiary Borrowers mutatis mutandis as if set forth herein.

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IN WITNESS WHEREOF, each of the parties hereto has caused a counterpart to be duly executed and delivered as of the date first above written.

BDF ACQUISITION CORP.

By: /s/ John Sullivan
Name: John Sullivan
Title: Chief Financial Officer, Treasurer and Secretary

BDF INTERMEDIATE, LLC

By: /s/ John Sullivan
Name: John Sullivan
Title: Chief Financial Officer, Treasurer and Secretary

ROYAL BANK OF CANADA, as
Administrative Agent and Collateral Agent

By: /s/ Rodica Dutka
Name: Rodica Dutka
Title: Manager, Agency

ROYAL BANK OF CANADA, as
Lender

By: /s/ Pierre Noriega
Name: Pierre Noriega
Title: Authorized Signatory

UBS AG, STAMFORD BRANCH, as
Lender

By: /s/ Lana Gifas
Name: Lana Gifas
Title: Director

By: /s/ Jennifer Anderson
Name: Jennifer Anderson
Title: Associate Director

AMENDMENT NO. 1 TO REVOLVING CREDIT AGREEMENT

AMENDMENT NO. 1 TO REVOLVING CREDIT AGREEMENT, dated as of June 17, 2016 (this **"*Agreement*"),** by and among BDF ACQUISITION CORP., a Delaware corporation (the **"*Company*"** or the **"*Borrower*"**), the other Credit Parties party hereto, ROYAL BANK OF CANADA, as administrative agent (the **"*Administrative Agent*"**) and the lenders party hereto (the **"*Consenting Lenders*"**).

RECITALS:

WHEREAS, reference is hereby made to the Revolving Credit Agreement, dated as of February 12, 2014 (as amended, restated, supplemented or otherwise modified from time to time immediately prior to the effectiveness of this Agreement, the **"*Existing Credit Agreement*"** and, as amended by this Agreement, the **"*Credit Agreement*"**), among BDF Intermediate, LLC, a Delaware limited liability company, the Company, the Subsidiary Borrowers from time to time party thereto (together with the Company, collectively, the **"*Borrowers*"**), the lending institutions from time to time party thereto, the Administrative Agent and Royal Bank of Canada, as Collateral Agent and Letter of Credit Issuer (capitalized terms used but not defined herein having the meaning provided in the Credit Agreement);

WHEREAS, the Borrower has requested that the Lenders agree to make certain amendments to the Existing Credit Agreement as set forth herein.

NOW, THEREFORE, in consideration of the premises and agreements, provisions and covenants herein contained, the parties hereto agree as follows:

SECTION 1. Amendments to Existing Credit Agreement. The Existing Credit Agreement is, subject to the satisfaction of the applicable conditions precedent set forth in Section 3 of this Agreement, hereby amended as follows:

(a) Amendments to Section 1.01.

(i) Section 1.01 of the Existing Credit Agreement is hereby amended by adding the following new defined terms in their correct alphabetical order:

"*Amendment* No. 1" means Amendment No. 1 to this Agreement, dated as of June 17, 2016, among the Borrower, the other Credit Parties party thereto, the Administrative Agent and the Lenders party thereto.

"Amendment No. 1 Effective Date" has the meaning assigned to such term in Amendment No. 1.

"Amendment No. 1 to First Lien Term Loan Agreement" means that certain Amendment No. 1 to Credit Agreement, dated as of the Amendment No. 1 Effective Date, among Holdings, the Borrower, the other Credit Parties party thereto, the First Lien Administrative Agent and the lenders party thereto.

(ii) Section 1.01 of the Existing Credit Agreement is hereby amended by amending and restating the definition of "Revolving Credit Maturity Date" as follows:

"Revolving Credit Maturity Date" shall mean August 12, 2020, or, if such date is not a Business Day, the next preceding Business Day.

(b) Amendments to Section 10.1. Section 10.1(v) of the Existing Credit Agreement is hereby amended by replacing the references therein to "(as in effect on the Closing Date)" with "(as in effect on the Amendment No. 1 Effective Date, after giving effect to the Amendment No. 1 to First Lien Term Loan Agreement)".

SECTION 2. Termination of Overadvance Borrowing Base and Tranche B Borrowing Base.

(a) Pursuant to Section 4.2(b) of the Credit Agreement, the Borrower hereby notifies the Lenders and the Administrative Agent that the Overadvance Borrowing Base is terminated effective as of the Amendment No. 1 Effective Date, and the Administrative Agent and the Consenting Lenders hereby agree to waive the requirement to provide 2 Business Days' prior written notice as set forth therein.

(b) Pursuant to Section 4.2(c) of the Credit Agreement, the Borrower hereby notifies the Lenders and the Administrative Agent that the Tranche B Borrowing Base is terminated effective as of the Amendment No. 1 Effective Date, and the Administrative Agent and the Consenting Lenders hereby agree to waive the requirement to provide 2 Business Days' prior written notice as set forth therein. Any Tranche B Loans outstanding on the Amendment No. 1 Effective Date shall be deemed to be Tranche A Loans for all purposes from and after the Amendment No. 1 Effective Date.

SECTION 3. Conditions to Effectiveness. This Agreement shall become effective on the first date (the **"*Amendment No. 1 Effective Date*"**) when each of the applicable conditions set forth below have been satisfied (or waived) in accordance with the terms hereof:

(i) the Administrative Agent shall have received counterparts to this Agreement from the Borrower, the other Credit Parties and Lenders constituting Required Lenders;

(ii) the Administrative Agent shall have received certified copies of resolutions or other corporate action, incumbency certificates and/or other certificates of an Authorized Officer of the Borrower Representative as the Administrative Agent may reasonably require evidencing the identity, authority and capacity of each Authorized Officer thereof authorized to act as an Authorized Officer in connection with this Agreement;

(iii) the representations and warranties set forth in Section 8 of the Credit Agreement shall be true and correct in all material respects on and as of the date of such effectiveness; provided that, to the extent that such representations and warranties specifically refer to an earlier date, they shall be true and correct in all material respects as of such earlier date;

(iv) the Administrative Agent shall have received, for the account of each Consenting Lender that delivers an executed signature page to the Administrative Agent prior to 5:00 p.m. (New York City time) on June 8, 2016 a consent fee (the "***Consent Fee***") in an amount equal to 0.10% of each such Consenting Lender's outstanding Revolving Credit Commitments (it being

understood that the Borrower shall have no obligation to pay the Consent Fee if the Amendment No. 1 Effective Date does not occur).

(v) no Event of Default shall have occurred and be continuing or shall result upon giving effect to the Amendment No. 1 Effective Date;

(vi) the Administrative Agent shall have received a certificate of a Responsible Officer of the Borrower certifying as to the matters set forth in clauses (iii) and (v) of this Section 3; and

(vii) the Administrative Agent shall have received, for the account of each Lender, (x) any accrued and unpaid Commitment Fees on the Overadvance Tranche and Tranche B Borrowing Base and (y) any accrued and unpaid interest on any Tranche B Loans converted into Tranche A Loans as provided in Section 2(b) above.

SECTION 4. Expenses. Each of the Credit Parties hereby reconfirms its respective obligations pursuant to Section 13.5 of the Credit Agreement to pay all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent in connection with this Agreement.

SECTION 5. Reaffirmation of the Credit Parties. Each Credit Party hereby consents to the amendment of the Existing Credit Agreement effected hereby and confirms and agrees that, notwithstanding the effectiveness of this Agreement, each Credit Document to which such Credit Party is a party is, and the obligations of such Credit Party contained in the Existing Credit Agreement, this Agreement or in any other Credit Document to which it is a party are, and shall continue to be, in full force and effect and are hereby ratified and confirmed in all respects, in each case as amended by this Agreement. For greater certainty and without limiting the foregoing, each Credit Party hereby confirms that the existing security interests granted by such Credit Party in favor of the Secured Parties pursuant to the Credit Documents in the Collateral described therein shall continue to secure the obligations of the Credit Parties under the Credit Agreement and the other Credit Documents as and to the extent provided in the Credit Documents.

SECTION 6. Amendment, Modification and Waiver. This Agreement may not be amended, modified or waived except in accordance with Section 13.1 of the Credit Agreement.

SECTION 7. Entire Agreement. This Agreement, the Credit Agreement and the other Credit Documents constitute the entire agreement among the parties with respect to the subject matter hereof and thereof and supersede all other prior agreements and understandings, both written and verbal, among the parties or any of them with respect to the subject matter hereof. Except as expressly set forth herein, this Agreement shall not by implication or otherwise limit, impair, constitute a waiver of, or otherwise affect the rights and remedies of any party under, the Existing Credit Agreement, nor alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement, all of which are ratified and affirmed in all respects and shall continue in full force and effect. It is understood and agreed that each reference in each Credit Document to the Credit Agreement, whether direct or indirect, shall hereafter be deemed to be a reference to the Existing Credit Agreement as amended hereby and that this Agreement is a Credit Document and a Joinder Agreement. This Agreement shall not constitute a novation of any amount owing under the Existing Credit Agreement and all amounts owing in respect of principal, interest, fees and other amounts pursuant to the Existing Credit Agreement and the other Credit Documents continue to be owing under the Credit Agreement or such other Credit Documents until paid in accordance therewith.

SECTION 8. **GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

SECTION 9. Severability. Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction. If any provision of this Agreement is so broad as to be unenforceable, the provision shall be interpreted to be only so broad as would be enforceable.

SECTION 10. Counterparts. This Agreement may be executed in counterparts (including by facsimile or other electronic transmission), each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement.

[*Remainder of Page Intentionally Blank*]

IN WITNESS WHEREOF, each of the undersigned has caused its duly authorized officer to execute and deliver this Agreement as of the date first written above.

BDF ACQUISITION CORP., as Borrower

By: /s/ John Sullivan
Name: John Sullivan
Title: Chief Financial Officer

BDF INTERMEDIATE, LLC, as Holdings

By: /s/ John Sullivan
Name: John Sullivan
Title: Chief Financial Officer

BOB'S DISCOUNT FURNITURE OF MASSACHUSETTS, LLC

By: /s/ John Sullivan
Name: John Sullivan
Title: Chief Financial Officer

FURNITURE NORTH, LLC

By: /s/ John Sullivan
Name: John Sullivan
Title: Chief Financial Officer

BOB'S DISCOUNT FURNITURE, LLC

By: /s/ John Sullivan
Name: John Sullivan
Title: Chief Financial Officer

BOB'S DISCOUNT FURNITURE OF NY, LLC

By: /s/ John Sullivan
Name: John Sullivan
Title: Chief Financial Officer

RAKG PARTNERS, LLC

By: /s/ John Sullivan
Name: John Sullivan
Title: Chief Financial Officer

ROYAL BANK OF CANADA, as Administrative Agent

By: /s/ Yvonne Brazier

Name: Yvonne Brazier

Title: Manager, Agency Services

ROYAL BANK OF CANADA, as a Lender

By: /s/ A. Chaykoski
Name: A. Chaykoski
Title: Attorney in Fact

By: /s/ M. Fernandes
Name: M. Fernandes
Title: Attorney in Fact

UBS AG, STAMFORD BRANCH, as a Lender

By: /s/ Craig Pearson
Name: Craig Pearson
Title: Associate Director
Banking Product Services, US

By: /s/ Darlene Arias
Name: Darlene Arias
Title: Director

AMENDMENT NO. 2 TO REVOLVING CREDIT AGREEMENT

AMENDMENT NO. 2 TO REVOLVING CREDIT AGREEMENT, dated as of June 18, 2018 (this "***Agreement***"), by and among BDF ACQUISITION CORP., a Delaware corporation (the "***Company***" or the "***Borrower Representative***"), the other Credit Parties party hereto, ROYAL BANK OF CANADA, as administrative agent (the "***Administrative Agent***") and the lenders party hereto (the "***Consenting Lenders***").

RECITALS:

WHEREAS, reference is hereby made to the Revolving Credit Agreement, dated as of February 12, 2014 (as amended, restated, supplemented or otherwise modified from time to time immediately prior to the effectiveness of this Agreement, including pursuant to Amendment No. 1 to Credit Agreement, dated as of June 17, 2016, the "***Existing Credit Agreement***" and, as amended by this Agreement, the "***Credit Agreement***"), among BDF Intermediate, LLC, a Delaware limited liability company, the Company, the Subsidiary Borrowers from time to time party thereto (together with the Company, collectively, the "***Borrowers***"), the lending institutions from time to time party thereto, the Administrative Agent and Royal Bank of Canada, as Collateral Agent and Letter of Credit Issuer (capitalized terms used but not defined herein having the meaning provided in the Credit Agreement);

WHEREAS, the Borrower has requested that the Lenders agree to increase the Revolving Credit Commitments under the Existing Credit Agreement and make certain other amendments to the Existing Credit Agreement as set forth herein.

NOW, THEREFORE, in consideration of the premises and agreements, provisions and covenants herein contained, the parties hereto agree as follows:

SECTION 1. Amendments to Existing Credit Agreement. The Existing Credit Agreement is, subject to the satisfaction of the applicable conditions precedent set forth in Section 3 of this Agreement, hereby amended as follows:

(a) Amendments to Section 1.01.

(i) Section 1.01 of the Existing Credit Agreement is hereby amended by adding the following new defined terms in their correct alphabetical order:

"Amendment No. 2" means Amendment No. 2 to this Agreement, dated as of June 18, 2018, among the Borrower, the other Credit Parties party thereto, the Administrative Agent and the Lenders party thereto.

"Amendment No. 2 Effective Date" has the meaning assigned to such term in Amendment No. 2.

(ii) Section 1.01 of the Existing Credit Agreement is hereby amended by amending and restating the definition of "Cash Dominion Period" in its entirety as follows:

"Cash Dominion Period" means any period (a) commencing on the day that any Cash Dominion Trigger Default occurs and is continuing for so long as such Cash Dominion Trigger Default has not been cured or waived; or (b) commencing on a day in respect of which, Excess Availability for

the previous five (5) consecutive Business Days was less than the greater of (i) 10.0% of the Line Cap and (ii) $5,000,000 and continuing until the first day thereafter to occur in respect of which Excess Availability for the previous thirty (30) consecutive days has been at least the greater of (i) 10.0% of the Line Cap and (ii) $5,000,000.

(iii) Section 1.01 of the Existing Credit Agreement is hereby amended by amended and restating the definition of "Junior Debt" in its entirety as follows:

"Junior Debt" shall mean any Subordinated Indebtedness.

(iv) Section 1.01 of the Existing Credit Agreement is hereby amended by amending and restating the definition of "Pro Forma Availability Condition" as follows:

"Pro Forma Availability Condition" means, for any date of calculation with respect to any transaction or payment, that either (i) (a) the (x) Pro Forma Availability on such date and (y) average daily Excess Availability for a period of thirty (30) consecutive days immediately preceding such transaction or payment is greater than 12.5% of the Line Cap (or, solely in connection with a Restricted Payment (other than a Restricted Investment), 15.0%) and (b) the Fixed Charge Coverage Ratio, calculated as of the last day of the most recently ended Test Period, after giving effect to such transaction or payment on a Pro Forma Basis, is greater than 1.00:1.00 or (ii) the (x) Pro Forma Availability on such date and (y) average daily Excess Availability for a period of thirty (30) consecutive days immediately preceding such transaction or payment is greater than 17.5% of the Line Cap (or, solely in connection with a Restricted Payment (other than a Restricted Investment), 20.0%).

(v) Section 1.01 of the Existing Credit Agreement is hereby amended by amending and restating the definition of "Revolving Credit Commitment" in its entirety as follows:

"Revolving Credit Commitment" shall mean, as to each Lender, its obligation to make Revolving Credit Loans to the Borrowers pursuant to Section 2.1(b), in an aggregate principal amount at any one time outstanding not to exceed the amount set forth, and opposite such Lender's name on Schedule 1.1(b) under the caption Revolving Credit Commitment or in the Assignment and Acceptance pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement (including Section 2.14). The aggregate Revolving Cred-it Commitments of all Lenders shall be (i) $40,000,000 on the Closing Date and (ii) $55,000,000 on the Amendment No. 2 Effective Date after giving effect to Amendment No. 2 (the "**Initial Revolving Credit Commitments"),** as such amount may be adjusted from time to time in accordance with the terms of this Agreement.

(vi) Section 1.01 of the Existing Credit Agreement is hereby amended by amending and restating the definition of "evolving Credit Maturity Date" as follows:

"Revolving Credit Maturity Date" shall mean the earlier of (i) June 12, 2023 and (ii) one-hundred eighty (180) days prior to the earliest stated maturity date applicable to any First Lien Term Loan (and any permitted refinancings thereof).

(b) Section 10.11 of the Existing Credit Agreement is hereby amended and replacing each reference to "12.5%"in such Section with a reference to "10.0%":

(c) Section 11.15 of the Existing Credit Agreement is hereby amended by amended and restating the first paragraph of such Section as follows:

"Section 11.15 Equity Cure. Notwithstanding anything to the contrary contained in this Section 11, in the event that the Company fails to comply with the requirement of the financial covenant set forth in Section 10.11, after the beginning of the relevant fiscal period for which such financial covenant is being measured until the later of (x) the expiration of the 10th day following the date financial statements referred to in Sections 9.l(a) or . (b) are required to be delivered in respect of such fiscal period for which such financial covenant is being measured and (y) the 10th day after the Financial Covenant Trigger Event that required the Company to comply with the covenant set forth in Section 10.11 (such later date, the "**Cure Expiration Date"),** any holder of Capital Stock or Stock Equivalents of the Company or any direct or indirect parent of the Company shall have the right to cure such failure (the "**Cure Right"**) by causing cash net equity proceeds derived from an issuance of Capital Stock or Stock Equivalents (other than Disqualified Stock, unless reasonably satisfactory to the Administrative Agent) by the Company (or from a contribution to the common equity capital of the Company) to be contributed, directly or indirectly, as cash common equity to the Company, and upon receipt by the Company of such cash contribution (such cash amount being referred to as the "**Cure Amount")** or, if applicable, the Notice of Intent to Cure as set forth below, pursuant to the exercise of such Cure Right, such financial covenant shall be recalculated giving effect to the following pro forma adjustments:"

(d) Schedule 1.1(b) of the Credit Agreement is hereby amended and restated in its entirety as set forth on Schedule 1.1(b) attached hereto.

SECTION 2. Reallocation of Commitments. Upon the Amendment No. 2 Effective Date, (i) the Revolving Credit Loans outstanding on the Amendment No. 2 Effective Date and (ii) the L/C Participations outstanding on the Amendment No. 2 Effective Date shall, in each case, be reallocated and adjusted between and among the Lenders to the extent necessary to provide each Lender with its pro rata share of the outstanding principal balance of Revolving Credit Loans and L/C Participations, as applicable, as of such date based on their then-applicable Revolving Credit Commitment Percentages. The Administrative Agent shall confirm the outstanding principal balance of the Revolving Credit Loans and the amount of outstanding L/C Participations to each Lender as of the Amendment No. 2 Effective Date, which shall be conclusive absent manifest error.

SECTION 3. Conditions to Effectiveness. This Agreement shall become effective on the first date (the "***Amendment No. 2 Effective Date*"**) when each of the applicable conditions set forth below have been satisfied (or waived) in accordance with the terms hereof:

(i) the Administrative Agent shall have received counterparts to this Agreement from the Borrower, the other Credit Parties and each Lender;

(ii) the Administrative Agent shall have received certified copies of resolutions or other corporate action, incumbency certificates and/or other certificates of an Authorized Officer of the Borrower Representative as the Administrative Agent may reasonably require evidencing the identity, authority and capacity of each Authorized Officer thereof authorized to act as an Authorized Officer in connection with this Agreement;

(iii) the representations and warranties set forth in Section 8 of the Credit Agreement shall be true and correct in all material respects on and as of the date of such

effectiveness; provided that, to the extent that such representations and warranties specifically refer to an earlier date, they shall be true and correct in all material respects as of such earlier date;

(iv) no Event of Default shall have occurred and be continuing or shall result upon giving effect to the Amendment No. 2 Effective Date;

(v) the Administrative Agent shall have received a certificate of a Responsible Officer of the Borrower certifying as to the matters set forth in clauses (iii) and (iv) of this Section 3; and

(vi) the Administrative Agent shall have received, for the account of each Consenting Lender that delivers an executed signature page to the Administrative Agent prior to 12:00 noon (New York City time) on June 18, 2018 an upfront fee (the "***Upfront Fee***") in an amount equal to 0.75% of the excess of (x) the aggregate principal amount of each such Consenting Lender's outstanding Revolving Credit Commitments immediately after giving effect to this Agreement over (y) the aggregate principal amount of each such Consenting Lender's outstanding Revolving Credit Commitments immediately prior to giving effect to this Agreement (it being understood that the Borrower shall have no obligation to pay the Upfront Fee if the Amendment No. 2 Effective Date does not occur).

SECTION 4. Expenses. Each of the Credit Parties hereby reconfirms its respective obligations pursuant to Section 13.5 of the Credit Agreement to pay all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent in connection with this Agreement.

SECTION 5. Reaffirmation of the Credit Parties. Each Credit Party hereby consents to the amendment of the Existing Credit Agreement effected hereby and confirms and agrees that, notwithstanding the effectiveness of this Agreement, each Credit Document to which such Credit Party is a party is, and the obligations of such Credit Party contained in the Existing Credit Agreement, this Agreement or in any other Credit Document to which it is a party are, and shall continue to be, in full force and effect and are hereby ratified and confirmed in all respects, in each case as amended by this Agreement. For greater certainty and without limiting the foregoing, each Credit Party hereby confirms that the existing security interests granted by such Credit Party in favor of the Secured Parties pursuant to the Credit Documents in the Collateral described therein shall continue to secure the obligations of the Credit Parties under the Credit Agreement and the other Credit Documents as and to the extent provided in the Credit Documents.

SECTION 6. Amendment, Modification and Waiver. This Agreement may not be amended, modified or waived except in accordance with Section 13.1 of the Credit Agreement.

SECTION 7. Entire Agreement. This Agreement, the Credit Agreement and the other Credit Documents constitute the entire agreement among the parties with respect to the subject matter hereof and thereof and supersede all other prior agreements and understandings, both written and verbal, among the parties or any of them with respect to the subject matter hereof. Except as expressly set forth herein, this Agreement shall not by implication or otherwise limit, impair, constitute a waiver of, or otherwise affect the rights and remedies of any party under, the Existing Credit Agreement, nor alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement, all of which are ratified and affirmed in all respects and shall continue in full force and effect. It is understood and agreed that each reference in each Credit Document to the Credit Agreement, whether

direct or indirect, shall hereafter be deemed to be a reference to the Existing Credit Agreement as amended hereby and that this Agreement is a Credit Document and a Joinder Agreement. This Agreement shall not constitute a novation of any amount owing under the Existing Credit Agreement and all amounts owing in respect of principal, interest, fees and other amounts pursuant to the Existing Credit Agreement and the other Credit Documents continue to be owing under the Credit Agreement or such other Credit Documents until paid in accordance therewith.

SECTION 8. **GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

SECTION 9. Severability. Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction. If any provision of this Agreement is so broad as to be unenforceable, the provision shall be interpreted to be only so broad as would be enforceable.

SECTION 10. Counterparts. This Agreement may be executed in counterparts (including by facsimile or other electronic transmission), each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement.

[*Remainder of Page Intentionally Blank*]

IN WITNESS WHEREOF, each of the undersigned has caused its duly authorized officer to execute and deliver this Agreement as of the date first written above.

BDF ACQUISITION CORP., as Borrower and Borrower Representative

By: /s/ Jeremy Aguilar
Name: Jeremy Aguilar
Title: Chief Financial Officer

BDF INTERMEDIATE, LLC, as Holdings

By: /s/ Jeremy Aguilar
Name: Jeremy Aguilar
Title: Chief Financial Officer

BOB'S DISCOUNT FURNITURE, LLC as a Guarantor

By: /s/ Jeremy Aguilar
Name: Jeremy Aguilar
Title: Chief Financial Officer

ROYAL BANK OF CANADA,
as Administrative Agent

By: /s/ Rodica Dutka
Name: Rodica Dutka
Title: Manager, Agency

ROYAL BANK OF CANADA,
as a Lender

By: /s/ James S. Wolfe
Name: James S. Wolfe
Title: Managing Director
Head of Global Leveraged Finance

UBS AG, STAMFORD BRANCH, as a Lender

By: /s/ Craig Pearson
Name: Craig Pearson
Title: Associate Director

By: /s/ Darlene Arias
Name: Darlene Arias
Title: Director

Schedule 1.1(b)

Commitments of Lenders

JOINDER AGREEMENT AND AMENDMENT NO. 3 TO REVOLVING CREDIT AGREEMENT

JOINDER AGREEMENT AND AMENDMENT NO. 3 TO REVOLVING CREDIT AGREEMENT, dated as of September 18, 2019 (this **"*Agreement*"),** by and among BDF ACQUISITION CORP., a Delaware corporation (the **"*Company*"** or the **"*Borrower Representative*"),** the other Credit Parties party hereto, ROYAL BANK OF CANADA, as administrative agent (the **"*Administrative Agent*"),** the Lenders party hereto and the Incremental Revolving Loan Lenders (as defined below) party hereto.

RECITALS:

WHEREAS, reference is hereby made to the Revolving Credit Agreement, dated as of February 12, 2014 (as amended, restated, supplemented or otherwise modified from time to time immediately prior to the effectiveness of this Agreement, including pursuant to Amendment No. 1 to Revolving Credit Agreement, dated as of June 17, 2016 and Amendment No. 2 to Revolving Credit Agreement, dated as of June 18, 2018, the **"*Existing Credit Agreement*"** and, as amended by this Agreement, the **"*Credit Agreement*"),** among BDF Intermediate, LLC, a Delaware limited liability company, the Company, the Subsidiary Borrowers from time to time party thereto (together with the Company, collectively, the **"*Borrowers*"),** the lending institutions from time to time party thereto, the Administrative Agent and Royal Bank of Canada, as Collateral Agent and Letter of Credit Issuer (capitalized terms used but not defined herein having the meaning provided in the Credit Agreement);

WHEREAS, pursuant to Section 2.14 of the Credit Agreement, the Borrower Representative has requested that the persons set forth on Schedule 1.1(b) hereto (the **"*Incremental Revolving Loan Lenders*")** establish increases to the Revolving Credit Commitments (the **"*Incremental Revolving Credit Commitments*")** under the Credit Agreement in an aggregate principal amount equal to $15,000,000;

WHEREAS, the Incremental Revolving Loan Lenders are willing to provide the Incremental Revolving Credit Commitments to the Borrowers on the Amendment No. 3 Effective Date (as defined below) on the terms set forth herein and in the Credit Agreement;

WHEREAS, the Incremental Revolving Credit Commitments shall constitute Revolving Credit Commitments under the Revolving Credit Facility. After giving effect to the Incremental Revolving Credit Commitments, the amount of the total Revolving Credit Commitments on the Amendment No. 3 Effective Date shall be $70,000,000; and

WHEREAS, the Administrative Agent and the Lenders party hereto (which Lenders constitution "Required Lenders" under the Existing Credit Agreement) are willing to waive the notice required by Section 2.14(a) of the Credit Agreement and make certain other amendments to the Existing Credit Agreement as set forth herein.

NOW, THEREFORE, in consideration of the premises and agreements, provisions and covenants herein contained, the parties hereto agree as follows:

SECTION 1. Incremental Revolving Credit Commitments.

(a) On the terms and subject to the conditions set forth herein, effective as of the Amendment No. 3 Effective Date, each Incremental Revolving Loan Lender hereby agrees to provide Incremental Revolving Credit Commitments in the amount set forth opposite its name on Schedule A hereto.

(b) On the Amendment No. 3 Effective Date, subject to the conditions set forth herein, (i) each Incremental Revolving Credit Commitment shall be deemed for all purposes of the Credit Agreement to be a Revolving Credit Commitment, (ii) each Loan made under the Incremental Revolving Credit Commitments (an **"*Incremental Revolving Credit Loan*")** shall be deemed, for all purposes, a Revolving Credit Loan and (iii) each Incremental Revolving Loan Lender shall be a Lender party to the Credit

Agreement and have the rights and obligations of a Lender thereunder and shall be an ”Incremental Revolving Loan Lender” and a “Lender” for all purposes of the Credit Agreement and the other Credit Documents.

(c) On the Amendment No. 3 Effective Date, pursuant to Section 2.14(c) of the Credit Agreement, (i) each Lender (other than Incremental Revolving Loan Lenders, in their capacity as such) immediately prior to the increase in Revolving Credit Commitments provided by this Agreement will automatically and without further act be deemed to have assigned to each Incremental Revolving Loan Lender providing an Incremental Revolving Credit Commitment, and each such Incremental Revolving Loan Lender will automatically and without further act be deemed to have assumed, a portion of such Lender’s participations under the Credit Agreement in outstanding Letters of Credit such that, after giving effect to the Incremental Revolving Credit Commitments and each such deemed assignment and assumption of participations, the percentage of the aggregate outstanding participations under the Credit Agreement in Letters of Credit held by each Lender (including each Incremental Revolving Loan Lender) will equal such Lender’s Revolving Credit Commitment Percentage and (ii) if, on the Amendment No. 3 Effective Date, there are any Revolving Credit Loans outstanding, the applicable Lenders immediately after effectiveness of such Incremental Revolving Credit Commitments shall be deemed to have purchased and assigned at par such amounts of the Revolving Credit Loans outstanding under the Credit Facilities at such time such that all of the Lenders effectively participate in each of the outstanding Revolving Credit Loans on a pro rata basis of their Revolving Credit Commitment Percentages immediately after giving effect to all such assignments. The minimum borrowing, pro rata borrowing and pro rata payment requirements contained in the Credit Agreement shall not apply to the transactions effected pursuant to the immediately preceding sentence.

SECTION 2. Amendments to Existing Credit Agreement. The Existing Credit Agreement is, subject to the satisfaction of the applicable conditions precedent set forth in Section 3 of this Agreement, hereby amended as follows:

(a) Amendments to Section 1.01.

(i) Section 1.01 of the Existing Credit Agreement is hereby amended by adding the following new defined terms in their correct alphabetical order:

“Amendment No. 3” means that certain Joinder Agreement and Amendment No. 3 to this Agreement, dated as of September 18, 2019, among the Borrower, the other Credit Parties party thereto, the Administrative Agent, the Lenders party thereto and the Incremental Revolving Loan Lenders party thereto.

“Amendment No. 3 Effective Date” has the meaning assigned to such term in Amendment No. 3.

(ii) Section 1.01 of the Existing Credit Agreement is hereby amended by amending the definition of “Revolving Credit Commitment” to include a new sentence at the end thereof to read as follows:

“The aggregate Revolving Credit Commitments of all Lenders on the Amendment No. 3 Effective Date is $70,000,000.”

(b) Schedule 1.1(b) of the Credit Agreement is hereby amended and restated in its entirety as set forth on Schedule 1.1(b) attached hereto.

(c) Section 2.10 of the Credit Agreement is hereby amended by inserting the following new paragraph at the end of clause (a) thereof as follows:

"Notwithstanding the foregoing, if the Administrative Agent (i) determines that the circumstances described in this clause (a) have arisen and such circumstances are unlikely to be temporary, (ii) determines that the circumstances described in this clause (a) have not arisen but the supervisor for the administrator of the LIBOR Rate or a Governmental Authority having jurisdiction over the Administrative Agent has made a public statement identifying a specific date after which the LIBOR Rate shall no longer be used for determining interest rates for loans or (iii) new syndicated loans have started to adopt a new benchmark interest rate as determined by the Administrative Agent with the consent of the Borrower Representative, then the Administrative Agent and the Borrower Representative shall endeavor to establish an alternate rate of interest to the LIBOR Rate that gives due consideration to the then prevailing market convention for determining a rate of interest for syndicated loans in the United States at such time, and shall enter into an amendment to this Agreement reasonably acceptable to the Borrower Representative and the Administrative Agent to reflect such alternate rate of interest and such other related changes to this Agreement as may be applicable, provided that to the extent that the Administrative Agent determines that adoption of any portion of such market convention is not administratively feasible or that no market convention for the administration of such alternate rate of interest exists, the Administrative Agent shall administer such alternate rate of interest in a manner determined by the Administrative Agent with the con.sent of the Borrower Representative. Notwithstanding anything to the contrary, such amendment shall become effective without any further action or consent of any other party to this Agreement so long as the Administrative Agent shall not have received, within five (5) Business Days of the date notice of such alternate rate of interest is provided to the Lenders, a written notice from the Required Lenders stating that such Required Lenders object to such amendment. If a notice of an alternate rate of interest has been given and no such alternate rate of interest has been determined, and (x) the circumstances under clause (i) or (iii) above exist or (y) the specific date referred to in clause (ii) has occurred (as applicable), ABR shall apply without regard to clause (c) of the definition thereof. Provided that, if such alternate rate of interest shall be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement."

SECTION 3. Conditions to Effectiveness. The effectiveness of this Agreement and the Incremental Revolving Credit Commitments shall become effective on the first date (the **"*Amendment No. 3 Effective Date*")** when each of the applicable conditions set forth below have been satisfied (or waived) in accordance with the terms hereof:

(i) the Administrative Agent shall have received counterparts to this Agreement from the Borrower, the other Credit Parties, Lenders constituting Required Lenders and each Incremental Revolving Loan Lender;

(ii) the Administrative Agent shall have received certified copies of resolutions or other corporate action, incumbency certificates and/or other certificates of an Authorized Officer of the Borrower Representative as the Administrative Agent may reasonably require evidencing the identity, authority and capacity of each Authorized Officer thereof authorized to act as an Authorized Officer in connection with this Agreement;

(iii) the representations and warranties set forth in Section 8 of the Credit Agreement shall be true and correct in all material respects on and as of the date of such effectiveness; provided that, to the extent that such representations and warranties specifically refer to an earlier date, they shall be true and correct in all material respects as of such earlier date;

(iv) no Event of Default shall have occurred and be continuing or shall result upon giving effect to the Amendment No. 3 Effective Date;

(v) the Administrative Agent shall have received a certificate of a Responsible Officer of the Borrower certifying as to the matters set forth in clauses (iii) and (iv) of this Section 3; and

(vi) the Administrative Agent shall have received, for the account of each Incremental Revolving Loan Lender an upfront fee (the **"*Upfront Fee*")** in an amount equal to 0.35% of such Incremental Revolving Loan Lender's Incremental Revolving Credit Commitment after giving effect to this Agreement (it being understood that the Borrower shall have no obligation to pay the Upfront Fee if the Amendment No. 3 Effective Date does not occur).

SECTION 4. Expenses. Each of the Credit Parties hereby reconfirms its respective obligations pursuant to Section 13.5 of the Credit Agreement to pay all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent in connection with this Agreement.

SECTION 5. Reaffirmation of the Credit Parties. Each Credit Party hereby consents to the amendment of the Existing Credit Agreement effected hereby and confirms and agrees that, notwithstanding the effectiveness of this Agreement, each Credit Document to which such Credit Party is a party is, and the obligations of such Credit Party contained in the Existing Credit Agreement, this Agreement or in any other Credit Document to which it is a party are, and shall continue to be, in full force and effect and are hereby ratified and confirmed in all respects, in each case as amended by this Agreement. For greater certainty and without limiting the foregoing, each Credit Party hereby confirms that the existing security interests granted by such Credit Party in favor of the Secured Parties pursuant to the Credit Documents in the Collateral described therein shall continue to secure the obligations of the Credit Parties under the Credit Agreement and the other Credit Documents as and to the extent provided in the Credit Documents.

SECTION 6. Amendment, Modification and Waiver. This Agreement may not be amended, modified or waived except in accordance with Section 13.1 of the Credit Agreement.

SECTION 7. Entire Agreement. This Agreement, the Credit Agreement and the other Credit Documents constitute the entire agreement among the parties with respect to the subject matter hereof and thereof and supersede all other prior agreements and understandings, both written and verbal, among the parties or any of them with respect to the subject matter hereof. Except as expressly set forth herein, this Agreement shall not by implication or otherwise limit, impair, constitute a waiver of, or otherwise affect the rights and remedies of any party under, the Existing Credit Agreement, nor alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement, all of which are ratified and affirmed in all respects and shall continue in full force and effect. It is understood and agreed that each reference in each Credit Document to the Credit Agreement, whether direct or indirect, shall hereafter be deemed to be a reference to the Existing Credit Agreement as amended hereby and that this Agreement is a Credit Document and a Joinder Agreement. This Agreement shall not constitute a novation of any amount owing under the Existing Credit Agreement and all amounts owing in respect of principal, interest, fees and other amounts pursuant to the Existing Credit Agreement and the other Credit Documents continue to be owing under the Credit Agreement or such other Credit Documents until paid in accordance therewith.

SECTION 8. **GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

SECTION 9. Severability. Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other

jurisdiction. If any provision of this Agreement is so broad as to be unenforceable, the provision shall be interpreted to be only so broad as would be enforceable.

SECTION 10. Counterparts. This Agreement may be executed in counterparts (including by facsimile or other electronic transmission), each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement.

[*Remainder of Page Intentionally Blank*]

IN WITNESS WHEREOF, each of the undersigned has caused its duly authorized officer to execute and deliver this Agreement as of the date first written above.

BDF ACQUISITION CORP., as Borrower and Borrower Representative

By: /s/ Jeremy Aguilar
Name: Jeremy Aguilar
Title: Chief Financial Officer

BDF INTERMEDIATE, LLC, as Holdings

By: /s/ Jeremy Aguilar
Name: Jeremy Aguilar
Title: Chief Financial Officer

BOB'S DISCOUNT FURNITURE, LLC, as a Guarantor

By: /s/ Jeremy Aguilar
Name: Jeremy Aguilar
Title: Chief Financial Officer

ROYAL BANK OF CANADA,
as Administrative Agent

By: /s/ Helena Sadowski
Name: Helena Sadowski

Title: Manager, Agency

ROYAL BANK OF CANADA,
as a Lender and an Incremental Revolving Loan Lender

By: /s/ Farhan Lodhi

Name: Farhan Lodhi

Title: Authorized Signatory

UBS AG, STAMFORD BRANCH,
as a Lender and an Incremental Revolving Loan Lender

By: /s/ Kenneth Chin
Name: Kenneth Chin

Title: Director

By: /s/ Darlene Arias
Name: Darlene Arias

Title: Director

Schedule A

Incremental Revolving Credit Commitments

Schedule 1.l(b)

Commitments of Lenders

EXHIBIT D

Incumbency.

JOINDER AGREEMENT AND AMENDMENT NO. 4 TO
REVOLVING CREDIT AGREEMENT

JOINDER AGREEMENT AND AMENDMENT NO. 4 TO REVOLVING CREDIT AGREEMENT, dated as of May 12, 2021 (this **"*Agreement*"),** by and among BDF ACQUISITION CORP., a Delaware corporation (the **"*Company*"** or the **"*Borrower Representative*"),** the other Credit Parties party hereto, ROYAL BANK OF CANADA, as administrative agent (the **"*Administrative Agent*"),** the Lenders party hereto and the Incremental Revolving Loan Lenders (as defined below) party hereto.

RECITALS:

WHEREAS, reference is hereby made to the Revolving Credit Agreement, dated as of February 12, 2014 (as amended, restated, supplemented or otherwise modified from time to time immediately prior to the effectiveness of this Agreement, including pursuant to Amendment No. 1 to Revolving Credit Agreement, dated as of June 17, 2016, Amendment No. 2 to Revolving Credit Agreement, dated as of June 18, 2018 and Joinder Agreement and Amendment No. 3 to Revolving Credit Agreement, dated as of September 18, 2019, the **"*Existing Credit Agreement*"** and, as amended by this Agreement, the **"*Credit Agreement*"),** among BDF Intermediate, LLC, a Delaware limited liability company, the Company, the Subsidiary Borrowers from time to time party thereto (together with the Company, collectively, the **"*Borrowers*"),** the lending institutions from time to time party thereto, the Administrative Agent and Royal Bank of Canada, as Collateral Agent and Letter of Credit Issuer (capitalized terms used but not defined herein having the meaning provided in the Credit Agreement);

WHEREAS, pursuant to Section 2.14 of the Credit Agreement, the Borrower Representative has requested that the persons set forth on Schedule 1.1(b) hereto (the **"*Incremental Revolving Loan Lenders*")** establish increases to the Revolving Credit Commitments (the **"*Incremental Revolving Credit Commitments*")** under the Credit Agreement in an aggregate principal amount equal to $80,000,000;

WHEREAS, the Incremental Revolving Loan Lenders are willing to provide the Incremental Revolving Credit Commitments to the Borrowers on the Amendment No. 4 Effective Date (as defined below) on the terms set forth herein and in the Credit Agreement;

WHEREAS, the Incremental Revolving Credit Commitments shall constitute Revolving Credit Commitments under the Revolving Credit Facility. After giving effect to the Incremental Revolving Credit Commitments, the amount of the total Revolving Credit Commitments on the Amendment No. 4 Effective Date shall be $150,000,000; and

WHEREAS, the Administrative Agent and the Lenders party hereto (which Lenders constitution "Required Lenders" under the Existing Credit Agreement) are willing to waive the notice required by Section 2.14(a) of the Credit Agreement and make certain other amendments to the Existing Credit Agreement as set forth herein.

NOW, THEREFORE, in consideration of the premises and agreements, provisions and covenants herein contained, the parties hereto agree as follows:

SECTION 1. Incremental Revolving Credit Commitments.

(a) On the terms and subject to the conditions set forth herein, effective as of the Amendment No. 4 Effective Date, each Incremental Revolving Loan Lender hereby agrees to provide Incremental Revolving Credit Commitments in the amount set forth opposite its name on Schedule A hereto.

(b) On the Amendment No. 4 Effective Date, subject to the conditions set forth herein, (i) each Incremental Revolving Credit Commitment shall be deemed for all purposes of the Credit Agreement to be a Revolving Credit Commitment, (ii) each Loan made under the Incremental Revolving Credit Commitments (an **"*Incremental Revolving Credit Loan*")** shall be deemed, for all purposes, a Revolving Credit Loan and (iii) each Incremental Revolving Loan Lender shall be a Lender party to the Credit Agreement and have the rights and obligations of a Lender thereunder and shall be an "Incremental Revolving Loan Lender" and a "Lender" for all purposes of the Credit Agreement and the other Credit Documents.

(c) On the Amendment No. 4 Effective Date, pursuant to Section 2.14(c) of the Credit Agreement, (i) each Lender (other than Incremental Revolving Loan Lenders, in their capacity as such) immediately prior to the increase in Revolving Credit Commitments provided by this Agreement will automatically and without further act be deemed to have assigned to each Incremental Revolving Loan Lender providing an Incremental Revolving Credit Commitment, and each such Incremental Revolving Loan Lender will automatically and without further act be deemed to have assumed, a portion of such Lender's participations under the Credit Agreement in outstanding Letters of Credit such that, after giving effect to the Incremental Revolving Credit Commitments and each such deemed assignment and assumption of participations, the percentage of the aggregate outstanding participations under the Credit Agreement in Letters of Credit held by each Lender (including each Incremental Revolving Loan Lender) will equal such Lender's Revolving Credit Commitment Percentage and (ii) if; on the Amendment No. 4 Effective Date, there are any Revolving Credit Loans outstanding, the applicable Lenders immediately after effectiveness of such Incremental Revolving Credit Commitments shall be deemed to have purchased and assigned at par such amounts of the Revolving Credit Loans outstanding under the Credit Facilities at such time such that all of the Lenders effectively participate in each of the outstanding Revolving Credit Loans on a pro rata basis of their Revolving Credit Commitment Percentages immediately after giving effect to all such assignments. The minimum borrowing, pro rata borrowing and pro rata payment requirements contained in the Credit Agreement shall not apply to the transactions effected pursuant to the immediately preceding sentence.

SECTION 2. Amendments to Existing Credit Agreement. The Existing Credit Agreement is, subject to the satisfaction of the applicable conditions precedent set forth in Section 3 of this Agreement, hereby amended as follows:

(a) Amendments to Section 1.01.

(i) Section 1.01 of the Existing Credit Agreement is hereby amended by adding the following new defined terms in their correct alphabetical order:

"Amendment No. 4" means that certain Joinder Agreement and Amendment No. 4 to this Agreement, dated as of May 12, 2021, among the Borrower, the other

Credit Parties party thereto, the Administrative Agent, the Lenders party thereto and the Incremental Revolving Loan Lenders party thereto.

"Amendment No. 4 Effective Date" has the meaning assigned to such term in Amendment No. 4.

"Erroneous Payment" has the meaning assigned to it in Section 12.14(a).

"Erroneous Payment Return Deficiency" has the meaning assigned to it in Section 12.14(d).

"Payment Notice" has the meaning assigned to it in Section 12.14 (a).

"Payment Recipient" has the meaning assigned to it in Section 12.14(a).

(ii) Section 1.01 of the Existing Credit Agreement is hereby amended by amending and restating clause (i)(B) of the definition of "Applicable Margin" in its entirety to read as follows:

(B) on the first day of each fiscal quarter thereafter (each, an "Adjustment Date"), commencing with the fiscal quarter beginning on or about July 1, 2014, the Applicable Margin shall be determined from the pricing grid below based upon average daily Excess Availability for the most recently ended three month period immediately preceding such Adjustment Date, as calculated by the Administrative Agent as of the last day of such three month period; provided that if any Borrowing Base Certificates are at any time restated or otherwise revised (including as a result of an audit) or if the information set forth in any Borrowing Base Certificate otherwise proves to be false or incorrect such that the Applicable Margin would have been higher than was otherwise in effect during any period, interest due under this Agreement shall be recalculated at such higher rate for any applicable periods and so long as an Event of Default described in Section 11.5 has not occurred with respect to any Borrower, such shortfall shall be due and payable within five Business Days following the written demand thereof by the Administrative Agent and no Default shall be deemed to have occurred as a result of such non-payment until the expiration of such five Business Day period.

Pricing Level	**Average Excess Availability**	**ABR Rate Tranche A Loans**	**LIBOR Rate Tranche A Loans**
I	Greater than 66% of the Line Cap	0.50%	1.50%
II	Greater than or equal to 33% of the Line Cap but less than or equal to 66% of the Line Cap	0.75%	1.75%
III	Less than 33% of the Line Cap	1.00%	2.00%

(iii) Section 1.01 of the Existing Credit Agreement is hereby amended by amending and restating the definition of "Cash Dominion Period" in its entirety to read as follows:

"Cash Dominion Period" means any period (a) commencing on the day that any Cash Dominion Trigger Default occurs and is continuing for so long as such Cash Dominion Trigger Default has not been cured or waived; or (b) commencing on a day in respect of which, Excess Availability for the previous five (5) consecutive Business Days was less than the greater of (i) 10.0% of the Line Cap and (ii) $10,000,000 and continuing until the first day thereafter to occur in respect of which Excess Availability for the previous thirty (30) consecutive days has been at least the greater of(i) 10.0% of the Line Cap and (ii) $10,000,000.

(iv) Section 1.01 of the Existing Credit Agreement is hereby amended by amending and restating the definition of "Revolving Credit Maturity Date" in its entirety to read as follows:

"Revolving Credit Maturity Date" shall mean the earlier of (i) May 12, 2026 and (ii) one-hundred eighty (180) days prior to the earliest stated maturity date applicable to any First Lien Term Loan (and any permitted refinancings thereof).

(v) Section 1.01 of the Existing Credit Agreement is hereby amended by amending the definition of "Revolving Credit Commitment" to include a new sentence at the end thereof to read as follows:

"The aggregate Revolving Credit Commitments of all Lenders on the Amendment No. 4 Effective Date is $150,000,000."

(b) Section 10.11 of the Existing Credit Agreement is hereby amended by replacing each reference to "$5,000,000" in such Section with a reference to "$10,000,000"'

(c) Article 12 of the Existing Credit Agreement is hereby amended by adding the following new Section 12.14 at the end thereof:

"Section 12.14 Erroneous Payments.

(a) If the Administrative Agent notifies a Lender, Letter of Credit Issuer or Secured Party, or any Person who has received funds on behalf of a Lender, Letter of Credit Issuer or Secured Party (any such Lender, Letter of Credit Issuer, Secured Party or other recipient, a "Payment Recipient") that the Administrative Agent has determined in its sole reasonable discretion that any funds received by such Payment Recipient from the Administrative Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Payment Recipient) (any such funds, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "Erroneous Payment") and demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Administrative Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Administrative Agent, and such Payment Recipient shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent, in same day funds (in the currency so received), the amount of any such Erroneous Payment (or portion thereof), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the

Administrative Agent at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with prevailing banking industry rules on interbank compensation from time to time in effect. To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payment received, including without limitation waiver of any defense based on "discharge for value" or any similar doctrine. A notice of the Administrative Agent to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.

(b) Without limiting immediately preceding clause (a), each Payment Recipient hereby further agrees that if it receives an Erroneous Payment from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment sent by the Administrative Agent (or any of its Affiliates) with respect to such Erroneous Payment (the "Payment Notice"), or (y) that was not preceded or ac-companied by a Payment Notice sent by the Administrative Agent (or any of its Affiliates), then, said Payment Recipient shall be on notice, in each case, that an error has been made with respect to such Erroneous Payment. Each Payment Recipient agrees that, in each such case, or if it otherwise becomes aware an Erroneous Payment (or portion thereof) may have been sent in error, such Payment Recipient shall promptly notify the Administrative Agent of such occurrence and, upon demand from the Administrative Agent, it shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with prevailing banking industry rules on interbank compensation from time to time in effect.

(c) Each Payment Recipient hereby authorizes the Administrative Agent to set off, net and apply any and all amounts at any time owing to such Payment Recipient under any Credit Document, or otherwise payable or distributable by the Administrative Agent to such Payment Recipient from any source, against any amount due to the Administrative Agent under any of the immediately preceding clauses (a) or (b) or under the indemnification provisions of this Agreement.

(d) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Administrative Agent for any reason, after demand therefor by the Administrative Agent (such unrecovered amount, an "Erroneous Payment Return Deficiency"), the Borrowers and each other Credit Party hereby agrees that (x) the Administrative Agent shall be subrogated to all the rights of such Payment Recipient with respect to such amount (including, without limitation, the right to sell and assign the Loans (or any portion thereof), which were subject to the Erroneous Payment Return Deficiency) and (y) an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower or any other Credit Party, except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, (i) comprised of funds received by the Administrative Agent from the Borrowers or any other Credit Party or (ii) the proceeds of realization from the enforcement of one or more of the Credit Documents against or in respect of the Borrowers or one or more of the Credit Parties, in each case, for the purpose of making such

Erroneous Payment For the avoidance of doubt, no assignment of an Erroneous Payment Deficiency will reduce the Commitments of any Payment Recipient and such Commitments shall remain available in accordance with the terms of this Agreement. In addition, each party hereto agrees that, except to the extent that the Administrative Agent has sold a Loan (or portion thereof) acquired pursuant to the assignment of an Erroneous Payment Deficiency, and irrespective of whether the Administrative Agent may be equitably subrogated, the Administrative Agent shall be contractually subrogated to all the rights and interests of the applicable Payment Recipient under the Credit Documents with respect to each Erroneous Payment Return Deficiency.

(e) Each party's obligations, agreements and waivers under this Section 12.14 shall survive the resignation or replacement of the Administrative Agent, any transfer of rights or obligations by, or the replacement of, a Lender or Letter of Credit Issuer, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Credit Document.

(f) Notwithstanding anything to the contrary herein or in any other Credit Document, no Credit Party nor any of their respective Affiliates shall have any obligations or liabilities directly or indirectly arising out of this Section 12.14 in respect of any Erroneous Payment (other than with respect to Section 12.14(d)(y) above)."

(d) Schedule 1.1(b) of the Credit Agreement is hereby amended and restated in its entirety as set forth on Schedule 1.1(b) attached hereto.

SECTION 3. Conditions to Effectiveness. The effectiveness of this Agreement and the Incremental Revolving Credit Commitments shall become effective on the first date (the **"*Amendment No. 4 Effective Date*")** when each of the applicable conditions set forth below have been satisfied (or waived) in accordance with the terms hereof:

(i) the Administrative Agent shall have received counterparts to this Agreement from the Borrower, the other Credit Parties, Lenders constituting Required Lenders and each Incremental Revolving Loan Lender;

(ii) the Administrative Agent shall have received certified copies of resolutions or other corporate action, incumbency certificates and/or other certificates of an Authorized Officer of the Borrower Representative as the Administrative Agent may reasonably require evidencing the identity, authority and capacity of each Authorized Officer thereof authorized to act as an Authorized Officer in connection with this Agreement;

(iii) the representations and warranties set forth in Section 8 of the Credit Agreement shall be true and correct in all material respects on and as of the date of such effectiveness; provided that, to the extent that such representations and warranties specifically refer to an earlier date, they shall be true and correct in all material respects as of such earlier date;

(iv) no Event of Default shall have occurred and be continuing or shall result upon giving effect to the Amendment No. 4 Effective Date;

(v) the Administrative Agent (or its counsel) shall have received the signed legal opinion, in customary form, of Kirkland & Ellis LLP**,** special New York counsel to the Credit Parties;

(vi) the Administrative Agent shall have received such documentation and information as is reasonably requested in writing at least ten days prior to the Closing Date by the Administrative Agent about Holdings, the Borrowers and the other Guarantors to the extent the Administrative Agent and Holdings in good faith mutually agree is required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the Patriot Act and 31 C.F.R. § 1010.230;

(vii) the Administrative Agent shall have received a certificate of a Responsible Officer of the Borrower certifying as to the matters set forth in clauses (iii) and (iv) of this Section 3; and

(viii) the Administrative Agent shall have received, for the account of each Incremental Revolving Loan Lender an upfront fee (the **"*Upfront Fee*")** in an amount equal to the sum of (x) 0.25% of such Incremental Revolving Loan Lender's Revolving Credit Commitments prior to giving effect to this Agreement and (y) 0.35% of such Incremental Revolving Loan Lender's Incremental Revolving Credit Commitment after giving effect to this Agreement (it being understood that the Borrower shall have no obligation to pay the Upfront Fee if the Amendment No. 4 Effective Date does not occur).

SECTION 4. Expenses. Each of the Credit Parties hereby reconfirms its respective obligations pursuant to Section 13.5 of the Credit Agreement to pay all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent in connection with this Agreement.

SECTION 5. Reaffirmation of the Credit Parties. Each Credit Party hereby consents to the amendment of the Existing Credit Agreement effected hereby and confirms and agrees that, notwithstanding the effectiveness of this Agreement, each Credit Document to which such Credit Party is a party is, and the obligations of such Credit Party contained in the Existing Credit Agreement, this Agreement or in any other Credit Document to which it is a party are, and shall continue to be, in full force and effect and are hereby ratified and confirmed in all respects, in each case as amended by this Agreement. For greater certainty and without limiting the foregoing, each Credit Party hereby confirms that the existing security interests granted by such Credit Party in favor of the Secured Parties pursuant to the Credit Documents in the Collateral described therein shall continue to secure the obligations of the Credit Parties under the Credit Agreement and the other Credit Documents as and to the extent provided in the Credit Documents.

SECTION 6. Amendment , Modification and Waiver. This Agreement may not be amended, modified or waived except in accordance with Section 13.1 of the Credit Agreement.

SECTION 7. Entire Agreement. This Agreement, the Credit Agreement and the other Credit Documents constitute the entire agreement among the parties with respect to the subject matter hereof and thereof and supersede all other prior agreements and understandings, both written and verbal, among the parties or any of them with respect to the subject matter hereof. Except as expressly set forth herein, this Agreement shall not by implication or otherwise limit, impair, constitute a waiver of, or otherwise affect the rights and remedies of any party under, the Existing Credit Agreement, nor alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement, all of which are ratified and affirmed in all respects and shall continue in full force and effect. It is understood and agreed that each reference in each Credit Document to the Credit Agreement, whether direct or indirect, shall hereafter be deemed to be a reference to the Existing Credit Agreement as amended hereby and that this Agreement is a Credit Document and a

Joinder Agreement. This Agreement shall not constitute a novation of any amount owing under the Existing Credit Agreement and all amounts owing in respect of principal, interest, fees and other amounts pursuant to the Existing Credit Agreement and the other Credit Documents continue to be owing under the Credit Agreement or such other Credit Documents until paid in accordance therewith.

SECTION 8. **GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

SECTION 9. Severability. Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction. If any provision of this Agreement is so broad as to be unenforceable, the provision shall be interpreted to be only so broad as would be enforceable.

SECTION 10. Counterparts. This Agreement may be executed in counterparts (including by facsimile or other electronic transmission), each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement. The words "execution," "signed," "signature," and words of like import shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. For the avoidance of doubt, the foregoing also applies to any amendment, extension or renewal of this Agreement. Each of the parties represents and warrants to the other party/ies that it has the corporate capacity and authority to execute this Agreement through electronic means and there are no restrictions for doing so in that party's constitutive documents.

[*Remainder of Page Intentionally Blank*]

IN WITNESS WHEREOF, each of the undersigned has caused its duly authorized officer to execute and deliver this Agreement as of the date first written above.

BDF ACQUISITION CORP., as Borrower and Borrower Representative

By: /s/ Jeremy Aguilar
Name: Jeremy Aguilar
Title: Chief Financial Officer

BDF INTERMEDIATE, LLC, as Holdings

By: /s/ Jeremy Aguilar
Name: Jeremy Aguilar
Title: Chief Financial Officer

BOB'S DISCOUNT FURNITURE, LLC, as a Guarantor

By: /s/ Jeremy Aguilar
Name: Jeremy Aguilar
Title: Chief Financial Officer

ROYAL BANK OF CANADA,
as Administrative Agent

By: /s/ Helena Sadowski
Name: Helena Sadowski
Title: Manager, Agency

ROYAL BANK OF CANADA,
as a Lender and an Incremental Revolving Loan Lender

By: /s/ Pierre Noriega
Name: Pierre Noriega
Title: Authorized Signatory

UBS AG, STAMFORD BRANCH,
as a Lender and an Incremental Revolving Loan Lender

By: /s/ Anthony N. Joseph
Name: Anthony N. Joseph
Title: Associate Director

By: /s/ Houssem Daly
Name: Houssem Daly
Title: Director

Schedule A

Incremental Revolving Credit Commitments

Schedule 1.l(b)

Commitments of Lenders

AMENDMENT NO. 5 TO
REVOLVING CREDIT AGREEMENT

AMENDMENT NO. 5 TO REVOLVING CREDIT AGREEMENT, dated as of July 5, 2022 (this **"*Agreement*")**, by and among BDF ACQUISITION CORP., a Delaware corporation (the **"*Company*"** or the **"*Borrower Representative*")**, the other Credit Parties party hereto, ROYAL BANK OF CANADA, as administrative agent (the **"*Administrative Agent*")** and the Lenders party hereto.

RECITALS:

WHEREAS, reference is hereby made to the Revolving Credit Agreement, dated as of February 12, 2014 (as amended, restated, supplemented or otherwise modified from time to time immediately prior to the effectiveness of this Agreement, including pursuant to Amendment No. 1 to Revolving Credit Agreement, dated as of June 17, 2016, Amendment No. 2 to Revolving Credit Agreement, dated as of June 18, 2018 and Joinder Agreement and Amendment No. 3 to Revolving Credit Agreement, dated as of September 18, 2019 and Joinder Agreement and Amendment No. 4 to Revolving Credit Agreement, dated as of May 12, 2021, the **"*Existing Credit Agreement*"** and, as amended by this Agreement, the **"*Credit Agreement*")**, among BDF Intermediate, LLC, a Delaware limited liability company, the Company, the Subsidiary Borrowers from time to time party thereto (together with the Company, collectively, the **"*Borrowers*")**, the lending institutions from time to time party thereto, the Administrative Agent and Royal Bank of Canada, as Collateral Agent and Letter of Credit Issuer (capitalized terms used but not defined herein having the meaning provided in the Credit Agreement);

WHEREAS, the Company has requested that the Administrative Agent and the Lenders make certain amendments to the Existing Credit Agreement as further set forth herein and the Administrative Agent and the Lenders party hereto (which Lenders constitute all of the Lenders under the Existing Credit Agreement) are willing to make such amendments to the Existing Credit Agreement as set forth herein;

NOW, THEREFORE, in consideration of the premises and agreements, provisions and covenants herein contained, the parties hereto agree as follows:

SECTION 1. Amendments to Existing Credit Agreement. The Existing Credit Agreement is, subject to the satisfaction of the applicable conditions precedent set forth in Section 2 of this Agreement, hereby amended as follows:

(a) Amendments to Section 1.01.

(i) Section 1.01 of the Existing Credit Agreement is hereby amended by adding the following new defined terms in the correct alphabetical order:

"Amendment No. 5" means that certain Amendment No. 5 to this Agreement, dated as of July 5, 2022, among the Borrower, the other Credit Parties party thereto, the Administrative Agent and the Lenders party thereto.

"Amendment No. 5 Effective Date" has the meaning assigned to such term in Amendment No. 5.

"Term Loan Extension Date" means with respect to all (but not part) of the First Lien Term Loans the date on which (x) the earliest stated maturity date

applicable the First Lien Term Loans is extended to August 12, 2024 or later and/or (y) the First Lien Term Loans are refinanced with Indebtedness having an earliest stated maturity date of August 12, 2024 or later.

(ii) Section 1.01 of the Existing Credit Agreement is hereby amended by amending and restating the definition of "Revolving Credit Maturity Date" in its entirety to read as follows:

"Revolving Credit Maturity Date" shall mean the earlier of (i) May 12, 2026 and (ii) either (A) prior to the Term Loan Extension Date, thirty (30) days prior to the earliest stated maturity date applicable to any First Lien Term Loan (and any permitted refinancings thereof) or (B) on and after the Term Loan Extension Date, one hundred eighty (180) days prior to the earliest stated maturity date applicable to any First Lien Term Loan (and any permitted refinancings thereof).

(b) Section 10.5 of the Existing Credit Agreement is hereby amended by adding the following new paragraph at the end thereof:

"Notwithstanding anything to the contrary contained herein, prior to the Term Loan Extension Date, during the ninety (90) days prior to the earliest stated maturity date applicable to any First Lien Term Loan (and any permitted refinancings thereof), the Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly (x) make any Restricted Payment pursuant to clauses (3), (7), (9), (18) or (19) of Section 10.5(b), (y) make any Restricted Payment pursuant to clauses (11) or (14) of Section 10.5(b) other than Restricted Investments or (z) make any voluntary principal payment on, or voluntarily redeem, repurchase, defease or otherwise acquire or retire for value in each case, prior to any scheduled repayment, sinking fund payment or maturity, any First Lien Term Loans (other than (w) voluntary prepayments with cash proceeds received by the Company from the issue or sale of Equity Interests of the Company or cash contributed to the capital of the Company (in each case, other than Excluded Contributions, proceeds of Disqualified Stock or sales of Equity Interests to the Company or any of its Subsidiaries or proceeds of any Cure Amount) to the extent (i) such voluntary pre-payment is made within thirty (30) days of receipt of such net cash proceeds or cash and (ii) such net cash proceeds or cash have not been applied to make Restricted Payments or other Investments, (x) payments of principal from proceeds of Refinancing Indebtedness in respect thereof or (y) if, on a pro forma basis, after giving effect to such principal payment, or redemption, repurchase, defeasance or other acquisition or retirement for value, there are no Loans and Unpaid Drawings outstanding and each Letter of Credit has been terminated or been Cash Collateralized in accordance with the terms of this Agreement)."

SECTION 2. Conditions to Effectiveness. The effectiveness of this Agreement shall become effective on the first date (the **"*Amendment No. 5 Effective Date*")** when each of the

applicable conditions set forth below have been satisfied (or waived) in accordance with the terms hereof:

(i) the Administrative Agent shall have received counterparts to this Agreement from the Borrower, the other Credit Parties and Lenders constituting all of the Lenders;

(ii) the representations and warranties set forth in Section 8 of the Credit Agreement shall be true and correct in all material respects on and as of the date of such effectiveness; provided that, to the extent that such representations and warranties specifically refer to an earlier date, they shall be true and correct in all material respects as of such earlier date;

(iii) no Event of Default shall have occurred and be continuing or shall result upon giving effect to the Amendment No. 5 Effective Date;

(iv) the Administrative Agent shall have received a certificate of a Responsible Officer of the Borrower certifying as to the matters set forth in clauses (ii) and (iii) of this Section 2; and

(v) the Administrative Agent shall have received, for the account of each Lenders party hereto, a consent fee (the **"*Consent Fee*")** in an amount equal to 0.10% of such Lender's Revolving Credit Commitments as of the Amendment No. 5 Effective Date (it being understood that the Borrower shall have no obligation to pay the Consent Fee if the Amendment No. 5 Effective Date does not occur).

SECTION 3. Expenses. Each of the Credit Parties hereby reconfirms its respective obligations pursuant to Section 13.5 of the Credit Agreement to pay all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent in connection with this Agreement.

SECTION 4. Reaffirmation of the Credit Parties. Each Credit Party hereby consents to the amendment of the Existing Credit Agreement effected hereby and confirms and agrees that, notwithstanding the effectiveness of this Agreement, each Credit Document to which such Credit Party is a party is, and the obligations of such Credit Party contained in the Existing Credit Agreement, this Agreement or in any other Credit Document to which it is a party are, and shall continue to be, in full force and effect and are hereby ratified and confirmed in all respects, in each case as amended by this Agreement. For greater certainty and without limiting the foregoing, each Credit Party hereby confirms that the existing security interests granted by such Credit Party in favor of the Secured Parties pursuant to the Credit Documents in the Collateral described therein shall continue to secure the obligations of the Credit Parties under the Credit Agreement and the other Credit Documents as and to the extent provided in the Credit Documents.

SECTION 5. Amendment, Modification and Waiver. This Agreement may not be amended, modified or waived except in accordance with Section 13.1 of the Credit Agreement.

SECTION 6. Entire Agreement. This Agreement, the Credit Agreement and the other Credit Documents constitute the entire agreement among the parties with respect to the subject matter hereof and thereof and supersede all other prior agreements and understandings, both written and verbal, among the parties or any of them with respect to the subject matter hereof. Except as expressly set forth herein, this Agreement shall not by implication or otherwise limit, impair, constitute a waiver of, or otherwise affect the rights and remedies of any party under, the Existing Credit Agreement, nor alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement, all of which are

ratified and affirmed in all respects and shall continue in full force and effect. It is understood and agreed that each reference in each Credit Document to the Credit Agreement, whether direct or indirect, shall hereafter be deemed to be a reference to the Existing Credit Agreement as amended hereby and that this Agreement is a Credit Document and a Joinder Agreement. This Agreement shall not constitute a novation of any amount owing under the Existing Credit Agreement and all amounts owing in respect of principal, interest, fees and other amounts pursuant to the Existing Credit Agreement and the other Credit Documents continue to be owing under the Credit Agreement or such other Credit Documents until paid in accordance therewith.

SECTION 7. **GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

SECTION 8. Severability. Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction. If any provision of this Agreement is so broad as to be unenforceable, the provision shall be interpreted to be only so broad as would be enforceable.

SECTION 9. Counterparts. This Agreement may be executed in counterparts (including by facsimile or other electronic transmission), each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement. The words "execution," "signed," "signature," and words of like import shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. For the avoidance of doubt, the foregoing also applies to any amendment, extension or renewal of this Agreement. Each of the parties represents and warrants to the other party/ies that it has the corporate capacity and authority to execute this Agreement through electronic means and there are no restrictions for doing so in that party's constitutive documents.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, each of the undersigned has caused its duly authorized officer to execute and deliver this Agreement as of the date first written above.

BDF ACQUISITION CORP., as Borrower and Borrower Representative

By: /s/ Jeremy Aguilar
Name: Jeremy Aguilar
Title: Chief Financial Officer

BDF INTERMEDIATE, LLC, as Holdings

By: /s/ Jeremy Aguilar
Name: Jeremy Aguilar
Title: Chief Financial Officer

BOB'S DISCOUNT FURNITURE, LLC, as a Guarantor

By: /s/ Jeremy Aguilar
Name: Jeremy Aguilar
Title: Chief Financial Officer

ROYAL BANK OF CANADA,
as Administrative Agent

By: /s/ Yvonne Brazier
Name: Yvonne Brazier
Title: Manager, Agency Services

ROYAL BANK OF CANADA,
as a Lender

By: /s/ Pierre Noriega
Name: Pierre Noriega
Title: Authorized Signatory

UBS AG, STAMFORD BRANCH,
as a Lender

By: /s/ Danielle Calo
Name: Danielle Calo
Title: Associate Director

By: /s/ Dionne Robinson
Name: Dionne Robinson
Title: Associate Director

AMENDMENT NO. 6 TO
REVOLVING CREDIT AGREEMENT

AMENDMENT NO. 6 TO REVOLVING CREDIT AGREEMENT, dated as of August 24, 2022 (this **"*Agreement*"),** by and among BDF ACQUISITION CORP., a Delaware corporation (the **"*Company*"** or the **"*Borrower Representative*"),** the other Credit Parties party hereto, ROYAL BANK OF CANADA, as administrative agent (the **"*Administrative Agent*")** and the Lenders party hereto.

RECITALS:

WHEREAS, reference is hereby made to the Revolving Credit Agreement, dated as of February 12, 2014 (as amended, restated, supplemented or otherwise modified from time to time immediately prior to the effectiveness of this Agreement, including pursuant to Amendment No. 1 to Revolving Credit Agreement, dated as of June 17, 2016, Amendment No. 2 to Revolving Credit Agreement, dated as of June 18, 2018 and Joinder Agreement and Amendment No. 3 to Revolving Credit Agreement, dated as of September 18, 2019 and Joinder Agreement, Amendment No. 4 to Revolving Credit Agreement, dated as of May 12, 2021 and Amendment No. 5 to Revolving Credit Agreement, dated as of July 5, 2022, the **"*Existing Credit Agreement*"** and, as amended by this Agreement, the **"*Credit Agreement*"),** among BDF Intermediate, LLC, a Delaware limited liability company, the Company, the Subsidiary Borrowers from time to time party thereto (together with the Company, collectively, the **"*Borrowers*"),** the lending institutions from time to time party thereto, the Administrative Agent and Royal Bank of Canada, as Collateral Agent and Letter of Credit Issuer (capitalized terms used but not defined herein having the meaning provided in the Credit Agreement);

WHEREAS, the Company has requested that the Administrative Agent and the Lenders make certain amendments to the Existing Credit Agreement as further set forth herein and the Administrative Agent and the Lenders party hereto (which Lenders constitute all of the Lenders under the Existing Credit Agreement) are willing to make such amendments to the Existing Credit Agreement as set forth herein;

NOW, THEREFORE, in consideration of the premises and agreements, provisions and covenants herein contained, the parties hereto agree as follows:

SECTION 1. Amendments to Existing Credit Agreement. The Existing Credit Agreement is, subject to the satisfaction of the applicable conditions precedent set forth in Section 2 of this Agreement, hereby amended as follows:

(a) Amendments to Section 1.01.

(i) Section 1.01 of the Existing Credit Agreement is hereby amended by adding the following new defined terms in the correct alphabetical order:

> **"2022 First Lien Extended Term Loans"** shall have the meaning provided to the term "Amendment No. 3 Extended Term Loans" in the First Lien Term Loan Agreement and any Permitted Refinancing thereof. As of the Amendment No. 6 Effective Date 2022 First Lien Extended Term Loans in an aggregate principal amount of $150,188,975.26 are outstanding with a stated final maturity date of February 12, 2026.

"2022 Equity Contribution" shall have the meaning provided to the term "Amendment No. 3 Equity Contribution" in the First Lien Term Loan Agreement

"Amendment No. 6" means that certain Amendment No. 6 to Revolving Credit Agreement, dated as of August 24, 2022, among the Borrower, the other Credit Parties party thereto, the Administrative Agent and the Lenders party thereto.

"Amendment No. 6 Effective Date" has the meaning assigned to such term in Amendment No. 6.

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"Bail-In Legislation" means, (i) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (ii) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"Dividing Person" has the meaning assigned to it in the definition of "Division."

"Division" means the division of the assets, liabilities and/or obligations of a Person (the **"Dividing Person")** among two or more Persons (whether pursuant to a "plan of division" or similar arrangement), which may or may not include the Dividing Person and pursuant to which the Dividing Person may or may not survive.

"Division Successor" means any Person that, upon the consummation of a Division of a Dividing Person, holds all or any portion of the assets, liabilities and/or obligations previously held by such Dividing Person immediately prior to the consummation of such Division. A Dividing Person which retains any of its assets, liabilities and/or obligations after a Division shall be deemed a Division Successor upon the occurrence of such Division.

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"First Lien Initial Term Loans" shall mean First Lien Term Loans outstanding on the Amendment No. 6 Effective Date (other than the 2022 First Lien Extended Term Loans) and any Permitted Refinancing thereof. As of the Amendment No. 6 Effective Date 2022 First Lien Initial Term Loans in an aggregate principal amount of $68,703,006.94 are outstanding with a stated final maturity date of August 12, 2023.

"Material Intellectual Property" means intellectual property that the loss of which will have a material and adverse effect on the business of Holdings and its Restricted Subsidiaries taken as a whole.

"Permitted Earlier Maturity First Lien Term Loans" means First Lien Initial Term Loans with a stated maturity date prior to February 12, 2026 in an aggregate outstanding principal amount of not more than $20,000,000.

"UK Financial Institution" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended form time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"UK Resolution Authority" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"Write-Down and Conversion Powers" means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

(ii) Section 1.01 of the Existing Credit Agreement is hereby amended by replacing the "or" before clause (v) thereof with "," and adding a new clause (vi) before the period at the end thereof as follows:

"or (vi) a Lender has become the subject of a Bail-In Action"

(iii) Section 1.01 of the Existing Credit Agreement is hereby amended by amending and restating the definition of "Revolving Credit Maturity Date" in its entirety to read as follows:

"Revolving Credit Maturity Date" shall mean the earlier of (i) May 12, 2026 and (ii) either (A) prior to the Term Loan Extension Date, thirty (30) days prior to the earliest stated final maturity date applicable to any First Lien Term Loan (and any Permitted Refinancing thereof) or (B) on and after the Term Loan Extension Date, one hundred eighty (180) days prior to the earliest stated final maturity date applicable to any First Lien Term Loan (other than Permitted Earlier Maturity First Lien Term Loans) (and any Permitted Refinancing thereof).

(iv) Section 1.01 of the Existing Credit Agreement is hereby amended by amending and restating the definition of "Term Loan Extension Date" in its entirety to read as follows:

"Term Loan Extension Date" means with respect to the First Lien Initial Term Loans, the date on which (x) the earliest stated final maturity date applicable to such First Lien Initial Term Loans (other than Permitted Earlier Maturity First Lien Term Loans) is extended to February 12, 2026 or later and/or (y) such First Lien Initial Term Loans (other than Permitted Earlier Maturity First Lien Term Loans) are refinanced with Indebtedness having an earliest stated final maturity date of February 12, 2026 or later; provided that the Term Loan Extension Date shall be deemed not to have occurred if it shall not have occurred on or prior to July 12, 2023 or if the foregoing clauses (x) and/or (y) are not applicable to all of the First Lien Initial Term Loans (other than Permitted Earlier Maturity First Lien Term Loans).

(v) Section 1.01 of the Existing Credit Agreement is hereby amended by adding the following new paragraph immediately prior to the final paragraph thereof.

"Notwithstanding the foregoing or anything to the contrary contained herein, (i) none of Holdings, any Borrower nor any of their respective Restricted Subsidiaries shall transfer any Material Intellectual Property to any Unrestricted Subsidiary outside of the ordinary course of business and (ii) at the time of designation as an Unrestricted Subsidiary, no Subsidiary so designated shall own any Material Intellectual Property."

(b) Section 2.19 of the Existing Credit Agreement is hereby amended by adding the following new clause (d) at the end thereof:

"(d) From and after April 12, 2023 until the First Lien Initial Term Loans are repaid in full, the Administrative Agent may establish in its Credit Judgement Borrowing Base Reserves in an amount equal to the difference (if positive) of (i) the aggregate

outstanding amount of First Lien Initial Term Loans, *less* (ii) cash and Cash Equivalents subject to a Blocked Account Agreement in favor of the Collateral Agent. If any Borrowing Base Reserve is being established pursuant to this clause (d), the Borrower Representative will report to the Administrative Agent by 12:00 noon on each Business Day the amount of cash and Cash Equivalents subject to a Blocked Account Agreement in favor of the Collateral Agent as of the beginning of such Business Day on an account by account basis; provided that to the extent the Borrower Representative has not provided such information to the Administrative Agent, the amount of cash and Cash Equivalents subject to a Blocked Account Agreement in favor of the Collateral Agent shall be deemed to be $0 for purposes of this clause (d) until such time as the Borrower Representative has provided such information to the Administrative Agent."

(c) Section 9.11 of the Existing Credit Agreement is hereby amended to replace the parenthetical "(including pursuant to a Permitted Acquisition)" with the following:

"(including pursuant to a Permitted Acquisition and upon the formation of any Subsidiary that is a Division Successor)"

(d) Section 10.1 of the Existing Credit Agreement is hereby amended by amending and restating the first parenthetical in clause (l)(i) thereof as follows:

"(in each case, other than Excluded Contributions, proceeds of Disqualified Stock or sales of Equity Interests to the Company or any of its Subsidiaries, proceeds of any Cure Amount or the proceeds of the 2022 Equity Contribution)"

(e) Section 10.5 of the Existing Credit Agreement is hereby amended as follows:

(i) Clauses (7), (9), (18) and (19) of Section 10.5(b) of the Existing Credit Agreement are hereby deleted and replaced with "[reserved];";

(ii) Clause (11) of Section 10.5(b) of the Existing Credit Agreement is hereby amended and restated in its entirety to read as follows:

"other Restricted Investments in an aggregate amount taken together with all other Restricted Investments made pursuant to this clause not to exceed the greater of (x) $15,000,000 and (y) 30% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time made, provided that the Payment Conditions have been satisfied with respect thereto;"

(iii) The last paragraph of Section 10.5 of the Existing Credit Agreement is hereby amended and restated in its entirety to read as follows:

"Notwithstanding anything to the contrary contained herein, until the First Lien Initial Term Loans are repaid in full, the Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly (x) make any Restricted Payment pursuant to clause (3) of Section 10.5(b), (y) make any Restricted Payment pursuant to clause (14) of Section 10.5(b) other than Restricted Investments or (z) make any voluntary principal payment on, or voluntarily

redeem, repurchase, defease or otherwise acquire or retire for value in each case, prior to any scheduled repayment, sinking fund payment or maturity, any First Lien Initial Term Loans (other than (i) payments of principal from proceeds of Refinancing Indebtedness in respect thereof or (ii) to the extent that at the time of such payment, redemption, repurchase, defeasance or other acquisition or retirement for value the Payment Conditions are satisfied)."

(f) Section 12.11 of the Existing Credit Agreement is hereby amended by adding the following language at the end of clause (a) thereof:

"provided that notwithstanding anything to the contrary contained in this Agreement or in any other Credit Document, in no event shall any Guarantor that is a Wholly-Owned Subsidiary as of the Closing Date or as of the date of joinder of such Wholly-Owned Subsidiary as a Guarantor cease to constitute a Guarantor under the Credit Documents solely as a result of such Guarantor ceasing to constitute a Wholly-Owned Subsidiary after the Closing Date (unless either (I) pursuant to a disposition or other asset sale (x) to a Person that is not an Affiliate of the Borrower, (y) for a bona fide business purpose (as determined in good faith by the Borrower) or on terms that are not less favorable to the Borrower than those that would have been obtained in a comparable arm's-length transaction with a Person that is not an Affiliate (as determined in good faith by the Borrower) or (z) in connection with which such Person ceases to constitute a Subsidiary or (II) such Person otherwise constitutes an Excluded Subsidiary other than as a result of clause (ii) of the definition of "Excluded Subsidiary" as such clause relates to non-Wholly-Owned Subsidiaries, the sole purpose of such transaction may not be to release such Guarantor from the Guarantees;"

(g) Section 13.1 of the Existing Credit Agreement is hereby amended by amending and restating clause (y) of the second proviso thereof as follows:

"(y) notwithstanding anything to the contrary in clause (x), (i) extend the final expiration date of any Lender's Commitment without the written consent of such Lender, (ii) increase the aggregate amount of the Commitments of any Lender without the written consent of such Lender or (iii) contractually subordinate the Obligations or the Liens securing the Obligations granted under the other Credit Documents, to any other Indebtedness for borrowed money or Lien to secured Indebtedness for borrowed money (other than any Term Priority Collateral) (including, without limitation, any Indebtedness for borrowed money or Lien to secured Indebtedness for borrowed money issued under this Agreement or any other agreement), as the case may be, of any Credit Party (the "Priming Indebtedness") with-out the written consent of each Lender directly and adversely affected thereby unless each directly and adversely affected Lender has been offered a bona fide opportunity to fund or otherwise provide its pro rata share (based on the amount of Obligations that are directly and adversely affected thereby held by each Lender) of such Indebtedness on the same terms (other than bona fide backstop fees and similar fees and reimbursement of counsel fees and other expenses in connection with the negotiation of the terms of such transaction) as offered to all other providers (or their Affiliates) of such Indebtedness (it being understood that this clause (iii) shall not (A) override the

permission for transactions otherwise permitted under this Agreement, (B) restrict an amendment to increase the maximum permitted amount of lndebtedness that is secured by Liens on all or a portion of the Collateral on a senior basis to the Liens securing the Obligations or (C) apply to the incurrence of debtor-in-possession financing (or similar financing arrangements in in-solvency proceedings in non-U.S. jurisdictions), in each case, solely in connection with an exchange of the Loans for such Priming Indebtedness or the repayment of such Loans with the proceeds of such Priming Indebtedness,"

(h) Section 13 of the Existing Credit Agreement is hereby amended by adding the following new Sections 13.26 and 13.27 at the end thereof:

"13.26 Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Credit Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Credit Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Credit Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of applicable Resolution Authority.

13.27 Acknowledgement Regarding Any Supported QFCs. To the extent that the Credit Documents provide support, through a guarantee or otherwise, for Hedge Agreements or any other agreement or instrument that is a QFC (such support, "QFC Credit Support" and each such QFC a "Supported QFC"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal

Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "U.S. Special Resolution Regimes") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Credit Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York or of the United States or any other state of the United States):

(c) In the event a Covered Entity that is party to a Supported QFC (each, a "**Covered Party")** becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Sup-ported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Credit Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Credit Documents were governed by the laws of the United States or a state of the United States.

(d) As used in this Section 13.27, the following terms have the fol-lowing meanings:

"BHC Act Affiliate" of a party means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

"Covered Entity" means any of the following:

(i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b)

(ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"QFC" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

SECTION 2. Conditions to Effectiveness. The effectiveness of this Agreement shall become effective on the first date (the ***"Amendment No. 6 Effective Date")*** when each of the applicable conditions set forth below have been satisfied (or waived) in accordance with the terms hereof:

(i) the Administrative Agent shall have received counterparts to this Agreement from the Borrower, the other Credit Parties and Lenders constituting all of the Lenders;

(ii) the representations and warranties set forth in Section 8 of the Credit Agreement shall be true and correct in all material respects on and as of the date of such effectiveness; provided that, to the extent that such representations and warranties specifically refer to an earlier date, they shall be true and correct in all material respects as of such earlier date;

(iii) no Event of Default shall have occurred and be continuing or shall result upon giving effect to the Amendment No. 6 Effective Date;

(iv) the Administrative Agent shall have received a certificate of a Responsible Officer of the Borrower certifying as to the matters set forth in clauses (ii) and (iii) of this Section 2; and

(v) the Administrative Agent shall have received a fully executed copy of Amendment No. 3 to the Term Loan Credit Agreement and the "Amendment No. 3 Effective Date" under and as defined therein shall have occurred.

SECTION 3. Expenses. Each of the Credit Parties hereby reconfirms its respective obligations pursuant to Section 13.5 of the Credit Agreement to pay all reasonable and documented out-of- pocket expenses incurred by the Administrative Agent in connection with this Agreement.

SECTION 4. Reaffirmation of the Credit Parties. Each Credit Party hereby consents to the amendment of the Existing Credit Agreement effected hereby and confirms and agrees that, notwithstanding the effectiveness of this Agreement, each Credit Document to which such Credit Party is a party is, and the obligations of such Credit Party contained in the Existing Credit Agreement, this Agreement or in any other Credit Document to which it is a party are, and shall continue to be, in foll force and effect and are hereby ratified and confirmed in all respects, in each case as amended by this Agreement. For greater certainty and without limiting the foregoing, each Credit Party hereby confirms that the existing security interests granted by such Credit Party in favor of the Secured Parties pursuant to the Credit Documents in the Collateral described therein shall continue to secure the obligations of the Credit Parties under the Credit Agreement and the other Credit Documents as and to the extent provided in the Credit Documents.

SECTION 5. Amendment, Modification and Waiver. This Agreement may not be amended, modified or waived except in accordance with Section 13.1 of the Credit Agreement.

SECTION 6. Entire Agreement. This Agreement, the Credit Agreement and the other Credit Documents constitute the entire agreement among the parties with respect to the subject matter hereof and thereof and supersede all other prior agreements and understandings, both written and verbal, among the parties or any of them with respect to the subject matter hereof Except as expressly set forth herein, this Agreement shall not by implication or otherwise limit, impair, constitute a waiver of; or otherwise affect the rights and remedies of any party under, the Existing Credit Agreement, nor alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement, all of which are ratified and affirmed in all respects and shall continue in foll force and effect. It 1s understood and agreed that each reference in each Credit Document

to the Credit Agreement, whether direct or indirect, shall hereafter be deemed to be a reference to the Existing Credit Agreement as amended hereby and that this Agreement is a Credit Document and a Joinder Agreement. This Agreement shall not constitute a novation of any amount owing under the Existing Credit Agreement and all amounts owing in respect of principal, interest, foes and other amounts pursuant to the Existing Credit Agreement and the other Credit Documents continue to be owing under the Credit Agreement or such other Credit Documents until paid in accordance therewith.

SECTION 7. **GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

SECTION 8. Severability. Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction. If any provision of this Agreement is so broad as to be unenforceable, the provision shall be interpreted to be only so broad as would be enforceable.

SECTION 9. Counterparts. This Agreement may be executed in counterparts (including by facsimile or other electronic transmission), each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement. The words "execution," "signed," "signature," and words of like import shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. For the avoidance of doubt, the foregoing also applies to any amendment, extension or renewal of this Agreement. Each of the parties represents and warrants to the other party/ies that it has the corporate capacity and authority to execute this Agreement through electronic means and there are no restrictions for doing so in that party's constitutive documents.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, each of the undersigned has caused its duly authorized officer to execute and deliver this Agreement as of the date first written above.

BDF ACQUISITION CORP., as Borrower and Borrower Representative

By: /s/ Jeremy Aguilar
Name: Jeremy Aguilar
Title: Chief Financial Officer

BDF INTERMEDIATE, LLC, as Holdings

By: /s/ Jeremy Aguilar
Name: Jeremy Aguilar
Title: Chief Financial Officer

BOB'S DISCOUNT FURNITURE, LLC, as a Guarantor

By: /s/ Jeremy Aguilar
Name: Jeremy Aguilar
Title: Chief Financial Officer

ROYAL BANK OF CANADA,
as Administrative Agent

By: /s/ Yvonne Brazier
Name: Yvonne Brazier
Title: Manager, Agency Services

ROYAL BANK OF CANADA,
as a Lender

By: /s/ Pierre Noriega
Name: Pierre Noriega
Title: Authorized Signatory

UBS AG, STAMFORD BRANCH,
as a Lender

By: /s/ Danielle Calo
Name: Danielle Calo
Title: Associate Director

By: /s/ Houssem Daly
Name: Houssem Daly
Title: Director

AMENDMENT NO. 7 TO REVOLVING CREDIT AGREEMENT

AMENDMENT NO. 7 TO REVOLVING CREDIT AGREEMENT, dated as of June 2, 2023 (this "***Agreement***"), by and among BDF ACQUISITION CORP., a Delaware corporation (the "C***ompany***" or the "***Borrower Representative***") and ROYAL BANK OF CANADA, as administrative agent (the "***Administrative Agent***").

RECITALS:

WHEREAS, reference is hereby made to the Revolving Credit Agreement, dated as of February 12, 2014 (as amended, restated, supplemented or otherwise modified from time to time immediately prior to the effectiveness of this Agreement, including pursuant to Amendment No. 1 to Revolving Credit Agreement, dated as of June 17, 2016, Amendment No. 2 to Revolving Credit Agreement, dated as of June 18, 2018 and Joinder Agreement and Amendment No. 3 to Revolving Credit Agreement, dated as of September 18, 2019 and Joinder Agreement, Amendment No. 4 to Revolving Credit Agreement, dated as of May 12, 2021, Amendment No. 5 to Revolving Credit Agreement, dated as of July 5, 2022 and Amendment No. 6 to Revolving Credit Agreement, dated as of August 24, 2022, the "***Existing Credit Agreement***" and, as amended by this Agreement, the "***Credit Agreement***"), among BDF Intermediate, LLC, a Delaware limited liability company, the Company, the Subsidiary Borrowers from time to time party thereto (together with the Company, collectively, the "***Borrowers***"), the lending institutions from time to time party thereto, the Administrative Agent and Royal Bank of Canada, as Collateral Agent and Letter of Credit Issuer (capitalized terms used but not defined herein having the meaning provided in the Credit Agreement);

WHEREAS, the Administrative Agent has determined that the supervisor for the administrator of the LIBOR Rate (as defined in the Existing Credit Agreement) or a Governmental Authority having jurisdiction over the Administrative Agent has made a public statement identifying a specific date after which the LIBOR Rate shall no longer be used for determining interest rates for loans;

WHEREAS, pursuant to the last paragraph of Section 2.10(a) of the Existing Credit Agreement, the Administrative Agent and the Borrower Representative, giving due consideration to the currently prevailing market convention for determining a rate of interest for syndicated loans in the United States, therefore elect to establish Term SOFR as the alternate rate of interest to the LIBOR Rate;

WHEREAS, the Administrative Agent and the Borrower Representative propose to amend the Existing Credit Agreement pursuant to Section 2.10(a) of the Existing Credit Agreement as set forth herein to establish Term SOFR as the alternate rate of interest and to make related changes to the Existing Credit Agreement; and

WHEREAS, this Agreement, effecting such amendment, shall become effective without any further action or consent of any other party to the Existing Credit Agreement so long as the Administrative Agent shall not have received, within five (5) Business Days of the date that notice of such alternate rate of interest is provided to the Lenders, a written notice from the Required Lenders stating that such Required Lenders object to this Agreement;

NOW, THEREFORE, in consideration of the premises and agreements, provisions and covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. Amendments to Credit Agreement. Each of the parties hereto agrees that, subject to the occurrence of the Amendment No. 7 Effective Date, the Existing Credit Agreement is hereby amended to (i) delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the pages attached as Exhibit A hereto.

SECTION 2. Amendment No. 7 Effective Date Conditions. This Agreement will become effective on the date (the "Amendment No. 7 Effective Date") that each of the following conditions shall have been satisfied (or waived):

(a) Executed Agreement. The Administrative Agent shall have received a counterpart of this Agreement signed on behalf of the Borrower Representative and (ii) the Administrative Agent.

(b) No Objection. The Administrative Agent shall not have received by 5:00 p.m., New York time, on June 2, 2023 a written notice from the Required Lenders stating that such Required Lenders object to the Agreement.

(c) Fees and Expenses. The Borrower Representative shall have paid, or caused to be paid, to the Administrative Agent all expenses due and payable on or prior to the Amendment No. 7 Effective Date, to the extent invoiced at least three (3) Business Days prior to the Amendment No. 7 Effective Date (or such shorter period reasonably agreed by the Borrower Representative).

SECTION 3. Representations and Warranties. By its execution of this Agreement, the Borrower Representative represents and warrants that:

(a) It is a duly organized and validly existing corporation in good standing under the laws of the state of Delaware. It has the corporate power and authority to execute, deliver and carry out the terms and provisions hereunder and under the Credit Agreement.

(b) It has duly executed and delivered this Agreement, and this Agreement constitutes the legal, valid and binding obligation of the Borrower Representative, enforceable in accordance with its terms, except as such enforceability may be limited by any bankruptcy, insolvency, moratorium or similar laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(c) At the time of and immediately after giving effect to the Amendment No. 7 Effective Date (a) no Default or Event of Default has occurred and is continuing and (b) all representations and warranties made by any Credit Party contained in the Credit Agreement are true and correct in all material respects with the same effect as though such representations and warranties had been made on and as of the Amendment No. 7 Effective Date (except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties are true and correct in all material respects as of such earlier date).

SECTION 4. Reaffirmation. The Borrower Representative, on behalf of each Credit Party, hereby consents to the amendment of the Existing Credit Agreement effected hereby and confirms and agrees that, notwithstanding the effectiveness of this Agreement, each Credit Document to which each Credit Party is a party is, and the obligations of each Credit Party contained in the Existing Credit

Agreement, this Agreement or in any other Credit Document to which it is a party are, and shall continue to be, in full force and effect and are hereby ratified and confirmed in all respects, in each case as amended by this Agreement. For greater certainty and without limiting the foregoing, the Borrower Representative, on behalf of each Credit Party, hereby confirms that the existing guarantees and/or security interests granted by each Credit Party in favor of any Agent for the benefit of the Secured Parties pursuant to the Credit Documents in the Collateral described therein shall continue to secure the obligations of the Credit Parties under the Credit Agreement and the other Credit Documents as and to the extent provided in the Credit Documents.

SECTION 5. Costs and Expenses. The Borrower Representative, on behalf of each Credit Party, hereby reconfirms its respective obligations pursuant to Section 13.5 of the Credit Agreement to pay all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent in connection with this Agreement.

SECTION 6. Amendment, Modification and Waiver. This Agreement may not be amended, modified or waived except in accordance with Section 13.1 of the Credit Agreement.

SECTION 7. Entire Agreement. This Agreement, the Credit Agreement and the other Credit Documents constitute the entire agreement among the parties with respect to the subject matter hereof and thereof and supersede all other prior agreements and understandings, both written and verbal, among the parties or any of them with respect to the subject matter hereof. Except as expressly set forth herein, this Agreement shall not by implication or otherwise limit, impair, constitute a waiver of, or otherwise affect the rights and remedies of any party under, the Existing Credit Agreement, nor alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement, all of which are ratified and affirmed in all respects and shall continue in full force and effect. It is understood and agreed that each reference in each Credit Document to the Credit Agreement, whether direct or indirect, shall hereafter be deemed to be a reference to the Existing Credit Agreement as amended hereby and that this Agreement is a Credit Document and a Joinder Agreement. This Agreement shall not constitute a novation of any amount owing under the Existing Credit Agreement and all amounts owing in respect of principal, interest, fees and other amounts pursuant to the Existing Credit Agreement and the other Credit Documents continue to be owing under the Credit Agreement or such other Credit Documents until paid in accordance therewith.

SECTION 8. GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

SECTION 9. Severability. Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction. If any provision of this Agreement is so broad as to be unenforceable, the provision shall be interpreted to be only so broad as would be enforceable.

SECTION 10. Counterparts. This Agreement may be executed in counterparts (including by facsimile or other electronic transmission), each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement. The words "execution," "signed," "signature," and words of like import shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent

and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. For the avoidance of doubt, the foregoing also applies to any amendment, extension or renewal of this Agreement. Each of the parties represents and warrants to the other party/ies that it has the corporate capacity and authority to execute this Agreement through electronic means and there are no restrictions for doing so in that party's constitutive documents.

SECTION 10. Existing LIBOR Loans. Notwithstanding anything to the contrary in the Existing Credit Agreement, the Credit Agreement or this Agreement, any LIBOR Loans (as defined in the Existing Credit Agreement) outstanding as of the Amendment No. 7 Effective Date shall continue to the end of the applicable Interest Period for such LIBOR Loan and the provisions of the Existing Credit Agreement applicable thereto shall continue and remain in effect (notwithstanding the election of the Administrative Agent and the Borrower Representative to effect this Amendment and the occurrence of the Amendment No. 7 Effective Date) until the end of the applicable Interest Period for such LIBOR Loans, after which such provisions shall have no further force or effect.

SECTION 11. Notice. To the extent that the Administrative Agent is required (pursuant to the Existing Credit Agreement or otherwise) to provide notice to the Borrower Representative, any Lender or any other party party to the Existing Credit Agreement of (i) the establishment of an alternate rate of interest to the LIBOR Rate or (ii) entry into this Agreement to reflect Term SOFR as such alternate rate of interest and to make other related changes to the Credit Agreement in connection with the adoption and implementation of Term SOFR or the use and administration thereof, delivery of a form of this Agreement shall constitute such notice, and such notice was provided on May 25, 2023.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, each of the undersigned has caused its duly authorized officer to execute and deliver this Agreement as of the date first written above.

BDF ACQUISITION CORP., as Borrower and
Borrower Representative

By: /s/ Jeremy Aguilar
Name: Jeremy Aguilar
Title: Chief Financial Officer

ROYAL BANK OF CANADA,
as Administrative Agent

By: /s/ Drake Guo
Name: Drake Guo
Title: Deal Manager

EXHIBIT A

Amended Revolving Credit Agreement

[see attached]

EXECUTION VERSION - Conformed through Amendment No. ~~6~~7, dated ~~August 24~~June 2, ~~2022~~2023

REVOLVING CREDIT AGREEMENT

dated as of February 12, 2014

among

BDF INTERMEDIATE, LLC,
as Holdings,

BDF ACQUISITION CORP.,
as a Borrower and as the Borrower Representative,

The Subsidiary Borrowers
from Time to Time Parties Hereto,

The Several Lenders
from Time to Time Parties Hereto,

ROYAL BANK OF CANADA,
as the Administrative Agent, the Collateral Agent and Letter of Credit Issuer,

RBC CAPITAL MARKETS[1] and
UBS SECURITIES LLC,
as Joint Lead Arrangers and Bookrunners,

and

UBS SECURITIES LLC,
as Syndication Agent

[1] RBC Capital Markets is a brand name for the capital markets activities of Royal Bank of Canada and its affiliates.

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CREDIT AGREEMENT

CREDIT AGREEMENT, dated as of February 12, 2014, among BDF INTERMEDIATE, LLC, a Delaware limited liability company ("**Holdings**"), BDF ACQUISITION CORP., a Delaware corporation (the "**Company**"), the Subsidiary Borrowers from time to time parties hereto, the lending institutions from time to time parties hereto (each a "**Lender**" and, collectively, the "**Lenders**"), ROYAL BANK OF CANADA, as the Administrative Agent and the Collateral Agent (such terms and each other capitalized term used but not defined in this preamble having the meaning provided in Section 1).

WHEREAS, pursuant to that certain Securities Purchase Agreement, dated as of December 23, 2013 (as amended, restated, supplemented, or otherwise modified from time to time in accordance with the terms thereof and including all annexes and schedules thereto, the "**Acquisition Agreement**"), among the sellers party thereto (the "**Seller**"), Bob's Discount Furniture Holdings I, LLC, a Delaware limited liability company ("**Bob's I**"), Bob's Discount Furniture Holdings II, LLC, a Delaware limited liability company ("**Bob's II**"), SK.M BDF Acquisition Corp., a Delaware corporation, KarpReilly, LLC, a Delaware limited liability company, as representative of the Seller and the Company (as successor to the obligations of BDF Holding Corp., a Delaware corporation, under the Acquisition Agreement), pursuant to which the Company will acquire, directly or indirectly, the equity interests of the Acquired Companies as described in the Acquisition Agreement;

WHEREAS, to fund, in part, the Acquisition, it is intended that the Sponsor and the other initial Investors will contribute an amount in cash to Holdings and/or a direct or indirect parent thereof in exchange for Capital Stock (such contribution, the "**Equity Investments**") together with the investment of equity rolled over or invested in connection with the Acquisition by the existing management and other existing shareholders, which shall be no less than 37.5% of the sum of (i) the aggregate gross proceeds of the First Lien Term Loans, the Second Lien Facility and the Revolving Credit Facility borrowed on the Closing Date (excluding (A) the effects of any exercise of the Flex Provisions (as defined in the Fee Letter) of the Fee Letter and (B) amounts drawn under the Revolving Credit Facility for working capital purposes, to fund Transaction Expenses or to replace, backstop or cash collateralize existing letters of credit), plus (ii) the amount of any existing Capitalized Lease Obligations outstanding on the Closing Date, plus (iii) the Equity Investments, minus (iv) the aggregate amount of cash on hand of Holdings and its Subsidiaries on the Closing Date (the "**Minimum Equity Amount**");

WHEREAS, to consummate the Acquisition, it is intended that the Borrowers will incur (i) First Lien Term Loans under a term loan facility established pursuant to the First Lien Term Loan Credit Documents (the "**First Lien Term Facility**") generating aggregate gross proceeds of $180,000,000 and (ii) Second Lien Loans under a term loan facility established pursuant to the Second Lien Credit Documents (the "**Second Lien Facility**") generating aggregate gross proceeds of $80,000,000;

WHEREAS, in connection with the foregoing, the Company has requested (a) that the Lenders extend credit in the form of Revolving Credit Loans made available to the Borrowers at any time and from time to time prior to the Revolving Credit Maturity Date in Dollars in an aggregate principal amount at any time outstanding not in excess of $40,000,000 (as such amount may be increased pursuant to Section 2.14) less the sum of (1) the aggregate Letters of Credit Outstanding at such time and (2) the aggregate principal amount of all Swingline Loans outstanding at such time, (b) the Letter of Credit Issuer to issue Letters of Credit at any time and from time to time prior to the L/C Facility Maturity Date, in an aggregate Stated Amount at any time outstanding not in excess of $10,000,000, and (c) the Swingline Lender to extend credit to the Borrowers in the form of Swingline Loans at any time and from time to time prior to the Swingline Maturity Date, in an aggregate principal amount at any time outstanding not in excess of $7,500,000;

WHEREAS, the proceeds of Revolving Credit Loans (to the extent permitted under Section 9.13) will be used, together with (i) the net proceeds of the Second Lien Facility, (ii) a portion of the net proceeds of the First Lien Term Facility, and (iii) the net proceeds of the Equity Investments on the Closing Date will be applied to fund the Acquisition and the Refinancing and to pay the Transaction Expenses; and

WHEREAS, the Lenders and Letter Credit issuer are willing to make available to the applicable Borrowers such revolving credit and letter of credit facilities upon the terms and subject to the conditions set forth herein;

NOW, THEREFORE, in consideration of the premises and the covenants and agreements contained herein, the parties hereto hereby agree as follows:

Section 1. Definitions

1.1 Defined Terms. As used herein, the following terms shall have the meanings specified in this Section 1.1 unless the context otherwise requires (it being understood that defined terms in this Agreement shall include in the singular number the plural and in the plural the singular):

"**2022 First Lien Extended Term Loans**" shall have the meaning provided to the term "Amendment No. 3 Extended Term Loans" in the First Lien Term Loan Agreement and any Permitted Refinancing thereof. As of the Amendment No. 6 Effective Date 2022 First Lien Extended Term Loans in an aggregate principal amount of $150,188,975.26 are outstanding with a stated final maturity date of February 12, 2026.

"**2022 Equity Contribution**" shall have the meaning provided to the term "Amendment No. 3 Equity Contribution" in the First Lien Term Loan Agreement.

"**ABL Priority Collateral**" shall mean the "ABL Priority Collateral" as defined in the ABL/Term Loan Intercreditor Agreement.

"**ABL/Term Loan Intercreditor Agreement**" shall mean an Intercreditor Agreement substantially in the form of Exhibit H (with such changes to such form as may be reasonably acceptable to the Administrative Agent and the Borrower Representative) among the Administrative Agent, the Collateral Agent, the First Lien Term Loan Administrative Agent, the First Lien Term Loan Collateral Agent, the Second Lien Administrative Agent, the Second Lien Collateral Agent and the representatives for purposes thereof for holders of one or more classes of Indebtedness.

"**ABR**" shall mean for any day a fluctuating rate per annum equal to the highest of (i) the Federal Funds Effective Rate *plus* 1/2 of 1%, (ii) the rate of interest in effect for such day as announced from time to time by the Administrative Agent as its "prime rate" at its principal office in New York City, and (iii) ~~the rate per annum determined in the manner set forth in clause (ii) of the definition of LIBOR Rate~~ Term SOFR for a one-month Interest Period *plus* 1%. Any change in the ABR due to a change in such rate announced by the Administrative Agent ~~or~~, in the Federal Funds Effective Rate or in Term SOFR shall take effect at the opening of business on the day specified in the announcement of such change.

"**ABR Loan**" shall mean each Loan bearing interest based on the ABR.

"**Accelerated Borrowing Base Delivery Period**" shall mean when any of the following have occurred and are continuing: (a) any Cash Dominion Period, (b) any period commencing on the date

Excess Availability was less than 20% of the Line Cap for five (5) consecutive Business Days' and ending on the date thereafter that Excess Availability on each day during any period of 30 consecutive calendar days shall be at least 20% of the Line Cap, (c) any period commencing on the day that any Specified Default occurs and is continuing for so long as such Specified Default has not been cured or waived, or (d) if any Overadvance Loans are outstanding.

"**Account(s)**" means "accounts" as defined in the UCC, and includes without limitation a right to payment of a monetary obligation, whether or not earned by performance, (a) for property that has been or is to be sold, leased, licensed, assigned, or otherwise disposed of, (b) for services rendered or to be rendered or (c) arising out of the use of a credit or charge card or information contained on or for use with the card. The term "Account" docs not include (a) rights to payment evidenced by chattel paper or an instrument, (b) commercial tort claims, (c) deposit accounts, (d) investment property, (e) letter-of-credit rights or letters of credit or (f) rights to payment for money or funds advanced other than rights arising out of the use of a credit or charge card or information contained on or for use with the card.

"**Account Debtor**" means a Person who is obligated under an Account, Chattel Paper or General Intangible.

"**ACH**" means automated clearing house transfers.

"**Acquired Company**" shall mean any "Acquired Company" under and as defined in the Acquisition Agreement, and "**Acquired Companies**" means the "Acquired Companies" under and as defined in the Acquisition Agreement.

"**Acquired Company Representations**" shall mean the representations and warranties made by an Acquired Company with respect to itself and its subsidiaries in the Acquisition Agreement as are material to the interests of the Lenders, but only to the extent that the Company (or one of the Company's Affiliates) has the right (taking into account any applicable cure provisions) to terminate its obligations under the Acquisition Agreement or decline to consummate the Acquisition as a result of a breach of such representations and warranties in the Acquisition Agreement.

"**Acquired EBITDA**" shall mean, with respect to any Acquired Entity or Business or any Converted Restricted Subsidiary (any of the foregoing, a "**Pro Forma Entity**") for any period, the amount for such period of Consolidated EBITDA of such Pro forma Entity (determined using such definitions as if references to the Company and the Restricted Subsidiaries therein were to such Pro Forma Entity and its Restricted Subsidiaries), all as determined on a consolidated basis for such Pro Forma Entity in accordance with GAAP.

"**Acquired Entity or Business**" shall have the meaning provided in the definition of the term Consolidated EBITDA.

"**Acquired Indebtedness**" shall mean, with respect to any specified Person, (i) Indebtedness of any other Person existing at the time such other Person is merged, consolidated, or amalgamated with or into or became a Restricted Subsidiary of such specified Person, including indebtedness incurred in connection with, or in contemplation of, such other Person merging, consolidating, or amalgamating with or into or becoming a Restricted Subsidiary of such specified Person, and (ii) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"**Acquisition**" shall mean the transactions contemplated by the Acquisition Agreement.

"**Acquisition Agreement**" shall have the meaning provided in the preamble to this Agreement.

"**Adjusted Term SOFR**" means, for purposes of any calculation, the rate per annum equal to (a) Term SOFR for such calculation plus (b) the Term SOFR Adjustment.

"**Adjusted Total Revolving Credit Commitment**" shall mean at any time the Total Revolving Credit Commitment less the aggregate Revolving Credit Commitments of all Defaulting Lenders.

"**Administrative Agent**" shall mean Royal Bank of Canada, as the administrative agent for the Lenders under this Agreement and the other Credit Documents, or any successor administrative agent pursuant to Section 12.9.

"**Administrative Agent's Office**" shall mean the Administrative Agent's address and, as appropriate, account as set forth on Schedule 13.2 or such other address or account as the Administrative Agent may from time to time notify the Borrower Representative and the Lenders.

"**Administrative Questionnaire**" shall have the meaning provided in Section 13.6(b)(ii)(D).

"**Affiliate**" shall mean, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with such Person. A Person shall be deemed to control another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise.

"**Agent Parties**" shall have the meaning provided in Section 13.17(b).

"**Agents**" shall mean the Administrative Agent, the Collateral Agent, the Syndication Agent and each Joint Lead Arranger and Bookrunner.

"**Agreement**" shall mean this Credit Agreement.

"**Agreement Currency**" shall have the meaning provided in Section 13.19.

"**AHYDO Payment**" means any mandatory prepayment pursuant to the terms of any Indebtedness that is intended or designed to cause such Indebtedness not to be treated as an "applicable high yield discount obligation" within the meaning of Code Section 163(i).

"**Amendment No. 1**" means Amendment No. 1 to this Agreement, dated as of June 17, 2016, among the Borrower, the other Credit Parties party thereto, the Administrative Agent and the Lenders party thereto.

"**Amendment No. 1 Effective Date**" has the meaning assigned to such term in Amendment No. 1.

"**Amendment No. 1 to First Lien Term Loan Agreement**" means that certain Amendment No. 1 to Credit Agreement, dated as of the Amendment No. 1 Effective Date, among Holdings, the Borrower, the other Credit Parties party thereto, the First Lien Administrative Agent and the lenders party thereto.

"**Amendment No. 2**" means Amendment No. 2 to this Agreement, dated as of June 18, 2018, among the Borrower, the other Credit Parties party thereto, the Administrative Agent and the Lenders party thereto.

"**Amendment No. 2 Effective Date**" has the meaning assigned to such term in Amendment No. 2.

"**Amendment No. 3**" means that certain Joinder Agreement and Amendment No. 3 to this Agreement, dated as of September 18, 2019, among the Borrower, the other Credit Parties party thereto, the Administrative Agent, the Lenders party thereto and the Incremental Revolving Loan Lenders party thereto.

"**Amendment No. 3 Effective Date**" has the meaning assigned to such term in Amendment No. 3.

"**Amendment No. 4**" means that certain Joinder Agreement and Amendment No. 4 to this Agreement, dated as of May 12, 2021, among the Borrower, the other Credit Parties party thereto, the Administrative Agent, the Lenders party thereto and the Incremental Revolving Loan Lenders party thereto.

"**Amendment No. 4 Effective Date**" has the meaning assigned to such term in Amendment No. **4**.

"**Amendment No. 5**" means that certain Amendment No. 5 to this Agreement, dated as of July 5, 2022, among the Borrower, the other Credit Parties party thereto, the Administrative Agent and the Lenders party thereto.

"**Amendment No. 5 Effective Date**" has the meaning assigned to such term in Amendment No. 5.

"**Amendment No. 6**" means that certain Amendment No. 6 to Revolving Credit Agreement, dated as of August 24, 2022, among the Borrower, the other Credit Parties party thereto, the Administrative Agent and the Lenders party thereto.

"**Amendment No. 6 Effective Date**" has the meaning assigned to such term in Amendment No. 6.

"**Amendment No. 7**" means that certain Amendment No. 7 to Revolving Credit Agreement, dated as of June 2, 2023, among the Borrower, the other Credit Parties party thereto and the Administrative Agent.

"**Amendment No. 7 Effective Date**" has the meaning assigned to such term in Amendment No. 7.

"**Applicable Margin**" shall mean a percentage per annum equal to:

(i) with respect to Tranche A Loans:

(A) until the first Adjustment Date, the percentages per annum set forth in Pricing Level II in the table below;

(B) on the first day of each fiscal quarter thereafter (each, an "**Adjustment Date**"), commencing with the fiscal quarter beginning on or about July 1, 2014, the Applicable Margin shall be determined from the pricing grid below based upon average daily Excess Availability for the most recently ended three month period immediately preceding such

Adjustment Date, as calculated by the Administrative Agent as of the last day of such three month period; provided that if any Borrowing Base Certificates are at any time restated or otherwise revised (including as a result of an audit) or if the information set forth in any Borrowing Base Certificate otherwise proves to be false or incorrect such that the Applicable Margin would have been higher than was otherwise in effect during any period, interest due under this Agreement shall be recalculated at such higher rate for any applicable periods and so long as an Event of Default described in Section 11.5 has not occurred with respect to any Borrower, such shortfall shall be due and payable within five Business Days following the written demand thereof by the Administrative Agent and no Default shall be deemed to have occurred as a result of such non-payment until the expiration of such five Business Day period.

Pricing Level	Average Excess Availability	ABR Rate Tranche A Loans	~~LIBOR Rate~~SOFR Tranche A Loans
I	Greater than 66% of the Line Cap	0.50%	1.50%
II	Greater than or equal to 33% of the Line Cap but less than or equal to 66% of the Line Cap	0.75%	1.75%
III	Less than 33% of the Line Cap	1.00%	2.00%

(ii) with respect to Tranche B Loans, 3.25% for ABR. Loans and 4.25% for ~~LIBOR~~SOFR Loans; and

(iii) with respect to Overadvance Loans, 4.00% for ABR Loans and 5.00% for ~~LIBOR~~SOFR Loans.

Notwithstanding the foregoing, the Applicable Margin in respect of any Class of Extended Revolving Credit Commitments or Revolving Credit Loans made pursuant to any Extended Revolving Credit Commitments shall be the applicable percentages per annum set forth in the relevant Extension Amendment.

"**Approved Fund**" shall mean any Fund that is administered or managed by (i) a Lender, (ii) an Affiliate of a Lender, or (iii) an entity or an Affiliate of an entity that administers, advises or manages a Lender.

"**Asset Sale**" shall mean:

(i) the sale, conveyance, transfer, or other disposition, whether in a single transaction or a series of related transactions, of property or assets (including by way of a Sale Leaseback) (each a "**disposition**") of the Company or any Restricted Subsidiary, or

(ii) the issuance or sale of Equity Interests of any Restricted Subsidiary (other than preferred stock of Restricted Subsidiaries issued in compliance with Section 10.1), whether in a single transaction or a series of related transactions, in each case, other than:

(a) any disposition of Cash Equivalents or Investment Grade Securities or obsolete, worn out or surplus property or property that is no longer economically practical in its business

or commercially desirable to maintain or used or useful equipment in the ordinary course of business or any disposition of inventory, immaterial assets, or goods (or other assets) in the ordinary course of business;

(b) [reserved];

(c) the incurrence of Liens that are permitted to be incurred pursuant to Section 10.2, sales, transfers and other dispositions permitted by Section 10.3 or the making of any Restricted Payment or Permitted Investment (other than pursuant to clause (i) of the definition thereof), that is permitted to be made, and is made, pursuant to Section 10.5;

(d) any disposition of assets or issuance or sale of Equity Interests of any Restricted Subsidiary in any transaction or series of transactions with an aggregate Fair Market Value of less than $2,500,000;

(e) any disposition of property or assets or issuance of securities by (1) a Restricted Subsidiary to the Company or (2) by the Company or a Restricted Subsidiary to another Restricted Subsidiary;

(f) to the extent allowable under Section 10.31 of the Code, or any comparable or successor provision, any exchange of like property (excluding any boot thereon) for use in a Similar Business;

(g) any disposition in connection with a Permitted Reorganization:

(h) any issuance, sale or pledge of Equity Interests in, or Indebtedness, or other securities of, an Unrestricted Subsidiary;

(i) foreclosures, condemnation, or any similar action on assets or casualty or insured damage to assets;

(j) [reserved];

(k) any financing transaction with respect to property built or acquired by the Company or any Restricted Subsidiary after the Closing Date, including Sale Leasebacks and asset securitizations permitted by this Agreement;

(l) the Company and any Restricted Subsidiary may (i) terminate or otherwise collapse its cost sharing agreements with the Company or any Subsidiary and settle any crossing payments in connection therewith, (ii) convert any intercompany indebtedness to Equity Interests, (iii) transfer any intercompany Indebtedness to the Company or any Restricted Subsidiary, (iv) settle, discount, write off, forgive or cancel any intercompany Indebtedness or other obligation owing by Company or any Restricted Subsidiary, (v) settle, discount, write off, forgive or cancel any Indebtedness owing by any present or former consultants, directors, officers or employees of any Parent Entity, Holdings, the Company or any Subsidiary or any of their successors or assigns or (vi) surrender or waive contractual rights and settle or waive contractual or litigation claims;

(m) the sale or discount of accounts receivable or notes receivable or the conversion of accounts receivable to notes receivable, in each case, in the ordinary course of business and relating only to accounts receivable which, if included in the Borrowing Base, the Credit Parties

receive not less than the amounts borrowed or available to be borrowed under the Borrowing Base;

(n) (i) the sale, licensing, sub-licensing or other disposition of Intellectual Property or other general intangibles in the ordinary course of business, (ii) the sale, licensing, sub-licensing or other disposition of Intellectual Property or other general intangibles pursuant to Intercompany License Agreements, (iii) the expiration of any patent or copyright in accordance with its statutory term;

(o) the unwinding of any Hedging Obligations or obligations in respect of Cash Management Services;

(p) sales, transfers, and other dispositions of Investments in joint ventures to the extent required by, or made pursuant to, customary buy/sell arrangements between the joint venture parties set forth in joint venture arrangements and similar binding arrangements;

(q) the lapse or abandonment of Intellectual Property rights in the ordinary course of business, which in the reasonable business judgment of the Borrower Representative are not material to the conduct of the business of the Company and the Restricted Subsidiaries taken as a whole;

(r) the issuance of directors' qualifying shares and shares issued to foreign nationals as required by applicable law;

(s) dispositions of property (other than ABL Priority Collateral) to the extent that (1) such property is exchanged for credit against the purchase price of similar replacement property that is promptly purchased or (2) the proceeds of such Asset Sale are promptly applied to the purchase price of such replacement property (which replacement property is actually promptly purchased);

(t) (i) leases, subleases, licenses, or sublicenses (and terminations thereof), in each case in the ordinary course of business and which do not materially interfere with the business of the Company and the Restricted Subsidiaries, taken as a whole and (ii) Intercompany License Agreements:

(u) dispositions of non-core assets acquired in connection with any Permitted Acquisition or Investment permitted hereunder;

(v) dispositions set forth on Schedule 1.1(a);

(w) any disposition of assets that do not constitute Collateral in any transaction or series of transactions with an aggregate Fair Market Value of less than $2,500,000;

(x) (i) bulk sales or other dispositions of Inventory of the Company or a Restricted Subsidiary not in the ordinary course of business in connection with Store closings, at arm's length so long as either (A) Excess Availability is greater than 50% of the Line Cap or (B) Borrower Representative has delivered to the Administrative Agent an updated Borrowing Base Certificate excluding such Inventory and (ii) sales or other dispositions by the Company or any Restricted Subsidiary of assets in connection with the closing or sale of a Store in the ordinary course of business of the Borrower and its Subsidiaries which consist of leasehold interests in the premises of such Store, the equipment and fixtures located at such premises and the books and

records relating directly to the operations of such Store; provided that as to each and all such sales and closings, each such sale shall be on commercially reasonable prices and terms in a bona fide arm's length transaction; provided, that in each case of clauses (i) and (ii), all Net Cash Proceeds received in connection therewith are applied to the Obligations it then required in accordance with Section 5.2; and

(y) licenses for the conduct of licensed departments within the Stores of the Company or any Restricted Subsidiary in the ordinary course of business.

"**Asset Sale Prepayment Event**" shall mean any Asset Sale of ABL Priority Collateral; provided, further, that with respect to any Asset Sale Prepayment Event, the Borrowers shall not be obligated to make any prepayment otherwise required by Section 5.2 unless and until the aggregate amount of Net Cash Proceeds from all such Asset Sale Prepayment Events, after giving effect to the reinvestment rights set forth herein, exceeds $1,000,000 (the "**Prepayment Trigger**") in any fiscal year of the Company, but then from all such Net Cash Proceeds (excluding amounts below the Prepayment Trigger).

"**Assignment and Acceptance**" shall mean an assignment and acceptance substantially in the form of Exhibit F, or such other form as may be approved by the Administrative Agent.

"**Authorized Officer**" shall mean, with respect to any Person, any individual holding the position of chairman of the board (if an officer), the Chief Executive Officer, President, the Chief Financial Officer, the Treasurer, the Controller, the Vice President-Finance, a Director, a Manager, or any other senior officer or agent with express authority to act on behalf of such Person designated as such by the board of directors or other managing authority of such Person.

"**Auto-Extension Letter of Credit**" shall have the meaning provided in Section 3.2(d).

"**Available Commitment**" shall mean an amount equal to the excess, if any, of (i) the amount of the Total Revolving Credit Commitment over (ii) the sum of the aggregate principal amount of (a) all Revolving Credit Loans (but not Swingline Loans) then outstanding and (b) the aggregate Letters of Credit Outstanding at such time.

"**Available Tenor**" means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an Interest Period pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to clause (d) of Section 2.20.

"**Bail-In Action**" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"**Bail-In Legislation**" means, (i) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (ii) with respect to the United Kingdom, Part 1 of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing

banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"**Bankruptcy Code**" shall have the meaning provided in Section 11.5.

"**Benchmark**" means, initially, Adjusted Term SOFR; provided that it a Benchmark Transition Event has occurred with respect to Adjusted Term SOFR. or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to clause (a) of Section 2.20.

"**Benchmark Replacement**" means, in the case off any Benchmark Transition Event, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

(1) Daily Simple SOFR: or

(2) the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower Representative giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for Dollar-denominated syndicated credit facilities and (b) the related Benchmark Replacement Adjustment;

If the Benchmark Replacement as determined pursuant to clause (1) or (2) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor tor the purposes of this Agreement and the other Credit Documents.

"**Benchmark Replacement Adjustment**" means, with respect to any replacement of the then- current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower Representative giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body and/or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated syndicated credit facilities at such time.

"**Benchmark Replacement Conforming Changes**" means, with respect to either the use or administration of Adjusted Term SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "ARR," the definition of "Business Day," the definition of "U.S. Government Securities Business Day", the definition of "Interest Period" or any similar or analogous definition (or the addition of a concept of "interest period"), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment conversion or continuation notices applicability and length of lookback periods, the applicability of breakage provisions, applicability of Section 2.20 and other technical administrative or operational matters) that the Administrative Agent and the Borrower Representative decide may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner

substantially consistent with market practice (or, if the Administrative Agent reasonably determines that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent and the Borrower Representative decide is reasonably necessary in connection with the administration of this Agreement and the other Credit Documents).

"**Benchmark Replacement Date**" means, with respect to any Benchmark, the earliest to occur of the following events with respect to the then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of "Benchmark Transition Event," later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(2) in the case of clause (3) of the definition of "Benchmark Transition Event." the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided, that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (3) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date;

For the avoidance of doubt, the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"**Benchmark Transition Event**" means the occurrence of one or more of the following events with respect to the then current Benchmark:

(1) a Public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, the Term SOFR Administrator, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), in each case, which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such

statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"**Benchmark Unavailability Period**" means, the period(if any) (x) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Credit Document in accordance with Section 2.20 and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Credit Document in accordance with Section 2.20.

"**Benefited Lender**" shall have the meaning provided in Section 13.8(a).

"**Blocked Account**" has the meaning provided in Section 9.9(c).

"**Blocked Account Agreement**" has the meaning provided in Section 9.9(c).

"**Blocked Account Banks**" means the banks with whom deposit accounts or securities accounts are maintained and with whom a Blocked Account Agreement has been, or is required to be, executed in accordance with the terms hereof.

"**Board**" shall mean the Board of Governors of the Federal Reserve System of the United States (or any successor).

"**Bob's I**" shall have the meaning provided in the preamble to this Agreement.

"**Bob's II**" shall have the meaning provided in the preamble to this Agreement.

"**Borrower**" or "**Borrowers**" shall mean, individually or collectively, the Company and/or any Subsidiary Borrower as the context requires.

"**Borrower Representative**" shall have the meaning provided in Section 2.18.

"**Borrowing**" shall mean (i) Loans of the same Tranche, Class and Type, made, converted, or continued on the same date and, in the case of ~~LIBOR~~Term SOFR Rate Loans, as to which a single Interest Period is in effect, (ii) a Swingline Loan or (iii) a Protective Advance.

"**Borrowing Base**" shall mean the sum of (i) Tranche A Borrowing Base, plus (ii) the Overadvance Borrowing Base, plus (iii) the Tranche B Borrowing Base. The Borrowing Base at any time shall be determined by reference to the most recent Borrowing Base Certificate delivered to the Administrative Agent pursuant to Section 9.1(h), as adjusted to give effect to Borrowing Base Reserves (in accordance with and subject to the limitations of Section 2.19) following such delivery. Notwithstanding the foregoing, for purposes of this definition and the definition of "Pro Forma Availability Condition", no Accounts or Inventory being acquired pursuant to a Permitted Acquisition or

permitted Investment or otherwise created, purchased, completed or owned by a business unit acquired pursuant to a Permitted Acquisition or permitted Investment will be included in the Borrowing Base unless (i) the Administrative Agent, in its Credit Judgment, confirms that such Accounts or Inventory conform to standards of eligibility as fixed and revised from time to time by the Administrative Agent pursuant to this Agreement, and (ii) to the extent required by the Administrative Agent, an audit of such Accounts and an appraisal of such Inventory is conducted and then only so long as such Accounts or Inventory, as the case may be, would otherwise satisfy the applicable eligibility criteria; provided, that until the earlier of (x) 90 days following the date on which a Permitted Acquisition or other permitted Investment is consummated (or such longer period as agreed to by the Administrative Agent in its discretion) and (y) the date on which the requirements of clauses (i) and (ii) above are satisfied with respect to Accounts and Inventory being acquired in such Permitted Acquisition or other permitted Investment, or otherwise created, purchased, completed or owned by a business unit acquired pursuant to such Permitted Acquisition or permitted Investment, an amount of such Accounts and Inventory that would otherwise constitute Eligible Credit Card Receivables or Eligible Inventory as shall be agreed upon between the Borrower Representative and the Administrative Agent in its discretion shall be included in the Borrowing Base (including, with respect to the definition of "Pro Forma Availability Condition" for purposes of computing aggregate Excess Availability on a Pro Forma Basis as provided therein).

"**Borrowing Base Certificate**" has the meaning provided in Section 9.1 (h).

"**Borrowing Base Reserve**" means the sum (without duplication of any other reserve or items that are otherwise addressed or excluded through eligibility criteria, and without duplication of any of the factors taken into account in determining "value") of (a) the Rent and Charges Reserve; (b) the Inventory Reserves (including, without limitation, reserves for Shrink); (c) the Cash Management Services Reserve; (d) the Secured Hedge Reserve; (c) the aggregate amount of liabilities secured by Liens on Collateral included in the Borrowing Base, which Liens are senior in priority to Collateral Agent's Liens; and (c) such additional reserves, in such amounts and with respect to such matters, as the Administrative Agent in its Credit Judgment may elect to establish from time to time (including, without limitation, reserves relating to gift cards, customer deposits, freight/duty charges and in-transit inventory errors).

"**Borrowing Subsidiary Agreement**" shall mean a Borrowing Subsidiary Agreement substantially in the form of Exhibit M.

"**Business Day**"' shall mean any day excluding Saturday, Sunday, and any other day on which banking institutions in New York City are authorized by law or other governmental actions to close~~, and, if such day relates to any interest rate setting as to a LIBOR Loan, any fundings, disbursements, settlements, and payments in respect of any such LIBOR~~; provided that, when used in connection with a SOFR Loan, or any other ~~dealings to be carried out pursuant to this Agreement in respect of any such LIBOR Loan, such day shall be a day on which dealings in deposits in Dollars are conducted by and between banks in the applicable London interbank market~~ calculation or determination involving SOFR, the term "Business Day" means any day that is only a U.S. Government Securities Business Day.

"**Canadian Dollars**" shall mean the lawful currency of Canada.

"**Capital Expenditures**" shall mean, for any period, the aggregate of all expenditures (whether paid in cash or accrued as liabilities and including in all events all amounts expended or capitalized under Capital Leases) by the Company and the Restricted Subsidiaries during such period that, in conformity with GAAP, are or are required to be included as additions during such period to property, plant, or equipment reflected in the consolidated balance sheet of the Company and the Restricted Subsidiaries

(including capitalized software expenditures, customer acquisition costs and incentive payments, conversion costs, and contract acquisition costs).

"**Capital Lease**" shall mean, as applied to any Person, any lease of any property (whether real, personal, or mixed) by that Person as lessee that, in conformity with GAAP, is, or is required to be, accounted for as a capital lease on the balance sheet of that Person; provided that all leases of any Person that are or would be characterized as operating leases in accordance with GAAP immediately prior to the Closing Date (whether or not such operating leases were in effect on such date) shall continue to be accounted for as operating leases (and not as Capital Leases) for purposes of this Agreement regardless of any change in GAAP following the date that would otherwise require such leases to be recharacterized as Capital Leases.

"**Capital Stock**" shall mean (i) in the case of a corporation, corporate stock, (ii) in the case of an association or business entity, any and all shares, interests, participations, rights, or other equivalents (however designated) of corporate stock, (iii) in the case of a partnership or limited liability company, partnership or membership 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 (it being understood and agreed, for the avoidance of doubt, that "cash-settled phantom appreciation programs" in connection with employee benefits that do not require a dividend or distribution shall not constitute Capital Stock).

"**Capitalized Lease Obligation**" shall mean, at the time any determination thereof is to be made, the amount of the liability in respect of a Capital Lease that would at such time be required to be capitalized and reflected as a liability on a balance sheet (excluding the footnotes thereto) prepared in accordance with GAAP; provided that all obligations of any Person that are or would be characterized as operating lease obligations in accordance with GAAP immediately prior to the Closing Date (whether or not such operating lease obligations were in effect on such date) shall continue to be accounted for as operating lease obligations (and not as Capitalized Lease Obligations) for purposes of this Agreement regardless of any change in GAAP following the date that would otherwise require such obligations to be recharacterized as Capitalized Lease Obligations.

"**Cash Collateralize**" shall mean to pledge and deposit with or deliver to the Administrative Agent, for the benefit of one or more of the Letter of Credit issuer or the Lenders, as collateral for L/C Obligations or obligations of the Lenders to fund participations in respect of L/C Obligations, cash or deposit account balances or, if the Administrative Agent and the Letter of Credit Issuer shall agree in their sole discretion, other credit support. "**Cash Collateral**" shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

"**Cash Dominion Period**" means any period (a) commencing on the day that any Cash Dominion Trigger Default occurs and is continuing for so long as such Cash Dominion Trigger Default has not been cured or waived; or (b) commencing on a day in respect of which, Excess Availability for the previous five (5) consecutive Business Days was less than the greater of (i) 10.0% of the Line Cap and (ii) $10,000,000 and continuing until the first day thereafter to occur in respect of which Excess Availability for the previous thirty (30) consecutive days has been at least the greater of (i) 10.0% of the Line Cap and (ii) $10,000,000.

"**Cash Dominion Trigger Default**" means the occurrence of any Event of Default specified in Section 11.1, Section 11.2 (solely as it relates to a material inaccuracy of any representation contained in any Borrowing Base Certificate, Section 11.3(a) (solely as it relates to the Borrowers' failure to comply

with the covenants set forth in Section 9.9 and Section 10.11), Section 11.3(b), Section 11.4(a)(i) or (b) and Section 11.5.

"**Cash Equivalents**" shall mean:

(i) Dollars,

(ii) (a) Euro, Pounds Sterling, Canadian Dollars, or any national currency of any Participating Member State in the European Union or (b) local currencies held from time to time in the ordinary course of business,

(iii) securities issued or directly and fully and unconditionally guaranteed or insured by the United States government or any country that is a member state of the European Union or any agency or instrumentality thereof the securities of which are unconditionally guaranteed as a full faith and credit obligation of such government with maturities of 24 months or less from the date of acquisition,

(iv) certificates of deposit, time deposits, and eurodollar time deposits with maturities of one year or less from the date of acquisition, bankers' acceptances with maturities not exceeding one year, and overnight bank deposits, in each case with any commercial bank having capital and surplus of not less than $250,000,000 in the case of U.S. banks and $100,000,000 in the case of foreign banks,

(v) repurchase obligations for underlying securities of the types described in clauses (iii), (iv), and (ix) entered into with any financial institution meeting the qualifications specified in clause (iv) above,

(vi) commercial paper rated at least P-2 by Moody's or at least A-2 by S&P and in each case maturing within 24 months after the date of creation thereof,

(vii) marketable short-term money market and similar securities having a rating of at least P-2 or A-2 from either Moody's or S&P, respectively (or, if at any time neither Moody's nor S&P shall be rating such obligations, an equivalent rating from another nationally recognized ratings agency) and in each case maturing within 24 months after the date of creation or acquisition thereof,

(viii) readily marketable direct obligations issued by any state, commonwealth, or territory of the United States or any political subdivision or taxing authority thereof having one of the two highest rating categories obtainable from either Moody's or S&P with maturities of 24 months or less from the date of acquisition,

(ix) Indebtedness or preferred stock issued by Persons with a rating of "A" or higher from S&P or "A2" or higher from Moody's with maturities of 24 months or less from the date of acquisition,

(x) solely with respect to any Foreign Subsidiary: (a) obligations of the national government of the country in which such Foreign Subsidiary maintains its chief executive office and principal place of business provided such country is a member of the Organization for Economic Cooperation and Development, in each case maturing within one year after the date of investment therein, (b) certificates of deposit of, bankers acceptances of, or time deposits with, any commercial bank which is organized and existing under the laws of the country in which

such Foreign Subsidiary maintains its chief executive office and principal place of business provided such country is a member of the Organization for Economic Cooperation and Development, and whose short-term commercial paper rating from S&P is at least "A-2" or the equivalent thereof or from Moody's is at least "P-2" or the equivalent thereof (any such bank being an "**Approved Foreign Bank**"), and in each case with maturities of not more than 24 months from the date of acquisition, and (c) the equivalent of demand deposit accounts which are maintained with an Approved Foreign Bank, in each case, customarily used by corporations for cash management purposes in any jurisdiction outside the United States to the extent reasonably required in connection with any business conducted by such Foreign Subsidiary organized in such jurisdiction,

(xi) in the case of investments by any Foreign Subsidiary or investments made in a country outside the United States, Cash Equivalents shall also include investments of the type and maturity described in clauses (i) through (ix) above of foreign obligors, which investments have ratings, described in such clauses or equivalent ratings from comparable foreign rating agencies, and

(xii) investment funds investing 90% of their assets in securities of the types described in clauses (i) through (ix) above.

Notwithstanding the foregoing, Cash Equivalents shall include amounts denominated in currencies other than those set forth in clauses (i) and (ii) above; provided that such amounts are converted into any currency listed in clauses (i) and (ii) as promptly as practicable and in any event within ten Business Days following the receipt of such amounts.

"**Cash Management Agreement**" shall mean any agreement or arrangement to provide Cash Management Services.

"**Cash Management Bank**" shall mean (i) any Person that, at the time it enters into a Cash Management Agreement, is an Agent or a Lender or an Affiliate of an Agent or a Lender or (ii) with respect to any Cash Management Agreement entered into prior to the Closing Date, any Person that is a Lender or an Affiliate of a Lender on the Closing Date.

"**Cash Management Services Reserve**" means the aggregate amount of reserves established by the Administrative Agent from time to time during the continuance of a Cash Dominion Period in respect of Secured Cash Management Obligations, including reserves which the Administrative Agent shall establish in the amounts set forth in written notices from any Cash Management Bank party to a Secured Cash Management Agreement. The amount of any Cash Management Services Reserve established by the Administrative Agent (x) shall have a reasonable relationship to the Secured Cash Management Obligation that is the basis for such Reserve as determined by the Administrative Agent in its Credit Judgment as being appropriate to reflect the reasonably anticipated liabilities and obligations of the Credit Parties with respect to Cash Management Services then provided or outstanding and (y) shall not be duplicative of other Borrowing Base Reserves then in effect.

"**Cash Management Services**" shall mean any one or more of the following types of services or facilities (i) commercial credit cards, merchant card services, purchase or debit cards, including non-card c-payables services, or electronic funds transfer services, (ii) treasury management services (including controlled disbursement, overdraft automatic clearing house fund transfer services, return items, and interstate depository network services) and (iii) any other demand deposit or operating account

relationships or other cash management services, including pursuant to any Cash Management Agreements.

"**Cash Receipts**" shall have the meaning provided in Section 2. 18(d).

"**CFC**" shall mean a Subsidiary of the Company that is a "controlled foreign corporation" within the meaning of Section 957 of the Code.

"**CFC Holding Company**" shall mean a Domestic Subsidiary of the Company that has no material assets other than the equity or debt of one or more Foreign Subsidiaries that are CFCs.

"**Change in Law**" shall mean (i) the adoption of any law, treaty, order, policy, rule, or regulation after the Closing Date, (ii) any change in any law, treaty, order, policy, rule, or regulation or in the interpretation or application thereof by any Governmental Authority after the Closing Date or (iii) compliance by any Lender with any guideline, request, directive, or order issued or made after the Closing Date by any central bank or other governmental or quasi-governmental authority (whether or not having the force of law). For purposes of this definition, (a) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, regulations, guidelines, or directives thereunder or issued in connection therewith and (b) all requests, rules, guidelines, requirements, or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority), or the United States or foreign regulatory authorities pursuant to Basel III, shall in each case described in clauses (a) and (b) above be deemed to be a Change in Law and have gone into effect after the date hereof, regardless of the date enacted, adopted, issued, or implemented.

"**Change of Control**" shall mean and be deemed to have occurred if (i) the Permitted Holders shall at any time not own, in the aggregate, directly or indirectly, beneficially and of record, at least 35% of the voting power of the outstanding Voting Stock of the Company; (ii) any Person, entity, or "group" (within the meaning of Section 13(d) or 14(d) of the Securities Exchange Act of 1934, as amended), other than the Permitted Holders, shall at any time have acquired direct or indirect beneficial ownership of a percentage of the voting power of the outstanding Voting Stock of the Company that exceeds 35% thereof, unless, in case of clause (i) or clause (ii) above, the Permitted Holders have, at such time, the right or the ability by voting power, contract, or otherwise to elect or designate for election at least a majority of the board of directors of the Company; (iii) at any time, a Change of Control (as defined in the First Lien Term Loan Agreement or the Second Lien Credit Agreement) shall have occurred; or (iv) at any time prior to a Qualifying IPO of the Company, Holdings shall cease to beneficially own, directly or indirectly, 100% of the issued and outstanding equity interests of the Company.

"**Class**" (i) when used in reference to any Loan or Borrowing, shall refer to whether such Loan, or the Loans comprising such Borrowing, are Revolving Credit Loans, Incremental Revolving Credit Loans, Extended Revolving Credit Loans (of the same Extension Series), or Swingline Loans and (ii) when used in reference to any Commitment, refers to whether such Commitment is a Revolving Credit Commitment, an incremental Revolving Credit Commitment or an Extended Revolving Credit Commitment (of the same Extension Series).

"**Closing Date**" shall mean February 12, 2014.

"**Code**" shall mean the Internal Revenue Code of 1986.

"**Collateral**" shall mean all property pledged or mortgaged or purported to be pledged or mortgaged pursuant to the Security Documents, excluding in all events Excluded Property.

"**Collateral Agent**" shall mean Royal Bank of Canada, as collateral agent under the Security Documents, or any successor collateral agent pursuant to Section 12.9; any Affiliate or designee of Royal Bank of Canada may act as the Collateral Agent under any Credit Document.

"**Commitment Fee**" shall have the meaning provided in Section 4.1(a).

"**Commitment Fee Rate**" shall mean a rate per annum equal to 0.375%; provided that the rate per annum applicable to the unused portion of the Overadvance Borrowing Base (if any) shall be 0.750% per annum.

"**Commitments**" shall mean, with respect to each Lender (to the extent applicable), such Lender's Initial Revolving Credit Commitment, Incremental Revolving Credit Commitment or Extended Revolving Credit Commitment.

"**Commodity Exchange Act**" shall mean the Commodity Exchange Act (7 U.S.C. § 1 ct seq.), as amended from time to time, and any successor statute.

"**Communications**" shall have the meaning provided in Section 13. 17(a).

"**Company**" shall have the meaning provided in the preamble to this Agreement.

"**Company Material Adverse Effect**" shall have the meaning provided to the term "Material Adverse Effect" in the Acquisition Agreement.

"**Compliance Certificate**" shall mean a certificate of a Financial Officer of the Borrower Representative delivered pursuant to Section 9.1(d) for the applicable Test Period.

"**Concentration Account**" shall have the meaning provided in Section 9.9(d).

"**Confidential Information**" shall have the meaning provided in Section 13.16.

"**Confidential Information Memorandum**" shall mean the Confidential Information Memorandum of the Company dated January 2014.

"**Consolidated Depreciation and Amortization Expense**" shall mean with respect to any Person for any period, the total amount of depreciation and amortization expense, including the amortization of deferred financing fees or costs, debt issuance costs, commissions, fees, and expenses, capitalized expenditures, customer acquisition costs, the amortization of original issue discount resulting from the issuance of Indebtedness at less than par and incentive payments, conversion costs, and contract acquisition costs of such Person and its Restricted Subsidiaries for such period on a consolidated basis and otherwise determined in accordance with GAAP.

"**Consolidated EBITDA**" shall mean, with respect to any Person for any period, the Consolidated Net Income of such Person for such period:

(i) increased (without duplication) by:

(a) provision for taxes based on income or profits or capital, including, without limitation, U.S. federal, state, non-U.S., franchise, excise, value added, and similar taxes and

foreign withholding taxes of such Person paid or accrued during such period deducted, including any penalties and interest related to such taxes or arising from any tax examinations (and not added back) in computing Consolidated Net Income, *plus*

(b) Fixed Charges of such Person for such period (including (1) net losses on Hedging Obligations or other derivative instruments entered into for the purpose of hedging interest rate risk and (2) costs of surety bonds in connection with financing activities, in each case, to the extent included in Fixed Charges), together with items excluded from the definition of Consolidated Interest Expense and any non-cash interest expense, to the extent the same were deducted (and not added back) in calculating such Consolidated Net Income, *plus*

(c) Consolidated Depreciation and Amortization Expense of such Person for such period to the extent the same were deducted in computing Consolidated Net Income, *plus*

(d) any expenses, fees, charges, or losses (other than depreciation or amortization expense) related to any Equity Offering, Permitted Investment, Restricted Payment, acquisition, disposition, recapitalization, or the incurrence of Indebtedness permitted to be incurred by this Agreement (including a refinancing thereof) (whether or not successful and including any such transaction consummated prior to the Closing Date), including (1) such fees, expenses, or charges related to the incurrence of the Second Lien Loans, the First Lien Term Loans and the Loans hereunder and all Transaction Expenses, (2) such fees, expenses, or charges related to the offering of the Credit Documents and any other credit facilities, and (3) any amendment or other modification of the Second Lien Facility, the First Lien Term Facility, the Loans hereunder or thereunder, or other Indebtedness, and, in each case, deducted (and not added back) in computing Consolidated Net Income, *plus*

(e) any other non-cash charges, expenses or losses, including any non-cash expense relating to the vesting of warrants and any write offs, write downs, expenses, losses, or items to the extent the same were deducted (and not added back) in computing Consolidated Net Income (provided that if any such non-cash charges represent an accrual or reserve for potential cash items in any future period, the cash payment in respect thereof in such future period shall be deducted from Consolidated EBITDA to such extent, and excluding amortization of a prepaid cash item that was paid in a prior period), *plus*

(f) the amount of any minority interest expense consisting of Subsidiary income attributable to minority equity interests of third parties in any non-Wholly Owned Subsidiary deducted (and not added back) in such period in calculating Consolidated Net Income, *plus*

(g) the amount of management, monitoring, consulting, and advisory fees (including termination fees) and related indemnities and expenses paid or accrued in such period to the Initial Investors or any of their respective Affiliates, *plus*

(h) costs of surety bonds incurred in such period m connection with financing activities, *plus*

(i) the amount of "run-rate" cost savings, operating expense reductions, and synergies that are projected by the Borrower Representative in good faith to result from actions either taken or expected to be taken within 18 months of the determination to take such action, net of the amount of actual benefits realized prior to or during such period from such actions (which cost savings, operating expense reductions, and synergies shall be calculated on a Pro Forma Basis as though such cost savings, operating expense reductions, or synergies had been

realized on the first day of such period); provided that an Authorized Officer of the Borrower Representative shall have certified to the Administrative Agent that such cost savings are reasonably identifiable and factually supportable; provided further that amounts added back to Consolidated EBITDA pursuant to this clause (i)(i), when taken together with amounts described in clause (b) of proviso to the definition of "Pro Forma Adjustment" and clause (xvi) of the definition of "Consolidated Net income" shall not exceed 25% of Consolidated EBITDA for any Test Period, *plus*

(i) [reserved], *plus*

(k) any costs or expense incurred by the Company or a Restricted Subsidiary pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement or any stock subscription or shareholder agreement, to the extent that such cost or expenses are funded with cash proceeds contributed to the capital of the Company or net cash proceeds of an issuance of Equity Interests of the Company (other than Disqualified Stock) solely to the extent that such net cash proceeds are excluded from the calculation set forth in clause (iii) of Section 10.5(a) and have not been relied on for purposes of any incurrence of Indebtedness pursuant to clause (1)(i) of Section 10.1, *plus*

(l) the amount of expenses relating to payments made to option holders of any direct or indirect parent company of the Company or any of its direct or indirect parent companies in connection with, or as a result of, any distribution being made to shareholders of such Person or its direct or indirect parent companies, which payments are being made to compensate such option holders as though they were shareholders at the time of, and entitled to share in, such distribution, in each case to the extent permitted under this Agreement, *plus*

(m) with respect to any joint venture that is not a Restricted Subsidiary, an amount equal to the proportion of those items described in clauses (a) and (c) above relating to such joint venture corresponding to the Company's and the Restricted Subsidiaries' proportionate share of such joint venture's Consolidated Net Income (determined as if such joint venture were a Restricted Subsidiary), *plus*

(n) costs associated with, or in anticipation of, or preparation for, compliance with the requirements of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith or other enhanced accounting functions and Public Company Costs, *plus*

(o) cash receipts (or any netting arrangements resulting in reduced cash expenses) not included in Consolidated EBITDA in any period solely to the extent that the corresponding non-cash gains relating to such receipts were deducted in the calculation of Consolidated EBITDA pursuant to paragraph (2) below for any previous period and not added back, *plus*

(p) to the extent not already included in the Consolidated Net Income, (1) any expenses and charges that are reimbursed by indemnification or other similar provisions in connection with any investment or any sale, conveyance, transfer, or other Asset Sale of assets permitted hereunder and (2) to the extent covered by insurance and actually reimbursed, or, so long as the Borrower Representative has made a determination that there exists reasonable evidence that such amount will in fact be reimbursed by the insurer and only to the extent that such amount is (A) not denied by the applicable carrier in writing within 180 days and (B) in fact reimbursed within 365 days of the date of such evidence (with a deduction for any amount so

added back to the extent not so reimbursed within such 365 days), expenses with respect to liability or casualty events or business interruption, *plus*

(q) [reserved], *plus*

(r) charges, expenses, and other items described in the Confidential Information Memorandum or the Sponsor Model, *plus*

(s) costs related to implementation of operational and reporting systems and technology initiatives, *plus*

(t) any non-cash increase in expenses resulting from the revaluation of inventory (including any impact of changes to inventory valuation policy methods including changes in capitalization of variances) or other inventory adjustments, *plus*

(u) letter of credit fees

(ii) decreased by (without duplication):

(a) non-cash gains increasing Consolidated Net income of such Person for such period, excluding any non-cash gains which represent the reversal of any accrual of, or cash reserve for, anticipated cash charges that reduced Consolidated EBITDA in any prior period; provided that, to the extent non cash gains are deducted pursuant to this clause (ii)(a) tor any previous period and not otherwise added back to Consolidated EBITDA, Consolidated EBITDA shall be increased by the amount of any cash receipts (or any netting arrangements resulting in reduced cash expenses) in respect of such non cash gains received in subsequent periods to the extent not already included therein,

(iii) increased or decreased by (without duplication):

(a) any net gain or loss resulting in such period from currency gains or losses related to Indebtedness, intercompany balances, and other balance sheet items, plus or minus, as the case may be, and

(b) any net gain or loss resulting in such period from Hedging Obligations, and the application of Financial Accounting Standards Codification No. 815—Derivatives and Hedging (ASC 815) (formerly Financing Accounting Standards Board Statement No. 133), and its related pronouncements and interpretations, or the equivalent accounting standard under GAAP or an alternative basis of accounting applied in lieu of GAAP.

For the avoidance of doubt:

(i) to the extent included in Consolidated Net Income, there shall be excluded in determining Consolidated EBITDA for any period any adjustments resulting from the application of ASC 815 and its related pronouncements and interpretations, or the equivalent accounting standard under GAAP or an alternative basis of accounting applied in lieu of GAAP,

(ii) there shall be included in determining Consolidated EBITDA for any period, without duplication, (1) the Acquired EBITDA of any Person or business, or attributable to any property or asset acquired by the Company or any Restricted Subsidiary during such period (but not the Acquired EBITDA of any related Person or business or any Acquired EBITDA attributable to any assets or property, in each case to the extent not so acquired) to the extent not subsequently sold, transferred,

abandoned, or otherwise disposed by the Company or such Restricted Subsidiary (each such Person, business, property, or asset acquired and not subsequently so disposed of, an "**Acquired Entity or Business**") and the Acquired EBITDA of any Unrestricted Subsidiary that is converted into a Restricted Subsidiary during such period (each, a "**Converted Restricted Subsidiary**"), based on the actual Acquired EBITDA of such Acquired Entity or Business or Converted Restricted Subsidiary for such period (including the portion thereof occurring prior to such acquisition or conversion) and (2) an adjustment in respect of each Acquired Entity or Business equal to the amount of the Pro Forma Adjustment with respect to such Acquired Entity or Business for such period (including the portion thereof occurring prior to such acquisition); and

(iii) to the extent included in Consolidated Net Income, there shall be excluded in determining Consolidated EBITDA for any period the Disposed EBITDA of any Person, property, business, or asset sold, transferred, abandoned, or otherwise disposed of; closed or classified as discontinued operations by the Company or any Restricted Subsidiary during such period (each such Person, property, business, or asset so sold or disposed of, a "**Sold Entity or Business**"), and the Disposed EBITDA of any Restricted Subsidiary that is converted into an Unrestricted Subsidiary during such period (each, a "**Converted Unrestricted Subsidiary**") based on the actual Disposed EBITDA of such Sold Entity or Business or Converted Unrestricted Subsidiary for such period (including the portion thereof occurring prior to such sale, transfer, or disposition or conversion); provided that for the avoidance of doubt, notwithstanding any classification under GAAP of any Person or business in respect of which a definitive agreement for the disposition thereof has been entered into as discontinued operations, the Disposed EBITDA of such Person or business shall not be excluded pursuant to this paragraph until such disposition shall have been consummated.

Notwithstanding the foregoing, for purposes of determining Consolidated EBITDA for any four-fiscal quarter period that includes any of the fiscal quarters ending March 31, 2013, June 30, 2013, September 30, 2013 or December 31, 2013, Consolidated EBITDA for such fiscal quarters shall equal $16,362,681, $11,559,929, $11,333,843 and $12,575,274, respectively (which amounts, for the avoidance of doubt shall be subject to addbacks and adjustments pursuant to clause (i) above and shall give effect to calculations on a Pro Forma Basis in accordance with this Agreement in respect of Specified Transactions (including the cost savings and "run rate" adjustments described above or in the definition of "Consolidated Net Income" subject in each case to the applicable limitations set forth therein and that in each case may become applicable due to actions taken on or after the Closing Date)

"**Consolidated first Lien Secured Debt**" shall mean Consolidated Total Debt as of such date that is not Subordinated Indebtedness and is secured by a Lien on the Collateral on an equal priority basis (but without regard to the control of remedies) with liens on the Collateral securing the Obligations and the First Lien Obligations.

"**Consolidated First Lien Secured Debt to Consolidated EBITDA Ratio**" shall mean, as of any date of determination, the ratio of (i) Consolidated First Lien Secured Debt as of such date of determination, *minus* cash and Cash Equivalents (in each case, free and clear of all Liens other than Permitted Liens) of the Company and the Restricted Subsidiaries (other than the proceeds of any indebtedness being incurred and giving rise to the need to calculate the Consolidated First Lien Secured Debt to Consolidated EBITDA Ratio) to (ii) Consolidated EBITDA of the Company for the Test Period then last ended, in each case with such pro forma adjustments to Consolidated First Lien Secured Debt and Consolidated EBITDA as are appropriate and consistent with the pro forma adjustment provisions set forth in the definition of interest Coverage Ratio.

"**Consolidated Interest Expense**" shall mean, with respect to any Person for any period, the sum, without duplication, of:

(i) consolidated cash interest expense of such Person and its Restricted Subsidiaries for such period, to the extent such expense was deducted (and not added back) in computing Consolidated Net income (including (a) all commissions, discounts, and other fees and charges owed with respect to letters of credit or bankers acceptances, (b) capitalized interest to the extent paid in cash, and (c) net payments, if any, pursuant to interest rate Hedging Obligations with respect to Indebtedness, and excluding (1) any one-time cash costs associated with breakage in respect of hedging agreements for interest rates, (2) all non-recurring cash interest expense consisting of liquidated damages for failure to timely comply with registration rights obligations, all as calculated on a consolidated basis in accordance with GAAP, (3) any "additional interest" owing pursuant to a registration rights agreement, (4) non-cash interest expense attributable to a parent entity resulting from push-down accounting, but solely to the extent not reducing consolidated cash interest expense in any prior period and (5) any non-cash expensing of bridge, commitment, and other financing fees that have been previously paid in cash, but solely to the extent not reducing consolidated cash interest expense in any prior period; less

(ii) cash interest income for such period.

For purposes of this definition, interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by such Person to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP.

"**Consolidated Net Income**" shall mean, with respect to any Person for any period, the aggregate of the Net Income, of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, and otherwise determined in accordance with GAAP; provided that, without duplication,

(i) any after-tax effect of extraordinary, non-recurring, or unusual gains or losses (less all fees and expenses relating thereto) or expenses (including relating to the Transactions), severance, relocation costs, curtailments, or modifications to pension and post-retirement employee benefits plans, start-up, transition, integration, and other restructuring and business optimization costs, charges, reserves, or expenses (including related to acquisitions after the Closing Date and to the start-up, opening, closure, and/or consolidation of stores, distribution centers, offices and facilities), new product introductions, and one-time compensation charges shall be excluded,

(ii) the Net Income for such period shall not include the cumulative effect of a change in accounting principles and changes as a result of the adoption or modification of accounting policies during such period,

(iii) any net after-tax gains or losses on disposal of disposed, abandoned, transferred, closed, or discontinued operations shall be excluded,

(iv) any after-tax effect of gains or losses (less all fees and expenses relating thereto) attributable to asset dispositions or abandonments other than in the ordinary course of business, as determined in good faith by the board of directors of the Company, shall be excluded,

(v) the Net Income for such period of any Person that is not a Subsidiary, or is an Unrestricted Subsidiary, or that is accounted for by the equity method of accounting, shall be excluded; provided that Consolidated Net Income of the Company shall be increased by the amount of dividends or distributions or other payments that are actually paid in cash (or to the

extent converted into cash or Cash Equivalents) to the referent Person or a Restricted Subsidiary thereof in respect of such period,

(vi) [reserved],

(vii) effects of adjustments (including the effects of such adjustments pushed down to the Company and the Restricted Subsidiaries) in any line item in such Person's consolidated financial statements required or permitted by Financial Accounting Standards Codification No. 805 – Business Combinations and No. 350 – Intangibles-Goodwill and Other (ASC 805 and ASC 350) (formerly Financial Accounting Standards Board Statement Nos. 141 and 142, respectively) resulting from the application of purchase accounting, including in relation to the Transactions and any acquisition that is consummated after the Closing Date or the amortization or write-off of any amounts thereof, net of taxes, shall be excluded,

(viii) (a) any after-tax effect of income (loss) from the early extinguishment of indebtedness or Hedging Obligations or other derivative instruments (including deferred financing costs written off and premiums paid), (b) any non-cash income (or loss) related to currency gains or losses related to Indebtedness, intercompany balances, and other balance sheet items and to Hedging Obligations pursuant to ASC 815 (or such successor provision), and (c) any non-cash expense, income, or loss attributable to the movement in mark to market valuation of foreign currencies, Indebtedness, or derivative instruments pursuant to GAAP, shall be excluded,

(ix) any impairment charge, asset write-off, or write-down pursuant to ASC 350 and Financial Accounting Standards Codification No. 360 – Impairment and Disposal of Long-Lived Assets (ASC 360) (formerly Financial Accounting Standards Board Statement Nos. 142 and 144, respectively) and the amortization of intangibles arising pursuant to ASC 805 shall be excluded,

(x) (a) any non-cash compensation expense recorded from grants of stock appreciation or similar rights, phantom equity, stock options units, restricted stock, or other rights to officers, directors, managers, or employees and (b) non-cash income (loss) attributable to deferred compensation plans or trusts, shall be excluded,

(xi) any fees and expenses incurred during such period, or any amortization thereof for such period, in connection with any acquisition, investment, recapitalization, Asset Sale, issuance, or repayment of Indebtedness, issuance of Equity Interests, refinancing transaction or amendment or modification of any debt instrument (in each case, including any such transaction consummated prior to the Closing Date, the Transactions and any such transaction undertaken but not completed) and any charges or non-recurring merger costs incurred during such period as a result of any such transaction shall be excluded,

(xii) accruals and reserves (including contingent liabilities) that are established or adjusted within twelve months after the Closing Date that are so required to be established as a result of the Transactions in accordance with GAAP, or changes as a result of adoption or modification of accounting policies, shall be excluded,

(xiii) to the extent covered by insurance or indemnification and actually reimbursed, or, so long as the Borrower Representative has made a determination that there exists reasonable evidence that such amount will in fact be reimbursed by the insurer or indemnifying party and only to the extent that such amount is (a) not denied by the applicable carrier or indemnifying party in writing within 180 days and (b) in fact reimbursed within 365 days of the date of such

evidence (with a deduction for any amount so added back to the extent not so reimbursed within 365 days), losses and expenses with respect to liability or casualty events or business interruption shall be excluded,

(xiv) any deferred tax expense associated with tax deductions or net operating losses arising as a result of the Transactions, or the release of any valuation allowance related to such items, shall be excluded,

(xv) any costs or expenses incurred during such period relating to environmental remediation, litigation, or other disputes in respect of events and exposures that occurred prior to the Closing Date shall be excluded, and

(xvi) Consolidated Net Income for any Test Period shall be increased by the aggregate amount of "run-rate" Consolidated Net Income projected by the Borrower Representative in good faith to be attributable to New Stores open during such Test Period (or following such Test Period but prior to the date for the delivery of the financial statements for such Test Period pursuant to Section 9.1(a) or (b)) (which amount shall be calculated on a Pro Forma Basis as though the full annual amount of such Consolidated Net Income attributable to such New Stores had been realized during such Test Period (without duplication of any amounts attributable to such New Stores already received in such Test Period), subject to adjustment in a manner consistent with the methodology used in determining the pro forma New Stores adjustment set forth in the Public Lender Presentation and subject to the applicable limitation set forth in clause (i)(i) of the definition of "Consolidated EBITDA" for such Test Period).

"**Consolidated Senior Secured Debt**" shall mean Consolidated Total Debt as of such date that is not Subordinated Indebtedness and is secured by a Lien on the Collateral.

"**Consolidated Senior Secured Debt to Consolidated EBITDA Ratio**" shall mean, as of any date of determination, the ratio of (i) Consolidated Senior Secured Debt as of such date of determination, *minus* cash and Cash Equivalents (in each case, free and clear of all Liens other than Permitted Liens) of the Company and the Restricted Subsidiaries (other than the proceeds of any Indebtedness being incurred and giving rise to the need to calculate the Consolidated Senior Secured Debt to Consolidated EBITDA Ratio) to (ii) Consolidated EBITDA of the Company for the Test Period then last ended, in each case with such pro forma adjustments to Consolidated Senior Secured Debt and Consolidated EBITDA as are appropriate and consistent with the pro forma adjustment provisions set forth in the definition of Interest Coverage Ratio.

"**Consolidated Total Assets**" shall mean, as of any date of determination, the amount that would, in conformity with GAAP, be set forth opposite the caption "total assets" (or any like caption) on the most recent consolidated balance sheet of the Company and the Restricted Subsidiaries at such date.

"**Consolidated Total Debt**" shall mean, as at any date of determination, an amount equal to the sum of the aggregate amount of all outstanding Indebtedness of the Company and the Restricted Subsidiaries on a consolidated basis consisting of Indebtedness for borrowed money, Capitalized Lease Obligations and debt obligations evidenced by promissory notes and similar instruments (and excluding, for the avoidance of doubt, Hedging Obligations); provided that Consolidated Total Debt shall not include Letters of Credit, except to the extent of Unpaid Drawings thereunder.

"**Consolidated Total Debt to Consolidated EBITDA Ratio**" shall mean, as of any date of determination, the ratio of (i) Consolidated Total Debt as of such date of determination, *minus* cash and Cash Equivalents (in each case, free and clear of all Liens other than Permitted Liens) of the Company

and the Restricted Subsidiaries (other than the proceeds of any Indebtedness being incurred and giving rise to the need to calculate the Consolidated Total Debt to Consolidated EBITDA Ratio) to (ii) Consolidated EBITDA of the Company for the Test Period then last ended, in each case with such pro forma adjustments to Consolidated Total Debt and Consolidated EBITDA as are appropriate and consistent with the pro forma adjustment provisions set forth in the definition of interest Coverage Ratio.

"**Contingent Obligations**" shall mean, with respect to any Person, any obligation of such Person guaranteeing any leases, dividends, or other obligations that do not constitute Indebtedness ("**primary obligations**") of any other Person (the "**primary obligor**") in any manner, whether directly or indirectly, including, without limitation, any obligation of such Person, whether or not contingent, (i) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (a) for the purchase or payment of any such primary obligation or (b) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, or (iii) to purchase property, securities, or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation against loss in respect thereof.

"**Contractual Requirement**" shall have the meaning provided in Section 8.3.

"**Converted Restricted Subsidiary**" shall have the meaning provided in the definition of the term Consolidated EBITDA.

"**Converted Unrestricted Subsidiary**" shall have the meaning provided in the definition of the term Consolidated EBITDA.

"**Cost**" means the cost of the Credit Parties' inventory as determined in accordance with the Borrowers' accounting policies as in effect on the Closing Date and as reported on the Credit Parties' stock ledger, as such policy may be modified with the consent of the Administrative Agent, whose consent will not be unreasonably withheld.

"**Credit Card Notifications**" shall have the meaning provided in Section 9.9(c).

"**Credit Documents**" shall mean this Agreement, each Joinder Agreement, each Borrower Subsidiary Agreement, the Guarantees, the Security Documents, and any promissory notes issued by a Borrower pursuant hereto.

"**Credit Event**" shall mean and include the making (but not the conversion or continuation) of a Loan and the issuance of a Letter of Credit.

"**Credit Facilities**" shall mean, collectively, each category of Commitments and each extension of credit hereunder.

"**Credit Facility**" shall mean a category of Commitments and extensions of credit thereunder.

"**Credit Judgment**" means the Administrative Agent's reasonable judgment exercised in good faith, (i) to reflect events, conditions, contingencies or risks in each case, which, as reasonably determined by the Administrative Agent in good faith, materially adversely affect either (a) the Collateral, its value or the amount that might be received by the Agents from the sale or other disposition or realization upon such Collateral, or (b) the assets or business of any Credit Party or (c) the security interests and liens and other rights of any Agent or any Lender in the Collateral (including the enforceability, perfection and priority thereof), (ii) to reflect claims and liabilities that the Administrative

Agent reasonably dete1mines will be required to be satisfied in connection with the realization upon such Collateral, (iii) to reflect the Administrative Agent's good faith belief that any collateral report or financial information furnished by or on behalf of any Credit Party to any of the Agents is or may have been incomplete, inaccurate, misleading or not in accordance with the terms hereof, to the extent thereof, (iv) to reflect criteria, events, conditions, contingencies or risks that, in each case, as reasonably determined by the Administrative Agent in good faith, materially adversely affect any component of the Borrowing Base or the validity or enforceability of this Agreement or the other Credit Documents or any of the material rights or remedies of the Secured Parties hereunder or thereunder or (v) in respect of any Default or an Event of Default.

"**Credit Party**" shall mean Holdings, the Borrowers, and the other Guarantors.

"**Cure Amount**" shall have the meaning provided in Section 11.15.

"**Customs Broker Agreement**" means an agreement in such form as may be reasonably satisfactory to the Administrative Agent and the Borrower Representative among a Borrower, a customs broker, freight forwarder, shipping company or other carrier, and the Collateral Agent, in which the customs broker or other carrier acknowledges that it has control over and holds the documents evidencing ownership of the subject Inventory or other property for the benefit of the Collateral Agent, and agrees, upon notice from the Collateral Agent (which notice shall be delivered only upon the occurrence and during the continuance of an Event of Default), to hold and dispose of the subject Inventory and other property solely as directed by the Collateral Agent.

"**Daily Simple SOFR**" means, for any day (a "**SOFR Rate Day**"), a rate per annum equal to SOFR for the day (such day, the "**SOFR Determination Day**"), with the conventions for this rate (which will include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining "Daily Simple SOFR" for syndicated business loans; provided that, if the Administrative Agent reasonably determines that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion.

"**DDAs**" means any checking or other demand deposit account maintained by the Credit Parties. All funds in such DDAs shall be conclusively presumed to be Collateral and proceeds of Collateral and the Agents, and the Lenders shall have no duty to inquire as to the source of the amounts on deposit in the DDAs.

"**Debt Service Charges**" means, for any period, the sum of (a) Consolidated Interest Expense paid or required to be paid in cash, plus (b), scheduled amortization payments of principal made or required to be made (after giving effect to any prepayments paid in cash that reduce the amount of such required payments) on account of Indebtedness for borrowed money (excluding the Obligations, payments to reimburse any drawings under any commercial letters of credit, and any payments on Indebtedness required to be made on the final maturity date thereof, but including Capital Lease Obligations).

"**Declined Proceeds**" shall have the meaning provided in Section 5.2(f).

"**Default**" shall mean any event, act, or condition set forth in Section 11 that with notice or lapse of time, or both, as set forth in such Section 11 would constitute an Event of Default; Provided that any Default that results solely from the taking of an action that would have been permitted but for the

continuation of a previous Default will be deemed to be cured if such previous Default is cured prior to becoming an Event of Default.

"**Default Rate**" shall have the meaning provided in Section 2.8(c).

"**Defaulting Lender**" shall mean any Lender whose acts or failure to act, whether directly or indirectly, cause it to meet any part of the definition of Lender Default.

"**Designated Non-Cash Consideration**" shall mean the Fair Market Value of non-cash consideration received by the Company or a Restricted Subsidiary in connection with an Asset Sale that is so designated as Designated Non-Cash Consideration pursuant to a certificate of an Authorized Officer of the Borrower Representative, setting forth the basis of such valuation, executed by either a senior vice president or the principal financial officer of the Borrower Representative, less the amount of cash or Cash Equivalents received in connection with a subsequent sale of or collection on or other disposition of such Designated Non-Cash Consideration. A particular item of Designated Non-Cash Consideration will no longer be considered to be outstanding when and to the extent it has been paid, redeemed or otherwise retired or sold or otherwise disposed of in compliance with Section 10.4.

"**Disbursement Accounts**" shall have the meaning provided in Section 9.9(g).

"**Disposed EBITDA**" shall mean, with respect to any Sold Entity or Business or any Converted Unrestricted Subsidiary for any period, the amount for such period of Consolidated EBITDA of such Sold Entity or Business or Converted Unrestricted Subsidiary (determined as if references to the Company and the Restricted Subsidiaries in the definition of Consolidated EBITDA were references to such Sold Entity or Business or Converted Unrestricted Subsidiary and its respective Subsidiaries), all as determined on a consolidated basis for such Sold Entity or Business or Converted Unrestricted Subsidiary, as the case may be.

"**disposition**" shall have the meaning assigned such term in clause (i) of the definition of Asset Sale.

"**Disqualified Lenders**" shall mean such Persons (i) that have been specified in writing to the Administrative Agent and the Lead Arrangers prior to the commencement of "primary syndication" as being Disqualified Lenders or as otherwise agreed by the Borrower Representative and the Administrative Agent, (ii) who are competitors of the Company and its Subsidiaries that are separately identified in writing by the Borrower Representative to the Administrative Agent from time to time, (iii) in the case of each of clauses (i) and (ii), any of their Affiliates (other than any such Affiliate that is affiliated with a financial investor in such Person and that is not itself an operating company or otherwise an Affiliate of an operating company so long as such Affiliate is a bona fide Fund) that are either (a) identified in writing by the Borrower Representative to the Administrative Agent from time to time or (b) clearly identifiable on the basis of such Affiliate's name and (iv) Excluded Affiliates.

"**Disqualified Stock**" shall mean., with respect to any Person, any Capital Stock of such Person which, by its terms, or by the terms of any security into which it is convertible or for which it is putable or exchangeable, or upon the happening of any event, matures or is mandatorily redeemable (other than solely for Qualified Stock), other than as a result of a change of control, asset sale, or similar event, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof (other than solely for Qualified Stock), other than as a result of a change of control, asset sale, or similar event, in whole or in part, in each case, prior to the date that is 91 days after the Revolving Credit Maturity Date hereunder; provided that if such Capital Stock is issued to any plan for the benefit of employees of the Company or its Subsidiaries or by any such plan to such employees, such Capital Stock

shall not constitute Disqualified Stock solely because it may be required to be repurchased by the Company or its Subsidiaries in order to satisfy applicable statutory or regulatory obligations or as a result of such employee's termination, death, or disability.

"**Dividing Person**" has the meaning assigned to it in the definition of "Division."

"**Division**" means the division of the assets, liabilities and/or obligations of a Person (the "**Dividing Person**") among two or more Persons (whether pursuant to a "plan of division" or similar arrangement), which may or may not include the Dividing Person and pursuant to which the Dividing Person may or may not survive.

"**Division Successor**" means any Person that, upon the consummation of a Division of a Dividing Person, holds all or any portion of the assets, liabilities and/or obligations previously held by such Dividing Person immediately prior to the consummation of such Division. A Dividing Person which retains any of its assets, liabilities and/or obligations after a Division shall be deemed a Division Successor upon the occurrence of such Division.

"**Dollars" and"$**" shall mean dollars in lawful currency of the United States.

"**Domestic Subsidiary**" shall mean each Subsidiary of the Company that is organized under the laws of the United States, any state thereof, or the District of Columbia.

"**EEA Financial Institution**" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"**EEA Member Country)**" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"**EEA Resolution Authority**" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"**Eligible Credit Card Receivables**" means, as of any date of detem1ination, Accounts due to a Credit Party from major credit card and debit card issuers and processors (including, but not limited to, VISA, Mastercard, American Express, Diners Club, AcceptanceNow, Wells Fargo and DiscoverCard) as arise in the ordinary course of business and which have been earned by performance, that are not excluded as ineligible by virtue of one or more of the criteria set forth below. Except as otherwise agreed by the Administrative Agent in its Credit Judgment, none of the following shall be deemed to be Eligible Credit Card Receivables:

(a) Accounts due from (i) major credit card and debit card processors (other than Wells Fargo and AcceptanceNow) that have been outstanding for more than five (5) Business Days from the date of sale, or (ii) from Wells Fargo and AcceptanceNow that have been outstanding for more than seven (7) Business Days or, in each case, for such longer period(s) as may be approved by the Administrative Agent in its Credit Judgment;

(b) Accounts due from major credit card and debit card processors with respect to which a Credit Party docs not have good, valid and marketable title thereto, free and clear of any Lien (other than (i) Liens granted to the Collateral Agent for its own benefit and the benefit of the other Secured Parties pursuant to the Security Documents, (ii) a Permitted Lien which does not have priority over such Liens in favor of the Collateral Agent, and (iii) those Liens specified in clause (xvii) of the definition of Permitted Liens and Permitted Liens having priority by operation of applicable Law over the Lien of the Collateral Agent) (the foregoing not being intended to limit the ability of the Administrative Agent to change, establish or eliminate any Reserves in its Credit Judgment on account of any such Liens);

(c) Accounts due from major credit card and debit card processors that are not subject to a first priority (except as to priority as provided in clause (b)(iii), above) security interest in favor of the Collateral Agent tor its own benefit and the benefit of the other Secured Parties;

(d) Accounts due from major credit card and debit card processors which are disputed, or with respect to which a claim, counterclaim, offset or chargeback (other than chargebacks in the ordinary course by the credit card and debit card processors) has been asserted, by the related credit card and debit card processor (but only to the extent of such dispute, counterclaim, offset or chargeback);

(e) Accounts due from major credit card and debit card processors as to which the credit card and debit card processor has the right under certain circumstances to require a Credit Party to repurchase the Accounts from such credit card or debit card processor;

(f) From and after the date that is thirty (30) days after the Closing Date (or such longer period of time as the Administrative Agent may agree in its discretion), except as otherwise approved by the Administrative Agent, Accounts due from any credit card and debit card processor which has not received a Credit Card Notification;

(g) Except as otherwise approved by the Administrative Agent in its Credit Judgment, Accounts arising from any private label credit card program of a Credit Party or Accounts due from Acceptance Now; and

(h) Accounts due from major credit card and debit card processors (other than VISA, Mastercard, American Express, Diners Club, AcceptanceNow, Wells Fargo and) which the Administrative Agent determines in its Credit Judgment and upon notice to the Borrower Representative to be unlikely to be collected.

"**Eligible In-Transit Inventory**" means, as of any date of determination, without duplication of other Eligible Inventory, Inventory (a) which has been shipped from (i) any location within the United States for receipt by a Credit Party within fifteen (15) days of the date of determination or (ii) any location outside of the United States for receipt by a Credit Party within sixty (60) days of the date of determination, but which, in either case, has not yet been received by a Credit Party, (b) for which the purchase order is in the name of a Credit Party and title has passed to a Credit Party, (c) from and after the date that is thirty (30) days after the Closing Date (or such longer period of time as the Administrative Agent may agree in its discretion), except as otherwise agreed by the Administrative Agent, either (i) such Inventory is subject to a negotiable document of title in form reasonably satisfactory to the Administrative Agent which shall, except as otherwise agreed by the Administrative Agent in its Credit Judgment, have been endorsed to the Administrative Agent or an agent acting on its behalf or (ii) such Inventory is subject to a waybill or other non-negotiable document of title which designates a Credit

Party or its freight forwarder or other agent as "shipper" and/or the consignor and reflects a Credit Party as consignee (along with delivery to a Credit Party or its customs broker or other agent of such non-negotiable documents of title, to the extent applicable, with respect thereto), (d) from and after the date that is thirty (30) days after the Closing Date (or such longer period of time as the Administrative Agent may agree in its discretion), if reasonably requested by the Administrative Agent, (i) as to which the Collateral Agent has control over the documents of title, to the extent applicable, which evidence ownership of the subject Inventory (such as by the delivery of a Customs Broker Agreement and a control agreement with a carrier or freight forwarder), and (ii) as to which each relevant freight carrier, freight forwarder, customs broker, shipping company or other Person in possession of such inventory and/or the documents relating to such inventory shall have entered into a Customs Broker Agreement, (c) which is insured in accordance with the provisions of this Agreement and the other Credit Documents including, without limitation marine cargo insurance; (f) such Inventory is subject, to the reasonable satisfaction of the Administrative Agent, to a first priority perfected security interest in and lien upon such inventory in favor of the Administrative Agent (subject to Permitted Liens having priority by operation of Applicable Law, and except for any possessory lien upon such goods in the possession of a freight carrier or shipping company securing only the freight charges for the transportation of such goods to such Credit Party) (the foregoing not being intended to limit the ability of the Administrative Agent to change, establish or eliminate any Reserves in its Credit Judgment on account of any such Liens) and (g) which otherwise is not excluded from the definition of Eligible Inventory; provided that the Administrative Agent may, in its reasonable discretion and upon prior notice to the Borrower Representative, exclude any particular inventory from the definition of "Eligible in-Transit inventory" in the event that the Administrative Agent reasonably determines that such inventory is subject to any Person's right or claim which is senior to, or pari passu with, the Lien of the Administrative Agent (such as, without limitation, a right of stoppage in transit), as applicable.

Notwithstanding anything to the contrary herein, Eligible in-Transit inventory shall not be accounted for as "*in transit*" by a Credit Party by virtue of such inventory's being in transit between the Credit Parties' locations or in storage trailers at the Credit Parties' locations; rather, such Inventory shall be treated as "Eligible Inventory" if it satisfies the conditions therefor.

"**Eligible Inventory** means, as of any date of determination, without duplication, (a) Eligible in-Transit inventory, and (b) items of Inventory of a Credit Party that are finished goods, merchantable and readily saleable to the public in the ordinary course that are not excluded as ineligible by virtue of the one or more of the criteria set forth below. Except as otherwise agreed by the Administrative Agent in its Credit Judgment, none of the following shall be deemed to be Eligible inventory:

(a) Inventory that is not solely owned by a Credit Party, or is leased by or is on consignment to a Credit Party, or as to which the Credit Parties do not have title thereto;

(b) Inventory (other than any Eligible In-Transit Inventory) that is not located in the United States of America (or Canada, as long as the Administrative Agent shall have received or conducted appraisals of such Canadian Inventory from appraisers reasonably satisfactory to the Administrative Agent) at a location that is owned or leased by the Credit Parties except to the extent that the Credit Parties have furnished the Collateral Agent with any UCC financing statements or PPSA registration statement or other filings that the Collateral Agent may reasonably determine to be necessary to perfect its security interest in such Inventory at such location;

(d) Inventory that represents goods which (i) are damaged, defective, "seconds," "blocked" inventory, or otherwise unmerchantable, in each case, other than Pit inventory which is saleable in the ordinary course of business, (ii) are to be returned to the vendor and which is no

longer reflected in a Credit Party's stock ledger, (iii) are obsolete, custom items, work in process, raw materials, or that constitute spare parts, shipping materials or supplies used or consumed in a Borrower's business, or (iv) are bill and hold goods;

(e) Inventory that represents goods that do not conform in all material respects to the representations and warranties contained in this Agreement or the Security Agreement;

(f) Inventory that is not subject to a perfected first priority security interest in favor of the Collateral Agent for its own benefit and the benefit of the other Secured Parties (subject as to priority to Permitted Liens having priority by operation of applicable Law over the Lien of the Collateral Agent);

(g) Inventory which consists of samples, labels, bags, packaging materials, and other similar non-merchandise categories;

(h) Inventory as to which casualty insurance in compliance with the provisions of Section 9.3 hereof is not in effect;

(i) Inventory at any single location with an aggregate value at such location of less than $100,000; and

(j) Inventory which has been sold but not yet delivered or Inventory to the extent that any Credit Party has accepted a deposit therefor and which is no longer reflected in a Credit Party's stock ledger.

"**Environmental Claims**" shall mean any and all actions, suits, orders, decrees, demand letters, claims, notices of noncompliance or potential responsibility or violation, or proceedings pursuant to any Environmental Law or any permit issued, or any approval given, under any such Environmental Law (hereinafter, "**Claims**"), including, without limitation, (i) any and all Claims by governmental or regulatory authorities for enforcement, cleanup, removal, response, remedial, or other actions or damages pursuant to any Environmental Law and (ii) any and all Claims by any third party seeking damages, contribution, indemnification, cost recovery, compensation, or injunctive relief relating to the presence Release or threatened Release of Hazardous Materials or arising from alleged injury or threat of injury to health or safety (to the extent relating to human exposure to Hazardous Materials), or the environment including, without limitation, ambient air, indoor air, surface water, groundwater, soil, land surface and subsurface strata, and natural resources such as wetlands.

"**Environmental Law**" shall mean any applicable federal, state, foreign, or local statute, law, rule, regulation, ordinance, code, and rule of common law now or hereafter in effect and in each case as amended, and any binding judicial or administrative interpretation thereof, including any binding judicial or administrative order, consent decree, or judgment, relating to pollution or protection of the environment, including, without limitation, ambient air, indoor air, surface water, groundwater, soil, land surface and subsurface strata and natural resources such as flora, fauna, or wetlands, or protection of human health or safety (to the extent relating to human exposure to Hazardous Materials) and including those relating to the generation, storage, treatment, transport, Release, or threat of Release of Hazardous Materials.

"**Equity Interest**" shall mean Capital Stock and all warrants, options, or other rights to acquire Capital Stock, but excluding any debt security that is convertible into, or exchangeable for, Capital Stock.

"**Equity Investments**" shall have the meaning provided in the preamble to this Agreement.

"**Equity Offering**" shall mean any public or private sale of common stock or preferred stock of the Company or any direct or indirect parent company of the Company (excluding Disqualified Stock), other than: (i) public offerings with respect to the Company or any of its direct or indirect parent company's (including the Company's) common stock registered on Form S-8, (ii) issuances to any Subsidiary of Holdings, (iii) any such public or private sale that constitutes an Excluded Contribution, and (iv) any Cure Amount.

"**ERISA**" shall mean the Employee Retirement Income Security Act of 1974.

"**ERISA Affiliate**" shall mean any trade or business (whether or not incorporated) that, together with any Credit Party, is treated as a single employer under Section 414 (b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code).

"**ERISA Event**" shall mean (i) the failure of any Plan to comply with any provisions of ERISA and/or the Code or with the terms of such Plan; (ii) the existence with respect to any Plan of a non-exempt Prohibited Transaction; (iii) any Reportable Event; (iv) the failure of any Credit Party or ERISA Affiliate to make by its due date a required installment under Section 430(j) of the Code with respect to any Pension Plan or any failure by any Pension Plan to satisfy the minimum funding standards (within the meaning of Section 412 of the Code or Section 302 of ERISA) applicable to such Pension Plan, whether or not waived; (v) a determination that any Pension Plan is in "at risk" status (within the meaning of Section 430 of the Code or Section 303 of ERISA); (vi) the filing pursuant to Section 412(c) of the Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Pension Plan; (vii) the occurrence of any event or condition which would reasonably be expected to constitute grounds under ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan or the incurrence by any Credit Party or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Pension Plan, including but not limited to the imposition of any Lien in favor of the PBGC or any Pension Plan; (viii) the receipt by any Credit Party or any of its ERISA Affiliates from the PBGC or a plan administrator of any notice to terminate any Pension Plan or to appoint a trustee to administer any Pension Plan under Section 4042 of ERISA; (ix) the failure by any Credit Party or any of its ERISA Affiliates to make any required contribution to a Multiemployer Plan; (x) the incurrence by any Credit Party or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Pension Plan (or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA) or Multiemployer Plan; (xi) the receipt by any Credit Party or any of its ERISA Affiliates of any notice concerning the imposition on it of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, Insolvent or in Reorganization, in "endangered" or "critical" status (within the meaning of Section 432 of the Code or Section 305 of ERISA), or terminated (within the meaning of Section 4041A of ERISA); or (xii) the failure by any Credit Party or any of its ERISA Affiliates to pay when due (after expiration of any applicable grace period) any installment payment with respect to Withdrawal Liability under Section 4201 of ERISA.

"**Erroneous Payment**" has the meaning assigned to it in Section 12.14(a).

"**Erroneous Payment Return Deficiency**" has the meaning assigned to it in Section 12.14(d).

"**EU Bail-In Legislation Schedule**" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"**Euro" or "C**" shall mean the single currency of the Participating Member States.

"**Event of Default**" shall have the meaning provided in Section 11.

"**Excess Availability**" means an amount equal to (a) the Line Cap plus (b) cash and Cash Equivalents subject to a Blocked Account Agreement in favor of the Collateral Agent minus (c) the aggregate amount of the Lenders' Revolving Credit Exposure.

"**Excluded Affiliate**" shall mean any Affiliate of any Agent that is engaged (i) as a principal primarily in private equity, mezzanine financing or venture capital or (ii) directly or indirectly in a sale of the Acquired Companies and their Subsidiaries as sell-side representative (other than any "above the wall" individuals).

"**Excluded Contribution**" shall mean net cash proceeds, the Fair Market Value of marketable securities, or the Fair Market Value of Qualified Proceeds received by the Company from (i) contributions to its common equity capital, and (ii) the sale (other than to a Subsidiary of the Company or to any management equity plan or stock option plan or any other management or employee benefit plan or agreement of the Company) of Capital Stock (other than Disqualified Stock of the Company, in each case designated as Excluded Contributions pursuant to an officer's certificate executed by either a senior vice president or the principal financial officer of the Borrower Representative on the date such capital contributions are made or the date such Equity interests are sold, as the case may be; provided that any non-cash assets shall qualify only if acquired by a parent of the Company in an arm's-length transaction within the six months prior to such contribution.

"**Excluded Deposit Account**" means any deposit account (i) listed on Schedule 1.1(e) hereto or any other deposit account that is similar in function to the accounts described on Schedule 1.1(e) established after the Closing Date consistent with past practices, (ii) used for payroll, taxes, fiduciary and trust purposes, and employee benefits, pension accounts and 40l(k) accounts, (iii) the daily balance in which docs not at any time exceed $500,000 in the aggregate for all such deposit or securities accounts for a period of five (5) consecutive Business Days, (iv) any Term Loan Priority Account, and (v) zero balance disbursement accounts.

"**Excluded Property**" shall have the meaning set forth in the Security Agreement.

"**Excluded Stock and Stock Equivalents**" shall mean (i) any Capital Stock or Stock Equivalents with respect to which, in the reasonable judgment of the Administrative Agent and the Borrower Representative (as agreed to in writing), the cost or other consequences of pledging such Capital Stock or Stock Equivalents in favor of the Secured Parties under the Security Documents shall be excessive in view of the benefits to be obtained by the Lenders therefrom, (ii) solely in the case of any pledge of Capital Stock and Stock Equivalents of any Foreign Subsidiary of a Domestic Subsidiary or any CFC Holding Company, any Voting Stock or Stock Equivalents of any class of such Foreign Subsidiary or such CFC Holding Company in excess of 66% of the outstanding Voting Stock of such class, (iii) any Capital Stock or Stock Equivalents to the extent the pledge thereof would violate any applicable Requirement of Law (including any legally effective requirement to obtain the consent of any Governmental Authority unless such consent has been obtained), (iv) in the case of (A) any Capital Stock or Stock Equivalents of any Subsidiary to the extent such Capital Stock or Stock Equivalents are subject to a Lien permitted by clause (ix) of the definition of Permitted Lien or (B) any Capital Stock or Stock Equivalents of any Subsidiary that is not Wholly-Owned by the Company and its Subsidiaries at the time such Subsidiary becomes a Subsidiary, any Capital Stock or Stock Equivalents of each such Subsidiary described in clause (A) or (B) to the extent (I) that a pledge thereof to secure the Obligations is prohibited by any applicable Contractual Requirement (other than customary non-assignment provisions

which are ineffective under the Uniform Commercial Code or other applicable law), (II) any Contractual Requirement prohibits such a pledge without the consent of any other party; provided that this clause (II) shall not apply if (x) such other party is a Credit Party or Wholly-Owned Subsidiary or (y) consent has been obtained to consummate such pledge (it being understood that the foregoing shall not be deemed to obligate the Company or any Subsidiary to obtain any such consent) and for so long as such Contractual Requirement or replacement or renewal thereof is in effect, or (III) a pledge thereof to secure the Obligations would give any other party (other than a Credit Party or Wholly-Owned Subsidiary) to any contract, agreement, instrument, or indenture governing such Capital Stock or Stock Equivalents the right to terminate its obligations thereunder (other than customary non-assignment provisions which are ineffective under the Uniform Commercial Code or other applicable law), (v) any Capital Stock or Stock Equivalents of any Subsidiary to the extent that the pledge of such Capital Stock or Stock Equivalents would result in materially adverse tax consequences to the Company or any Subsidiary as reasonably determined by the Borrower Representative in consultation with the Administrative Agent, (vi) any Capital Stock or Stock Equivalents that are margin stock, and (vii) any Capital Stock and Stock Equivalents of any Subsidiary that is not a Material Subsidiary or is an Unrestricted Subsidiary, a captive insurance Subsidiary, an SPV, or any special purpose entity.

"**Excluded Subsidiary**" shall mean (i) each Subsidiary, in each case, for so long as any such Subsidiary does not (on a consolidated basis with its Restricted Subsidiaries) constitute a Material Subsidiary, (ii) each Subsidiary that is not a Wholly-Owned Subsidiary on any date such Subsidiary would otherwise be required to become a Guarantor pursuant to the requirements of Section 9.11 (for so long as such Subsidiary remains a non-Wholly-Owned Restricted Subsidiary), (iii) any CFC Holding Company, (iv) any Domestic Subsidiary that is a Subsidiary of a Foreign Subsidiary that is a CFC, (v) any Foreign Subsidiary, (vi) each Subsidiary that is prohibited by any applicable Contractual Requirement or Requirement of Law from guaranteeing or granting Liens to secure the Obligations at the time such Subsidiary becomes a Restricted Subsidiary (and for so long as such restriction or any replacement or renewal thereof is in effect), (vii) each Subsidiary with respect to which, as reasonably determined by the Company, the consequence of providing a Guarantee of the Obligations would adversely affect the ability of the Company and its Subsidiaries to satisfy applicable Requirements of Law, (viii) any other Subsidiary with respect to which, (a) in the reasonable judgment of the Administrative Agent and Borrower Representative, as agreed in writing, the cost or other consequences of providing a Guarantee of the Obligations shall be excessive in view of the benefits to be obtained by the Lenders therefrom or (b) providing such a Guarantee would result in material adverse tax consequences as reasonably determined by the Borrower Representative in consultation with the Administrative Agent, (ix) each Unrestricted Subsidiary, (x) each other Subsidiary acquired pursuant to a Permitted Acquisition or other Investment permitted hereunder and financed with assumed secured Indebtedness, and each Restricted Subsidiary acquired in such Pc1mittcd Acquisition or other Investment permitted hereunder that guarantees such indebtedness, in each case to the extent that, and for so long as, the documentation relating to such Indebtedness to which such Subsidiary is a party prohibits such Subsidiary from guaranteeing the Obligations and such prohibition was not created in contemplation of such Pe1mitted Acquisition or other Investment permitted hereunder, (xi) each SPV or not-for-profit Subsidiary, and (xii) captive insurance Subsidiaries.

"**Excluded Swap Obligation**" shall mean, with respect to any Credit Party, any Swap Obligation if, and to the extent that, all or a portion of the Obligations of such Credit Party of, or the grant by such Credit Party of a security interest to secure, such Swap Obligation (or any Obligations thereof) is or becomes illegal or unlawful under the Commodity Exchange Act or any rule, regulation, or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof). If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall

apply only to the portion of such Swap Obligation that is attributable to swaps for which such Obligation or security interest is or becomes illegal or unlawful.

"**Excluded Taxes**" shall mean, with respect to the Administrative Agent, any Lender, or any other recipient of any payment to be made by or on account of any obligation of any Credit Party hereunder or under any other Credit Document, (i) Taxes imposed on or measured by its overall net income, net profits, or branch profits (however denominated, and including (for the avoidance of doubt) any backup withholding in respect thereof under Section 3406 of the Code or any similar provision of state, local, or foreign law), and franchise (and similar) Taxes imposed on it (in lieu of net income Taxes), in each case by a jurisdiction (including any political subdivision thereof) as a result of such recipient being organized in, having its principal office in, or in the case of any Lender, having its applicable lending office in, such jurisdiction, or as a result of any other present or former connection with such jurisdiction (other than any such connection arising solely from this Agreement or any other Credit Documents or any transactions contemplated thereunder), (ii) any United States federal withholding Tax imposed on any payment by or on account of any obligation of any Credit Party hereunder or under any other Credit Document that is required to be imposed on amounts payable to or for the account of a Lender or recipient pursuant to laws in force at the time such Lender or recipient acquires an interest in any Credit Document (or designates a new lending office), other than in the case of a Lender that is an assignee pursuant to a request by the Borrower Representative under Section 13.7 (or that designates a new lending office pursuant to a request by the Borrower Representative), except to the extent that such Lender (or its assignor, if any) was entitled, immediately prior to the designation of a new lending office (or assignment), to receive additional amounts from the Credit Parties with respect to such withholding Tax pursuant to Section 5.4, (iii) any withholding Taxes attributable to a recipient's failure to comply with Section 5.4(e), or (iv) any United States federal withholding Tax imposed under FATCA.

"**Existing Revolving Credit Class**" shall have the meaning provided in Section 2.14(g)(ii).

"**Existing Revolving Credit Commitment**" shall have the meaning provided in Section 2.14(g)(ii).

"**Existing Revolving Credit Loans**" shall have the meaning provided in Section 2.14(g)(ii).

"**Extended Revolving Credit Commitments**" shall have the meaning provided in Section 2.14(g)(ii).

"**Extended Revolving Credit Loans**" shall have the meaning provided in Section 2.14(g)(ii).

"**Extended Revolving Loan Maturity Date**" shall mean the date on which any tranche of Extended Revolving Credit Loans matures.

"**Extending Lender**" shall have the meaning provided in Section 2.14(g)(iii).

"**Extension Amendment**" shall have the meaning provided in Section 2.14(g)(iv).

"**Extension Date**" shall have the meaning provided in Section 2.14(g)(v).

"**Extension Election**" shall have the meaning provided in Section 2.14(g)(iii).

"**Extension Series**" shall mean all Extended Revolving Credit Commitments that are established pursuant to the same Extension Amendment (or any subsequent Extension Amendment to the extent such Extension Amendment expressly provides that the Extended Revolving Credit Commitments provided

for therein are intended to be a part of any previously established Extension Series) and that provide for the same interest margins, and extension fees.

"**Fair Market Value**" shall mean with respect to any asset or group of assets on any date of determination, the value of the consideration obtainable in a sale of such asset at such date of determination assuming a sale by a willing seller to a willing purchaser dealing at arm's length and arranged in an orderly manner over a reasonable period of time having regard to the nature and characteristics of such asset, as determined in good faith by the Borrower Representative.

"**FATCA**" shall mean Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471 (b)(1) of the Code as of the date of this Agreement (or any amended or successor version described above), and any intergovernmental agreements (or related legislation or official administrative rules or practices) implementing the foregoing.

"**Federal Funds Effective Rate**" shall mean, for any day, the weighted average of the per annum rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers on such day, as published on the next succeeding Business Day by the Federal Reserve Bank of New York; provided that (i) if such day is not a Business Day, the Federal Funds Effective Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (ii) if no such rate is so published on such next succeeding Business Day, the Federal Funds Effective Rate for such day shall be the average rate charged to the Administrative Agent on such day on such transactions as determined by the Administrative Agent.

"**Fees**" shall mean all amounts payable pursuant to, or referred to in, Section 4.1.

"**Financial Covenant Trigger Event**" has the meaning specified in Section 10.11.

"**Financial Officer**" shall mean, with respect to any Credit Party, the chief financial officer, the senior vice president of finance, treasurer, assistant treasurer, controller or assistant controller of such Credit Party.

"**First Lien Initial Term Loans**" shall mean First Lien Term Loans outstanding on the Amendment No. 6 Effective Date (other than the 2022 First Lien Extended Term Loans) and any Permitted Refinancing thereof. As of the Amendment No. 6 Effective Date 2022 First Lien Initial Term Loans in an aggregate principal amount of $68,703,006.94 are outstanding with a stated final maturity date of August 12, 2023.

"**First Lien Obligations**" shall have the meaning assigned to the term "Obligations" in the First Lien Term Loan Agreement.

"**First Lien Secured Leverage Test**" shall mean, as of any date of determination, with respect to the last day of the most recently ended Test Period, the Consolidated First Lien Secured Debt to Consolidated EBITDA Ratio shall be no greater than 4.00 to 1.00.

"**First Lien Term Loan Administrative Agent**" shall have the meaning assigned to the term "Administrative Agent" in the First Lien Term Loan Agreement.

"**First Lien Term Loan Agreement**" shall mean the Credit Agreement, dated as of the Closing Date, among Holdings, the Borrowers, the guarantors party thereto, the lenders party thereto, the First Lien Term Loan Administrative Agent and the First Lien Term Loan Collateral Agent (as such agreement may be amended, supplemented, waived or otherwise modified from time to time or refunded, refinanced, restructured, replaced, renewed, repaid, increased or extended from time to time (whether in whole or in part, whether with the original administrative agent and lenders or other agents and lenders or otherwise, and whether provided under the original First Lien Term Loan Agreement or other credit agreements or otherwise, unless such agreement, instrument or document expressly provides that it is not intended to be and is not a First Lien Term Loan Agreement)).

"**First Lien Term Loan Collateral Agent**" shall have the meaning assigned to the term "Collateral Agent" in the First Lien Term Loan Agreement.

"**First Lien Term Loan Credit Documents**" shall mean the First Lien Term Loan Agreement and each other document executed in connection therewith or pursuant thereto.

"**First Lien Term Facility**" shall have the meaning provided in the recitals of this Agreement.

"**First Lien Term Loans**" shall have the meaning provided to the term "Loans" in the First Lien Term Loan Agreement and any modification, replacement, refinancing, refunding, renewal, or extension thereof.

"**Fixed Charge Coverage Ratio**" shall mean, as of any date of determination, the ratio of (i) (x) Consolidated EBITDA minus (y) Unfinanced Capital Expenditures (other than Growth Capital Expenditures) minus (z) federal, state and foreign income Taxes paid in cash (net of refunds received during such Test Period), in each case, for the Test Period then last ended to (ii) Debt Service Charges payable in cash for such Test Period..

"**Fixed Charges**" shall mean, with respect to any Person for any period, the sum of:

(i) Consolidated Interest Expense of such Person for such period,

(ii) all cash dividend payments (excluding items eliminated in consolidation) on any series of preferred stock or any Refunding Capital Stock of such Person made during such period, and

(iii) all cash dividend payments (excluding items eliminated in consolidation) on any series of Disqualified Stock made during such period.

"**Floor**" means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to Term SOFR. For the avoidance of doubt, the initial Floor for Term SOFR shall be 0.00%.

"**Foreign Subsidiary**" shall mean each Subsidiary of the Company that is not a Domestic Subsidiary.

"**Fronting Exposure**" shall mean, at any time there is a Defaulting Lender, (i) with respect to the Letter of Credit Issuer, such Defaulting Lender's Revolving Credit Commitment Percentage of the outstanding L/C Obligations other than L/C Obligations as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof, and (ii) with respect to the Swingline Lender, such Defaulting Lender's Revolving Credit Commitment Percentage of Swingline Loans other than Swingline Loans as to which such

Defaulting Lender's participation obligation has been reallocated to other Lenders in accordance with the terms hereof.

"**Fronting Fee**" shall have the meaning provided in Section 4.1 (d).

"**Fund**" shall mean any Person (other than a natural Person) that is engaged or advises funds or other investment vehicles that are engaged in making, purchasing, holding, or investing in commercial loans and similar extensions of credit in the ordinary course.

"**GAAP**" shall mean generally accepted accounting principles in the United States, as in effect from time to time; provided, however, that if the Borrower Representative notifies the Administrative Agent that the Borrower Representative requests an amendment to any provision hereof to eliminate the effect of any change occurring after the Closing Date in GAAP or in the application thereof on the operation of such provision, regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Furthermore, at any time after the Closing Date, the Company may elect to apply International Financial Reporting Standards ("**IFRS**") accounting principles in lieu of GAAP and, upon any such election, references herein to GAAP and GAAP concepts shall thereafter be construed to refer to IFRS and corresponding IFRS concepts (except as otherwise provided in this Agreement); provided any such election, once made, shall be irrevocable; provided, further, that any calculation or determination in this Agreement that requires the application of GAAP for periods that include fiscal quarters ended prior to the Company's election to apply IFRS shall remain as previously calculated or determined in accordance with GAAP. The Borrower Representative shall give written notice of any such election made in accordance with this definition to the Administrative Agent. For the avoidance of doubt, solely making an election (without any other action) referred to in this definition will not be treated as an incurrence of Indebtedness. Notwithstanding any other provision contained herein, the amount of any indebtedness under GAAP with respect to Capital Lease Obligations shall be determined in accordance with the definition of Capital Lease Obligations.

"**Governmental Authority**" shall mean any nation, sovereign, or government, any state, province, territory, or other political subdivision thereof, and any entity or authority exercising executive, legislative, judicial, taxing, regulatory, or administrative functions of or pertaining to government, including a central bank or stock exchange.

"**Granting Lender**" shall have the meaning provided in Section 13.6(g).

"**Growth Capital Expenditures**" means Capital Expenditures which are made by any Credit Party to acquire additional productive assets or properties that generate revenues in the business of the Credit Party primarily for the purpose of increasing revenues.

"**Guarantee**" shall mean (i) the Guarantee made by Holdings and each other Guarantor in favor of the Collateral Agent for the benefit of the Secured Parties, substantially in the form of Exhibit B, and (ii) any other guarantee of the Obligations made by a Restricted Subsidiary in form and substance reasonably acceptable to the Administrative Agent.

"**guarantee obligations**" shall mean, as to any Person, any obligation of such Person guaranteeing or intended to guarantee any Indebtedness of any primary obligor in any manner, whether directly or indirectly, including any obligation of such Person, whether or not contingent, (i) to purchase any such Indebtedness or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (a) for the purchase or payment of any such Indebtedness or (b) to maintain working capital

or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (iii) to purchase property, securities, or services primarily for the purpose of assuring the owner of any such Indebtedness of the ability of the primary obligor to make payment of such Indebtedness, or (iv) otherwise to assure or hold harmless the owner of such Indebtedness against loss in respect thereof; provided, however, that the term guarantee obligations shall not include endorsements of instruments for deposit or collection in the ordinary course of business or customary and reasonable indemnity obligations or product warranties in effect on the Closing Date or entered into in connection with any acquisition or disposition of assets permitted under this Agreement (other than such obligations with respect to Indebtedness). The amount of any guarantee obligation shall be deemed to be an amount equal to the stated or determinable amount of the Indebtedness in respect of which such guarantee obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform thereunder) as determined by such Person in good faith.

"**Guarantors**" shall mean (i) each Subsidiary of the Company that is party to the Guarantee on the Closing Date, (ii) each Subsidiary of the Company that becomes a party to the Guarantee after the Closing Date pursuant to Section 9.11 or otherwise, and (iii) Holdings.

"**Hazardous Materials**" shall mean (i) any petroleum or petroleum products, radioactive materials, asbestos and asbestos containing material, polychlorinated biphenyls, and radon gas; (ii) any chemicals, materials, or substances defined as or included in the definition of "hazardous substances," "hazardous waste," "hazardous materials," "extremely hazardous waste," "restricted hazardous waste," "toxic substances," "toxic pollutants," "contaminants," or "pollutants," or words of similar import, under any Environmental Law; and (iii) any other chemical, material, or substance, which is prohibited, limited, or regulated due to its dangerous or deleterious properties or characteristics by, any Environmental Law.

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

"**Hedge Bank**" shall mean (i) (a) any Person that, at the time it enters into a Hedge Agreement, is a Lender, an Agent or an Affiliate of a Lender or an Agent and (b) with respect to any Hedge Agreement entered into prior to the Closing Date, any Person that is a Lender or an Agent or an Affiliate of a Lender or an Agent on the Closing Date or (ii) any Person listed on Schedule 1.1(d); provided that, if such Person is not a Lender, such Person executes and delivers to the Administrative Agent and the Borrower Representative a letter agreement in form and substance reasonably acceptable to the Administrative Agent pursuant to which such Person (a) appoints the Administrative Agent as its agent under the applicable Credit Documents and (b) agrees to be bound by the provisions of Sections 11, 12, 13, 25 and 26 of the Pledge Agreement and Sections 5.4, 5.5, 5.7, 6.5, 7 and 8.1 of the Security Agreement, in each case, as if it were a Lender.

"**Hedging Obligations**" shall mean, with respect to any Person, the obligations of such Person under any Hedge Agreements.

"**Historical Financial Statements**" shall mean (i) the audited combined balance sheets of the Acquired Company as of December 30, 2012 and the related audited combined statements of operations and comprehensive income, changes in equity and cash flows of the Acquired Company for the year ended December 30, 2012 and (ii) the unaudited interim combined balance sheets of the Acquired Company and the Operating Companies (as defined in the Acquisition Agreement) for the ten month period ended October 27, 2013, and the related unaudited combined statements of operations and comprehensive income, changes in equity, and cash flows of the Acquired Company and the Operating Companies for October 27, 2013.

"**Holdings**" shall mean (i) Holdings (as defined in the preamble to this Agreement) or (ii) after the Closing Date any other Person or Persons ("**New Holdings**") that is a Subsidiary of (or are Subsidiaries of) Holdings or of any Parent Entity of Holdings (or the previous New Holdings, as the case may be) but not the Company ("**Previous Holdings**"); provided that (a) such New Holdings directly owns (i) 100% of the Equity Interests of the Company and (ii) 100% of the Equity Interests of each other direct Subsidiary of Previous Holdings which were owned by Previous Holdings immediately prior thereto, (b) New Holdings shall expressly assume all the obligations of Previous Holdings under this Agreement and the other Credit Documents pursuant to a supplement hereto or thereto in form and substance reasonably satisfactory to the Administrative Agent, (c) if reasonably requested by the Administrative Agent, an opinion of counsel shall be delivered by the Borrower Representative to the Administrative Agent, (d) all Capital Stock of the Company and substantially all of the other assets of Previous Holdings are contributed or otherwise transferred, directly or indirectly, to such New Holdings and pledged to secure the Obligations, (e) (i) no Event of Default has occurred and is continuing at the time of such substitution and such substitution docs not result in any Event of Default, (ii) such substitution docs not result in any material adverse tax consequences to any Credit Party and (iii) such substitution docs not result in any adverse tax consequences to any Lender (unless reimbursed hereunder) or to the Administrative Agent (unless reimbursed hereunder), (f) no Change of Control shall occur, (g) the Administrative Agent shall have received at least five (5) Business Days' prior written notice of the proposed transaction and Previous Holdings, New Holdings and the Borrowers shall promptly and in any event at least two (2) Business Days' prior to the consummation of the transaction provide all information any Lender or any Agent may reasonably request to satisfy its "know your customer" and other similar requirements necessary for such Person to comply with its internal compliance and regulatory requirements with respect to the proposed successor New Holdings, (h) New Holdings shall be an entity organized or existing under the law of the United States, any state thereof or the District of Columbia, (i) if reasonably requested by the Administrative Agent, the Credit Parties shall execute and deliver amendments, supplements and other modification to all Credit Documents and instruments and agreements executed in connection therewith necessary to perfect and protect the liens and security interests in the Collateral of New Holdings, in each case in form and substance reasonably satisfactory to the Administrative Agent, and (j) the Borrower Representative delivers a certificate of a Responsible Officer with respect to the satisfaction of the conditions set forth in clauses (a), (c)(i) and (ii), (f) and (h) of this definition provided, further, that if each of the foregoing is satisfied, Previous Holdings shall be automatically released of all its obligations under the Credit Documents and any reference to Holdings in the Credit Documents shall be meant to refer to New Holdings; provided, further, that if each of the foregoing is satisfied, Previous Holdings shall be automatically released of all its obligations under the Credit Documents and any reference to Holdings in the Credit Documents shall be meant to refer to New Holdings.

"**Identified Contingent Liabilities**" shall mean the maximum estimated amount of liabilities reasonably likely to result from pending litigation, asserted claims and assessments, guaranties, uninsured

risks, and other contingent liabilities of the Borrowers, and the Restricted Subsidiaries taken as a whole after giving effect to the Transactions (including all fees and expenses related thereto but exclusive of such contingent liabilities to the extent reflected in Stated Liabilities), as identified and explained in terms of their nature and estimated magnitude by responsible officers of the Borrower Representative.

"**IFRS**" shall have the meaning given such term in the definition of GAAP.

"**Impacted Loans**" shall have the meaning provided in Section 2.10(a).

"**Increased Amount Date**" shall have the meaning provided in Section 2.14(a).

"**Incremental Loans**" shall have the meaning provided in Section 2.14(c).

"**Incremental Revolving Credit Commitments**" shall have the meaning provided in Section 2.14(a).

"**Incremental Revolving Credit Loans**" shall have the meaning provided in Section 2.14(b).

"**Incremental Revolving Loan Lender**" shall have the meaning provided in Section 2.14(b).

"**Indebtedness**" shall mean, with respect to any Person, (i) any indebtedness (including principal and premium) of such Person, whether or not contingent (a) in respect of borrowed money, (b) evidenced by bonds, notes, debentures, or similar instruments or letters of credit or bankers' acceptances (or, without double counting, reimbursement agreements in respect thereof), (c) representing the balance deferred and unpaid of the purchase price of any property (including Capitalized Lease Obligations), or (d) representing any Hedging Obligations, if and to the extent that any of the foregoing Indebtedness (other than letters of credit and Hedging Obligations) would appear as a net liability upon a balance sheet (excluding the footnotes thereto) of such Person prepared in accordance with GAAP; provided that Indebtedness of any direct or indirect parent company appearing upon the balance sheet of the Company solely by reason of push down accounting under GAAP shall be excluded, (ii) to the extent not otherwise included, any obligation by such Person to be liable for, or to pay, as obligor, guarantor or otherwise, on the obligations of the type referred to in clause (i) of another Person (whether or not such items would appear upon the balance sheet of such obligor or guarantor), other than by endorsement of negotiable instruments for collection in the ordinary course of business, and (iii) to the extent not otherwise included, the obligations of the type referred to in clause (i) of another Person secured by a Lien on any asset owned by such Person, whether or not such Indebtedness is assumed by such Person; provided that notwithstanding the foregoing, Indebtedness shall be deemed not to include (1) Contingent Obligations incurred in the ordinary course of business, (2) prepaid or deferred revenue arising in the ordinary course of business, (3) purchase price holdbacks arising in the ordinary course of business in respect of a portion of the purchase price of an asset to satisfy warrants or other unperformed obligations of the seller of such asset, (4) any balance that constitutes a trade payable or similar obligation to a trade creditor, accrued in the ordinary course of business, or (5) any earn-out obligation until such obligation, within 60 days of becoming due and payable, has not been paid and such obligation is reflected as a liability on the balance sheet of such Person in accordance with GAAP. The amount of Indebtedness of any Person for purposes of clause (iii) above shall (unless such Indebtedness has been assumed by such Person) be deemed to be equal to the lesser of (x) the aggregate unpaid amount of such Indebtedness and (y) the Fair Market Value of the property encumbered thereby as determined by such Person in good faith.

For all purposes hereof, the Indebtedness of the Company and the other Restricted Subsidiaries, shall exclude all intercompany Indebtedness having a term not exceeding 364 days (inclusive of any

roll-over or extensions of terms) and made in the ordinary course of business consistent with past practice.

"**Indemnified Liabilities**" shall have the meaning provided in Section 13.5.

"**Indemnified Person**" shall have the meaning provided in Section 13.5.

"**Indemnified Taxes**" shall mean all Taxes imposed on or with respect to any payment by or on account of any obligation of any Credit Party hereunder or under any other Credit Document, other than Excluded Taxes or Other Taxes.

"**Initial Investors**" shall mean Bain Capital Partners, LLC and/or its Affiliates that are controlled directly or indirectly by Bain Capital Partners, LLC (including, as applicable, related funds, general partners thereof and limited partners thereof, but solely to the extent any such limited partners are directly or indirectly participating as investors pursuant to a side-by-side investing arrangement, but not including, however, any portfolio company of any of the foregoing).

"**Insolvent**" shall mean, with respect to any Multiemployer Plan, the condition that such Multiemployer Plan is insolvent within the meaning of Section 4245 of ERISA.

"**Intellectual Property**" shall mean U.S. and foreign intellectual property, including all (i) (a) patents, inventions, processes, developments, technology, and know-how; (b) copyrights and works of authorship in any media, including graphics, advertising materials, labels, package designs, and photographs; (c) trademarks, service marks, trade names, brand names, corporate names, domain names, logos, trade dress, and other source indicators, and the goodwill of any business symbolized thereby; and (d) trade secrets, confidential, proprietary, or non-public information and (ii) all registrations, issuances, applications, renewals, extensions, substitutions, continuations, continuations-in-part, divisions, re-issues, re-examinations, foreign counterparts, or similar legal protections related to the foregoing.

"**Intercompany License Agreement**" shall mean any cost sharing agreement, commission or royalty agreement, license or sub-license agreement, distribution agreement, services agreement, intellectual Property rights transfer agreement or any related agreements, in each case where all the parties to such agreement are one or more of the Company and any Subsidiary.

"**Interest Coverage Ratio**" shall mean, as of any date of determination, the ratio of (i) Consolidated EBITDA for the Test Period then last ended to (ii) Consolidated Interest Expense for such Test Period. In the event that the Company or any Restricted Subsidiary incurs, assumes, guarantees, redeems, retires, or extinguishes any Indebtedness or issues or redeems Disqualified Stock or preferred stock subsequent to the commencement of the Test Period but prior to or simultaneously with the date of determination, then the Interest Coverage Ratio shall be calculated giving Pro Forma Effect to such incurrence, assumption, guarantee, redemption, retirement, or extinguishment of Indebtedness, or such issuance or redemption of Disqualified Stock or preferred stock (in each case, including a pro forma application of the net proceeds therefrom), as if the same had occurred at the beginning of the Test Period; provided, however, that Pro Forma Effect shall not give effect to any Indebtedness incurred on the date of such determination (except pursuant to the first paragraph of Section 10.1 and Section 10.1(n)).

For purposes of calculating the Interest Coverage Ratio, Investments, acquisitions, dispositions, mergers, consolidations, and disposed operations (as determined in accordance with GAAP) that have been made by the Company or any Restricted Subsidiary during the Test Period or subsequent to such Test Period and on or prior to or simultaneously with the date of determination shall be calculated on a

Pro Forma Basis assuming that all such Investments, acquisitions, dispositions, mergers, consolidations, and disposed operations (and the change in any associated interest obligations and the change in Consolidated EBITDA resulting therefrom) had occurred on the first day of the Test Period. If since the beginning of such period any Person (that subsequently became a Restricted Subsidiary or was merged with or into the Company or any Restricted Subsidiary since the beginning of such period) shall have made any Investment, acquisition, disposition, merger, consolidation, or disposed operation that would have required adjustment pursuant to this definition, then the Interest Coverage Ratio shall be calculated giving Pro Forma Effect thereto for such Test Period as if such Investment, acquisition, disposition, merger, consolidation, or disposed operation had occurred at the beginning of the Test Period.

For purposes of this definition, whenever Pro forma Effect is to be given to a transaction, the pro forma calculations shall be made in good faith by a responsible financial or accounting officer of the Borrower Representative (and may include, for the avoidance of doubt and without duplication, cost savings, and operating expense reductions resulting from such Investment, acquisition, merger, or consolidation which is being given Pro Forma Effect that have been or are expected to be realized; provided that such costs savings and operating expense reductions are made in compliance with the definition of Pro Forma Adjustment). If any Indebtedness bears a floating rate of interest and is being given Pro forma Effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the date of determination had been the applicable rate for the entire period (taking into account any Hedging Obligations applicable to such Indebtedness). If any Indebtedness bears a floating rate of interest and is being given Pro Forma Effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the date of determination had been the applicable rate for the entire period (taking into account for such entire period, any Hedging Obligation applicable to such Indebtedness with a remaining term of 12 months or longer, and in the case of any Hedging Obligation applicable to such Indebtedness with a remaining term of less than 12 months, taking into account such Hedging Obligation to the extent of its remaining term). Interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a responsible financial or accounting officer of the Company to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP. For purposes of making the computation referred to above, interest on any Indebtedness under a revolving credit facility computed on a Pro Forma Basis shall be computed based upon the average daily balance of such Indebtedness during the applicable period (or, if lower, the greater of (i) maximum commitments under such revolving credit facilities as of the date of determination and (ii) the aggregate principal amount of loans outstanding under such a revolving credit facilities on such date). Interest on Indebtedness that may optionally be determined at an interest rate based upon a factor of a prime or similar rate, a eurocurrency interbank offered rate, or other rate, shall be deemed to have been based upon the rate actually chosen, or, if none, then based upon such optional rate chosen as the Borrower Representative may designate.

"**Interest Period**" shall mean, ~~with respect to any Loan, the interest period applicable thereto, as determined pursuant to Section 2.9~~ in respect of each Term SOFR Rate Loan, a period of one, three or six months, or, to the extent available from all applicable Lenders, twelve months or such shorter Period (in each case, subject to the availability thereof), with respect to such Term SOFR Rate Loan; provided that (i) the Interest Period shall commence on the date of an advance of or a conversion to a Term SOFR Rate Loan and, in the case of immediately successive Interest Periods, each successive Interest Period shall commence on the date on which the next preceding Interest Period expires; (ii) if any Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day; provided, that if any Interest Period with respect to a Term SOFR Rate Loan would otherwise expire on a day that is not a Business Day but is a day of the month after which no further Business Day occurs in such month, such Interest Period shall expire on the next Preceding Business Day; (iii) any Interest Period with respect to a Term SOFR Rate Loan that begins on the last Business Day of a calendar month (or on a day for which there is not numerically corresponding day in

the calendar month at the end of such Interest Period) shall end on the last Business Day of the relevant calendar month at the end of such Interest Period; (iv) no Interest Period shall extend beyond the Maturity Date for such Class of Commitments and (v) no tenor that has been removed from this definition pursuant to Section 2.20 shall be available for specification in such Notice of Borrowing, Notice of Conversion or Continuations or interest election.

"**Inventory**" has the meaning provided in the Security Agreement.

"**Inventory Reserves**" shall mean, without duplication of other Borrowing Base Reserves then in effect, such reserves as may be established from time to time by the Administrative Agent, in its Credit Judgment, with respect to changes in the determination of the salability, at retail, of the Eligible Inventory or which reflect such other factors as negatively affect the market value of the Eligible Inventory.

"**Investment**" shall mean, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the form of loans (including guarantees), advances, or capital contributions (excluding accounts receivable, trade credit, advances to customers, commission, travel, and similar advances to officers and employees, in each case made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests, or other securities issued by any other Person and investments that are required by GAAP to be classified on the balance sheet (excluding the footnotes) of the Company in the same manner as the other investments included in this definition to the extent such transactions involve the transfer of cash or other property; provided that Investments shall not include, in the case of the Company and the Restricted Subsidiaries, intercompany loans, advances, or Indebtedness having a term not exceeding 364 days (inclusive of any roll-over or extensions of terms) and made in the ordinary course of business.

For purposes of the definition of Unrestricted Subsidiary and Section 10.5,

(i) Investments shall include the portion (proportionate to the Company's equity interest in such Subsidiary) of the Fair Market Value of the net assets of a Subsidiary of the Company at the time that such Subsidiary is designated an Unrestricted Subsidiary; provided that upon a redesignation of such Subsidiary as a Restricted Subsidiary, the Company shall be deemed to continue to have a permanent Investment in an Unrestricted Subsidiary in an amount (if positive) equal to (a) the Company's Investment in such Subsidiary at the time of such redesignation *less* (b) the portion (proportionate to the Company's equity interest in such Subsidiary) of the Fair Market Value of the net assets of such Subsidiary at the time of such redesignation; and

(ii) any property transferred to or from an Unrestricted Subsidiary shall be valued at its Fair Market Value at the time of such transfer.

The amount of any Investment outstanding at any time shall be the original cost of such Investment, reduced by any dividend, distribution, interest payment, return of capital, repayment, or other amount received by the Company or a Restricted Subsidiary in respect of such Investment (provided that, with respect to amounts received other than in the form of Cash Equivalents, such amount shall be equal to the Fair Market Value of such consideration).

"**Investment Grade Rating**" shall mean a rating equal to or higher than Baa3 (or the equivalent) by Moody's and BBB- (or the equivalent) by S&P, or an equivalent rating by any other Rating Agency.

"**Investment Grade Securities**" shall mean:

(i) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof (other than Cash Equivalents),

(ii) debt securities or debt instruments with an Investment Grade Rating, but excluding any debt securities or instruments constituting loans or advances among the Company and its Subsidiaries,

(iii) investments in any fund that invest at least 90% in investments of the type described in clauses (i) and (ii) which fund may also hold immaterial amounts of cash pending investment or distribution, and

(iv) corresponding instruments in countries other than the United States customarily utilized for high-quality investments.

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

"**Issuer Documents**" shall mean with respect to any Letter of Credit, the Letter of Credit Request, and any other document, agreement, and instrument entered into by the Letter of Credit Issuer and a Borrower (or any other Restricted Subsidiary) or in favor of the Letter of Credit Issuer and relating to such Letter of Credit.

"**Joinder Agreement**" shall mean an agreement substantially in the form of Exhibit A.

"**Joint Lead Arrangers and Bookrunners**" shall mean RBC Capital Markets and UBS Securities LLC.

"**Judgment Currency**" shall have the meaning provided in Section 13.19.

"**Junior Debt**" shall mean any Subordinated Indebtedness.

"**Landlord Lien State**" means any state in which, at any time, a landlord's claim for rent has priority by operation of applicable Law notwithstanding any contractual provision to the contrary over the Lien of the Collateral Agent in any of the Collateral.

"**L/C Borrowing**" shall mean an extension of credit resulting from a drawing under any Letter of Credit which has not been reimbursed on the date when made or refinanced as a Borrowing. All L/C Borrowings shall be denominated in Dollars.

"**L/C Facility Maturity Date**" shall mean the date that is five (5) Business Days prior to the Revolving Credit Maturity Date; provided that the L/C Facility Maturity Date may be extended beyond such date with the consent of the Letter of Credit Issuer.

"**L/C Obligations**" shall mean, as at any date of determination, the aggregate amount available to be drawn under all outstanding Letters of Credit *plus* the aggregate of all Unpaid Drawings, including all L/C Borrowings. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the International Standby Practices (ISP98), such Letter of Credit shall be deemed to be "outstanding" in the amount so remaining available to be drawn. Unless otherwise specified herein, the

amount of a Letter of Credit at any time shall be deemed to be the stated amount of such Letter of Credit in effect at such time.

"**L/C Participant**" shall have the meaning provided in Section 3.3(a).

"**L/C Participation**" shall have the meaning provided in Section 3.3(a).

"**Lender**" shall have the meaning provided in the preamble to this Agreement, and in any event, shall include the Swingline Lender.

"**Lender Default**" shall mean (i) the refusal (which shall be given verbally or in writing and has not been retracted) or failure of any Lender to make available its portion of any incurrence of Loans or Reimbursement Obligations, which refusal or failure is not cured within one business day after the date of such refusal or failure, unless such Lender notifies the Administrative Agent in writing that such refusal or failure is the result of such Lender's good faith determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in writing) has not been satisfied, (ii) the failure of any Lender to pay over to the Administrative Agent, the Swingline Lender, the Letter of Credit Issuer or any other Lender any other amount required to be paid by it hereunder within one business day of the date when due, unless the subject of a good faith dispute, (iii) a Lender has notified the Borrower Representative or the Administrative Agent that it does not intend to comply with its funding obligations under this Agreement or has stated publicly that it will generally not comply with its funding obligations under any loan agreements, credit agreements, and other similar agreements, (iv) a Lender has failed to confirm in a manner reasonably satisfactory to the Administrative Agent that it will comply with its funding obligations under this Agreement, (v) a Distressed Person has admitted in writing that it is insolvent or such Distressed Person becomes subject to a Lender-Related Distress Event or (vi) a Lender has become the subject of a Bail-In Action.

"**Lender-Related Distress Event**" shall mean, with respect to any Lender or any other Person that directly or indirectly controls such Lender (each, a "**Distressed Person**"), a voluntary or involuntary case with respect to such Distressed Person under any debt relief law, or a custodian, conservator, receiver, or similar official is appointed for such Distressed Person or any substantial part of such Distressed Person's assets, or such Distressed Person, or any Person that directly or indirectly controls such Distressed Person or is subject to a forced liquidation or such Distressed Person makes a general assignment for the benefit of creditors or is otherwise adjudicated as, or determined by any governmental authority having regulatory authority over such Distressed Person to be, insolvent or bankrupt; provided that a Lender-Related Distress Event shall not be deemed to have occurred solely by virtue of the ownership or acquisition of any equity interests in any Lender or any Person that directly or indirectly controls such Lender by a governmental authority or an instrumentality thereof.

"**Letter of Credit**" shall mean each letter of credit issued pursuant to Section 3.1 and each Existing Letter of Credit.

"**Letter of Credit Commitment**" shall mean $10,000,000, as the same may be reduced from time to time pursuant to Section 3.1.

"**Letter of Credit Expiration Date**" shall mean the day that is five Business Days prior to the scheduled Maturity Date then in effect for the Revolving Credit Facility (or, if such day is not a Business Day, the next preceding Business Day).

"**Letter of Credit Exposure**" shall mean, with respect to any Lender, at any time, the sum of (i) the amount of the principal amount of any Unpaid Drawings in respect of which such Lender has made (or is required to have made) payments to the Letter of Credit Issuer pursuant to Section 3.4(a) at such time and (ii) such Lender's Revolving Credit Commitment Percentage of the Letters of Credit Outstanding at such time (excluding the portion thereof consisting of Unpaid Drawings in respect of which the Lenders have made (or are required to have made) payments to the Letter of Credit Issuer pursuant to Section 3.4(a)).

"**Letter of Credit Fee**" shall have the meaning provided in Section 4.1(b).

"**Letter of Credit Issuer**" shall mean (i) in the case of standby Letters of Credit, trade letters of credit and bank guarantees, Royal Bank of Canada (provided that trade letters of credit shall be issued through its Toronto Branch) or any other Lender reasonably satisfactory to Borrower Representative and the Administrative Agent, (ii) any of their respective Affiliates or branches or (iii) any replacement, additional issuer, or successor pursuant to Section 3.6. In the event that there is more than one Letter of Credit Issuer at any time, references herein and in the other Credit Documents to the Letter of Credit Issuer shall be deemed to refer to the Letter of Credit Issuer in respect of the applicable Letter of Credit or to all Letter of Credit Issuers, as the context requires.

"**Letter of Credit Request**" shall mean a notice executed and delivered by the Borrower Representative pursuant to Section 3.2, and substantially in the form of Exhibit L or another form which is acceptable to the Letter of Credit Issuer in its reasonable discretion.

"**Letters of Credit Outstanding**" shall mean, at any time the sum of, without duplication, (i) the aggregate Stated Amount of all outstanding Letters of Credit and (ii) the aggregate amount of the principal amount of all Unpaid Drawings.

~~"**LIBOR**" shall have the meaning provided in the definition of LIBOR rate.~~

~~"**LIBOR Loan**" shall mean any Loan bearing interest at a rate determined by reference to the LIBOR Rate.~~

~~"**LIBOR Rate**" shall mean,~~

~~(i) for any Interest Period with respect to a LIBOR Loan, the rate per annum equal to the London Interbank Offered Rate ("**LIBOR**") or a comparable or successor rate, which rate is approved by the Administrative Agent, on the applicable Reuters screen page (or such other commercially available source providing such quotations of LIBOR as designated by the Administrative Agent from time to time) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, for Dollar deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period,~~

~~(ii) for any interest calculation with respect to an ABR Loan on any date, the rate per annum equal to LIBOR, at or about 11:00 a.m., London time determined on such date for Dollar deposits with a term of one month commencing that day;~~

~~provided that to the extent a comparable or successor rate is approved by the Administrative Agent in connection herewith, the approved rate shall be applied in a manner consistent with market practice; provided, further, that to the extent such market practice is not administratively feasible for the~~

~~Administrative Agent, such approved rate shall be applied in a manner as otherwise reasonably determined by the Administrative agent in consultation with the Borrower Representative.~~

"**Lien**" shall mean with respect to any asset, any mortgage, lien, pledge, hypothecation, charge, security interest, preference, priority, or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction; provided that in no event shall an operating lease or a license to Intellectual Property be deemed to constitute a Lien.

"**Lien Waiver**" means an agreement, in form and substance reasonably satisfactory to the Collateral Agent, by which, for any Collateral included in the Borrowing Base located on premises not owned by a Credit Party, the lessor, mortgagee or owner (as applicable) waives or subordinates any Lien it may have on the Collateral included in the Borrowing Base, and agrees to permit the Collateral Agent to enter upon the premises and remove the Collateral included in the Borrowing Base or to use the premises to collect on the Collateral included in the Borrowing Base.

"**Line Cap**" means, at any time of determination, the lesser of (a) the Total Revolving Credit Commitment and (b) the Borrowing Base.

"**Loan**" shall mean any Revolving Loan, Swingline Loan or any other loan made by any Lender hereunder.

"**Material Adverse Effect**" shall mean (a) on the Closing Date, a Company Material Adverse Effect or (b) after the Closing Date, any event, change or condition that, individually or in the aggregate, has had, or would reasonably be expected to have, (i) a material adverse effect on the business, assets, financial condition or results of operations of the Company and its Restricted Subsidiaries, taken as a whole or (ii) a material and adverse effect on the material rights and remedies (taken as a whole) of the Administrative Agent under the Credit Documents.

"**Material Intellectual Property**" means intellectual property that the loss of which will have a material and adverse effect on the business of Holdings and its Restricted Subsidiaries taken as a whole.

"**Material Subsidiary**" shall mean, at any date of determination, each wholly owned Restricted Subsidiary (i) whose total assets at the last day of the Test Period ending on the last day of the most recent fiscal period for which Section 9.1 Financials have been delivered were equal to or greater than 5.00% of the Consolidated Total Assets of the Company and the Restricted Subsidiaries at such date or (ii) whose revenues during such Test Period were equal to or greater than 5.00% of the consolidated revenues of the Company and the Restricted Subsidiaries for such period, in each case determined in accordance with GAAP; provided that if, at any time and from time to time after the Closing Date, Restricted Subsidiaries that are not Material Subsidiaries have, in the aggregate, (a) total assets at the last day of such Test Period equal to or greater than 7.50% of the Consolidated Total Assets of the Company and the Restricted Subsidiaries at such date or (b) revenues during such Test Period equal to or greater than 7.50% of the consolidated revenues of the Company and the Restricted Subsidiaries for such period, in each case determined in accordance with GAAP, then the Company shall, on the date on which financial statements for such quarter are delivered pursuant to this Agreement, designate in writing to the Administrative Agent one or more of such Restricted Subsidiaries as Material Subsidiaries for each fiscal period until this proviso is no longer applicable.

"**Maturity Date**" shall mean the Revolving Credit Maturity Date or the maturity date of an Extended Revolving Credit Loan, as applicable.

"**Maximum Incremental Facilities Amount**" shall mean (i) $15,000,000 minus (ii) the aggregate principal amount of Incremental Revolving Credit Commitments incurred pursuant to Section 2. l4(a) prior to such date.

"**Minimum Borrowing Amount**" shall mean (i) with respect to a Borrowing of ~~LIBOR~~Term SOFR Rate Loans, $500,000 (or, if less, the entire remaining applicable Commitments at the time of such Borrowing) and (ii) with respect to a Borrowing of ABR Loans, $500,000 (or, if less, the entire remaining applicable Commitments at the time of such Borrowing).

"**Minimum Collateral Amount**" shall mean, at any time, (i) with respect to Cash Collateral consisting of cash or Cash Equivalents or deposit account balances provided to reduce or eliminate Fronting Exposure during the existence of a Defaulting Lender, an amount equal to 101% of the Fronting Exposure of the Letter of Credit Issuer with respect to Letters of Credit issued and outstanding at such time and (ii) with respect to Cash Collateral consisting of cash or Cash Equivalents or deposit account balances provided in accordance with the provisions of Section 3.8(a)(i), (a)(ii), (a)(iii), an amount equal to 101% of the outstanding amount of all L/C Obligations.

"**Minimum Equity Amount**" shall have the meaning provided in the preamble to this Agreement.

"**Moody's**" shall mean Moody's Investors Service, Inc. or any successor by merger or consolidation to its business.

"**Mortgage**" shall mean a mortgage, deed of trust, deed to secure debt, trust deed, or other security document entered into by the owner of a Mortgaged Property and the Collateral Agent for the benefit of the Secured Parties in respect of that Mortgaged Property to secure the Obligations, in form and substance reasonably acceptable to the Collateral Agent and the Borrower Representative, together with such terms and provisions as may be required by local laws.

"**Mortgaged Property**" shall mean each parcel of real property and improvements thereto with respect to which a Mortgage is granted pursuant to Section 9.14.

"**Multiemployer Plan**" shall mean a multiemployer plan as defined in Section 4001(a)(3) of ERISA to which any Credit Party or ERISA Affiliate makes or is obligated to make contributions, or during the five preceding calendar years, has made or been obligated to make contributions.

"**Net Cash Proceeds**" shall mean, with respect to any event, (i) the gross cash proceeds (including payments from time to time in respect of installment obligations, if applicable, but only as and when received) received by or on behalf of the Company or any of the Restricted Subsidiaries in respect of such event less (ii) the sum of:

(a) the amount, if any, of all taxes and permitted tax distributions described in Section 10.5(b)(15) (including, in each case, in connection with any repatriation of funds) paid or estimated to be payable by the Company or any of the Restricted Subsidiaries in connection with such event,

(b) the amount of any reasonable reserve established in accordance with GAAP against any liabilities (other than any taxes deducted pursuant to clause (a) above) (1) associated

with the assets that are the subject of such event and (2) retained by the Company or any of the Restricted Subsidiaries; provided that the amount of any subsequent reduction of such reserve (other than in connection with a payment in respect of any such liability) shall be deemed to be Net Cash Proceeds of such a Prepayment Event occurring on the date of such reduction,

(c) the amount of any Indebtedness secured by a Lien on the assets that are the subject of such event to the extent that the instrument creating or evidencing such Indebtedness requires that such Indebtedness be repaid upon consummation of such event,

(d) in the case of any sale or other disposition of an asset by a non-Wholly-Owned Restricted Subsidiary, the pro rata portion of the Net Cash Proceeds thereof (calculated without regard to this clause (c)) attributable to minority interests and not available for distribution to or for the account of the Company or a Wholly-Owned Restricted Subsidiary as a result thereof,

(f) in the case of any sale or other disposition of an asset, any funded escrow established pursuant to the documents evidencing any such sale or disposition to secure any indemnification obligations or adjustments to the purchase price associated with any such sale or disposition; provided that the amount of any subsequent reduction of such escrow (other than in connection with a payment in respect of any such liability) shall be deemed to be Net Cash Proceeds of such a Prepayment Event occurring on the date of such reduction solely to the extent that the Company and/or any Restricted Subsidiaries receives cash in an amount equal to the amount of such reduction, and

(g) all fees and out of pocket expenses paid by the Company or a Restricted Subsidiary in connection with any of the foregoing (for the avoidance of doubt, including, (1) in the case of the issuance of indebtedness, any fees, underwriting discounts, premiums, and other costs and expenses incurred in connection with such issuance and (2) attorney's fees, investment banking fees, survey costs, title insurance premiums, and related search and recording charges, transfer taxes, deed or mortgage recording taxes, underwriting discounts and commissions, other customary expenses, and brokerage, consultant, accountant, and other customary fees),

in each case only to the extent not already deducted in arriving at the amount referred to in clause (i) above.

"**Net Income**" shall mean, with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of preferred stock dividends.

"**Net Orderly Liquidation Value**" means the net appraised recovery value of Inventory as set forth in the Credit Parties' stock ledger (expressed as a percentage of the Cost of such Inventory) as reasonably determined from time to time by reference to the most recent appraisal received by the Administrative Agent conducted by an independent appraiser reasonably satisfactory to the Administrative Agent.

"**New Stores**" shall mean Stores open less than four full quarters and more than one full fiscal quarter.

"**Non-Bank Tax Certificate**" shall have the meaning provided in Section 5.4(e)(ii)(3).

"**Non-Consenting Lender**" shall have the meaning provided in Section 13.7(b).

"**Non-Defaulting Lender**" shall mean and include each Lender other than a Defaulting Lender.

"**Non-U.S. Lender**" shall mean any Lender that is not a "United States person" as defined by Section 7701(a)(30) of the Code.

"**Notice of Borrowing**" shall have the meaning provided in Section 2.3(a).

"**Notice of Conversion or Continuation**" shall have the meaning provided in Section 2.6(a).

"**Notice of Intent to Cure**" shall have the meaning provided in Section 11.15.

"**Obligations**" shall mean all advances to, and debts, liabilities, obligations, covenants, and duties of, any Credit Party arising under any Credit Document or otherwise with respect to any Revolving Credit Commitment, Loan, or Letter of Credit or under any Secured Cash Management Agreement, Secured Hedge Agreement (other than with respect to any Credit Party's obligations that constitute Excluded Swap Obligations solely with respect to such Credit Party), in each case, entered into with the Company or any of the Restricted Subsidiaries, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Credit Party or any Affiliate thereof of any proceeding under any bankruptcy or insolvency law naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding. Without limiting the generality of the foregoing, the Obligations of the Credit Parties under the Credit Documents (and any of their Subsidiaries to the extent they have obligations under the Credit Documents) include the obligation (including guarantee obligations) to pay principal, interest, charges, expenses, fees, attorney costs, indemnities, and other amounts payable by any Credit Party under any Credit Document.

"**Organizational Documents**" shall mean, with respect to any Person, such Person's charter, memorandum and articles of association, articles or certificate of organization or incorporation and bylaws or other organizational or governing or constitutive documents of such Person.

"**OFAC**" shall have the meaning set forth in Section 8.18(b).

"**Original Revolving Credit Commitments**" shall mean all Revolving Credit Commitments, Existing Revolving Credit Commitments, and Extended Revolving Credit Commitments.

"**Other Taxes**" shall mean all present or future stamp, registration, or documentary Taxes or any other excise, property, intangible, mortgage recording, or similar Taxes arising from any payment made hereunder or under any other Credit Document or from the execution, delivery, or enforcement of, or otherwise with respect to, this Agreement or any other Credit Document; provided that such term shall not include (i) any Taxes that result from an assignment, grant of a participation pursuant to Section 13.6(c) or transfer or assignment to or designation of a new lending office or other office for receiving payments under any Credit Document ("**Assignment Taxes**") to the extent such Assignment Taxes are imposed as a result of a connection between the assignor/participating Lender and/or the assignee/Participant and the taxing jurisdiction (other than a connection arising solely from any Credit Documents or any transactions contemplated thereunder), except to the extent that any such action described in this proviso is requested or required by the Borrower Representative or (ii) Excluded Taxes.

"**Overadvance Borrowing Base**" shall mean during the period commencing on the Closing Date and ending on the third anniversary of the Closing Date, an amount equal to (a) the aggregate amount set forth opposite the time period in the table below (as such amount may be reduced from time to time pursuant to Section 4.2(b)) less (b) the principal amount of all outstanding Tranche B Loans.

Time Period	Amount
Closing Date through March 31, 2015	$10,000,000
April 1, 2015 - June 30, 2015	$8,750,000
July 1, 2015 - September 30, 2015	$7,500,000
October 1, 2015 - December 31, 2015	$7,250,000
January 1, 2016 - March 31, 2016	$6,000,000
April 1, 2016 - June 30, 2016	$4,750,000
July 1, 2016 - September 30, 2016	$3,500,000
October 1, 2016 - December 31, 2016	$2,250,000
January 1, 2017 – February 12, 2017	$1,000,000
February 13, 2017 and thereafter	$0

"**Overadvance Loan**" shall mean a Revolving Credit Loan made pursuant to the Overadvance Borrowing Base.

"**Overnight Rate**" shall mean, for any day, with respect to any amount denominated in Dollars, the greater of (a) the Federal Funds Effective Rate and (b) an overnight rate determined by the Administrative Agent, the Letter of Credit Issuer, or the Swingline Lender, as the case may be, in accordance with banking industry rules on interbank compensation.

"**Parent Entity**" shall mean any Person that is a direct or indirect parent company (which may be organized as, among other things, a partnership) of Holdings and/or the Company, as applicable; provided that for purposes of clauses (i), (ii) and (iv) of the definition of Change of Control, references to the Company shall be deemed to refer to any such Parent Entity.

"**Participant**" shall have the meaning provided in Section 13.6(c)(i).

"**Participant Register**" shall have the meaning provided in Section 13.6(c)(ii).

"**Participating Member State**" shall mean 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.

"**Payment Conditions**" means, at the time of determination with respect to a specified transaction or payment, that (a) no Event of Default then exists or would arise as a result of the entering into of such transaction or the making of such payment, (b) no Overadvance Loans are then outstanding and (c) after giving effect to such transaction or payment, the Pro Forma Availability Condition has been satisfied. Prior to undertaking any specified transaction or payment which is subject to the Payment

Conditions, the Borrowers shall deliver to the Administrative Agent evidence of satisfaction of the conditions contained in clause (c) above on a basis reasonably satisfactory to the Administrative Agent.

"**Payment Notice**" has the meaning assigned to it in Section 12.14(a).

"**Payment Recipient**" has the meaning assigned to it in Section 12.14(a).

"**Patriot Act**" shall have the meaning provided in Section 13.18.

"**PBGC**' shall mean the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

"**Pension Plan**" shall mean any employee pension benefit plan (as defined in Section 3(2) of ERISA, but excluding any Multiemployer Plan) in respect of which any Credit Party or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4062 or Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"**Permitted Acquisition**" shall have the meaning provided in clause (iii) of the definition of Permitted Investment.

"**Permitted Asset Swap**" shall mean the concurrent purchase and sale or exchange of Related Business Assets or a combination of Related Business Assets and cash or Cash Equivalents between the Company or a Restricted Subsidiary and another Person.

"**Permitted Earlier Maturity First Lien Term Loans**" means First Lien Initial Term Loans with a stated maturity date prior to February 12, 2026 in an aggregate outstanding principal amount of not more than $20,000,000.

"**Permitted First Lien Exchange Notes**" shall mean "Permitted Debt Exchange Notes" as defined in the First Lien Term Loan Agreement that are not prohibited by the term of this Agreement and the other Credit Documents.

"**Permitted Holders**" shall mean each of (i) the Initial Investors and their respective Affiliates and members of management and employees of the Company or any Subsidiary (or their respective direct or indirect parent) who are holders of Equity Interests of the Company (or its direct or indirect parent company) on the Closing Date and any group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act or any successor provision) of which any of the foregoing are members; provided that, in the case of such group and without giving effect to the existence of such group or any other group, such Initial Investors, their respective Affiliates and members of management, collectively, have beneficial ownership of more than 50% of the total voting power of the Voting Stock of the Company or any other direct or indirect parent company of the Company and (ii) any direct or indirect parent of the Company formed not in connection with, or in contemplation of, a transaction (other than Transactions) that, assuming such parent was not formed, after giving effect thereto would constitute a Change of Control.

"**Permitted Investments**" shall mean:

(i) any Investment in the Company or any Restricted Subsidiary; provided, that the aggregate amount of such Investments by a Credit Party in Restricted Subsidiaries that are not Credit Parties shall not exceed the greater of (a) $25,000,000 and (b) 50% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of such Investment; provided, however, that if any Investment pursuant to this clause (i) is made

in any Person that is not a Credit Party at the date of the making of such Investment and such Person becomes a Credit Party after such date, such Investment shall thereafter be deemed to not utilized the basket in the basket in this proviso so long as such Person continues to be a Credit Party;

(ii) any Investment in cash, Cash Equivalents, or Investment Grade Securities at the time such Investment is made;

(iii) (a) any Transactions or Investments otherwise made in accordance with the Acquisition Agreement and (b) any Investment by the Company or any Restricted Subsidiary in a Person that is engaged in a Similar Business if as a result of such investment (a "**Permitted Acquisition**"), (x) on the date the agreement for such Permitted Acquisition is executed, no Event of Default under Section 11.1 or 11.5 shall have occurred and be continuing and (y)(l) such Person becomes a Restricted Subsidiary or (2) such Person, in one transaction or a series of related transactions, is merged, consolidated, or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Company or a Restricted Subsidiary, and, in each case, any Investment held by such Person; provided that such Investment was not acquired by such Person in contemplation of such acquisition, merger, consolidation, or transfer;

(iv) any Investment in securities or other assets not constituting cash, Cash Equivalents, or Investment Grade Securities and received in connection with an Asset Sale made pursuant to Section 10.4 or any other disposition of assets not constituting an Asset Sale;

(v) (a) any Investment existing or contemplated on the Closing Date and, in each case, listed on Schedule 10.5 and (b) investments consisting of any modification, replacement, renewal, reinvestment, or extension of any such Investment; provided that the amount of any such Investment is not increased from the amount of such Investment on the Closing Date except pursuant to the terms of such investment (including in respect of any unused commitment), *plus* any accrued but unpaid interest (including any portion thereof which is payable in kind in accordance with the terms of such modified, extended, renewed, or replaced Investment) and premium payable by the terms of such Indebtedness thereon and fees and expenses associated therewith as of the Closing Date;

(vi) any Investment acquired by the Company or any Restricted Subsidiary (a) in exchange for any other Investment or accounts receivable held by the Company or any such Restricted Subsidiary in connection with or as a result of a bankruptcy, workout, reorganization, or recapitalization of the Company of such other Investment or accounts receivable or (b) as a result of a foreclosure by the Company or any Restricted Subsidiary with respect to any secured Investment or other transfer of title with respect to any secured Investment in default;

(vii) Hedging Obligations permitted under clause (j) of Section 10.1 and Cash Management Services;

(viii) any Investment in a Similar Business having an aggregate Fair Market Value, taken together with all other Investments made pursuant to this clause (viii) that are at that time outstanding, not to exceed the greater of (a) $20,000,000 and (b) 40% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of such Investment (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value); provided, however, that if any Investment pursuant to this clause (viii) is made in any Person that is not a Credit Party at the date of the

making of such Investment and such Person becomes a Credit Party after such date, such investment shall thereafter be deemed to have been made pursuant to clause (i) above and shall cease to have been made pursuant to this clause (viii) for so long as such Person continues to be a Credit Party;

(ix) Investments the payment for which (a) consists of Equity interests of the Company or any direct or indirect parent company of the Company (exclusive of Disqualified Stock) or (b) the aggregate Net Cash Proceeds and the Fair Market Value of marketable securities or other property received by the Company since immediately after the Closing Date from the issuance or sale of Equity Interests of the Company or any direct or indirect parent company of the Company (exclusive of Disqualified Stock) and, in the case of clause (b), such Investment is made within ninety (90) days of the receipt of such Net Cash Proceeds; provided that such Equity Interests will not increase the amount available for Restricted Payments under clause (iii) of Section 10.5(a) of the First Lien Term Loan Agreement or the Second Lien Credit Agreement, are not used as for a Cure Amount, or are not used to incur Indebtedness permitted by Section 10.1 or to make any Restricted Payment permitted by Section 10.5(b);

(x) guarantees of Indebtedness permitted under Section 10.1 and Investments resulting from Liens permitted under Section 10.2;

(xi) any transaction to the extent it constitutes an Investment that is permitted and made in accordance with the provisions of Section 10.10;

(xii) Investments consisting of purchases and acquisitions of inventory, supplies, material, equipment, or other similar assets in the ordinary course of business;

(xiii) additional Investments having an aggregate Fair Market Value, taken together with all other Investments made pursuant to this clause (xiii) that are at that time outstanding (without giving effect to the sale of an Unrestricted Subsidiary to the extent the proceeds of such sale do not consist of cash or marketable securities), not to exceed the greater of (a) $15,000,000 and (b) 30% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of such Investment (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value); provided, however, that if any Investment pursuant to this clause (xiii) is made in any Person that is not a Credit Party at the date of the making of such Investment and such Person becomes a Credit Party after such date, such investment shall thereafter be deemed to have been made pursuant to clause (i) above and shall cease to have been made pursuant to this clause (xiii) for so long as such Person continues to be a Credit Party;

(xiv) [reserved];

(xv) advances to, or guarantees of Indebtedness of, employees not in excess of the greater of (a) $2,500,000 and (b) 5% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of such Investment;

(xvi) (a) loans and advances to officers, directors, managers, and employees for business-related travel expenses, moving expenses, and other similar expenses, in each case incurred in the ordinary course of business or consistent with past practices, (b) non-cash loans and advances to fund such Person's purchase of Equity Interests of the Company or any direct or indirect parent company thereof and (c) promissory notes received from stockholders of the Company, any direct or indirect parent company of the Company or any Subsidiary in

connection with the exercise of stock options in respect of the Equity Interests of the Company, any direct or indirect parent company of the Company and the Subsidiaries;

(xvii) Investments consisting of extensions of trade credit in the ordinary course of business;

(xviii) Investments in the ordinary course of business consisting of Uniform Commercial Code Article 3 endorsements for collection or deposit and Uniform Commercial Code Article 4 customary trade arrangements with customers consistent with past practices;

(xix) non-cash Investments in connection with Permitted Reorganizations;

(xx) the licensing and contribution of Intellectual Property pursuant to joint marketing arrangements with other Persons, in the ordinary course of business; and

(xxi) other Investments to the extent at the time such Investment is made, the Payment Conditions have been satisfied.

"**Permitted Liens**" shall mean, with respect to any Person:

(i) pledges or deposits by such Person under workmen's compensation laws, unemployment insurance laws, or similar legislation, or good faith deposits in connection with bids, tenders, contracts (other than for the payment of Indebtedness), or leases to which such Person is a party, or deposits to secure public or statutory obligations of such Person or deposits of cash or U.S. government bonds to secure surety or appeal bonds to which such Person is a party, or deposits as security for the payment of rent or deposits made to secure obligations arising from contractual or warranty refunds, in each case incurred in the ordinary course of business;

(ii) Liens imposed by law, such as carriers', warehousemen's, materialmen's, repairmen's, and mechanics' Liens, in each case for sums not yet overdue for a period of more than 60 days or being contested in good faith by appropriate proceedings or other Liens arising out of judgments or awards against such Person with respect to which such Person shall then be proceeding with an appeal or other proceedings for review if adequate reserves with respect thereto are maintained on the books of such Person in accordance with GAAP;

(iii) Liens for taxes, assessments, or other governmental charges not yet overdue for a period of more than 60 days or which are being contested in good faith by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of such Person in accordance with GAAP or are not required to be paid pursuant to Section 8.11, or for property taxes on property the Company or one of its Subsidiaries has determined to abandon if the sole recourse for such tax, assessment, charge, levy, or claim is to such property;

(iv) Liens in favor of issuers of performance, surety, bid, indemnity, warranty, release, appeal, or similar bonds or with respect to other regulatory requirements or letters of credit or bankers' acceptances issued, and completion guarantees provided for, in each case pursuant to the request of and for the account of such Person in the ordinary course of its business;

(v) minor survey exceptions, minor encumbrances, ground leases, casements, or reservations of, or rights of others for, licenses, rights-of-way, servitudes, sewers, electric lines, drains, telegraph and telephone and cable television lines, gas and oil pipelines, and other similar purposes, or zoning, building codes, or other restrictions (including, without limitation, minor defects or irregularities in title and similar encumbrances) as to the use of real properties or Liens incidental, to the conduct of the business of such Person or to the ownership of its properties which were not incurred in connection with Indebtedness and which do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person, and Liens disclosed as exceptions to coverage in the final title policies and endorsements issued to the Collateral Agent with respect to any Mortgaged Properties;

(vi) Liens securing Indebtedness permitted to be incurred pursuant to clause (a), (b) and (v) (so long as, in each case, such Liens are subject to the ABL/Term Loan Intercreditor Agreement), (d), (l)(ii), (n), or (r) of Section 10.1 or Indebtedness permitted pursuant to the first paragraph of Section 10.1; provided that, (a) in the case of clause (d) of Section 10.1, such Lien may not extend to any property or equipment (or assets affixed or appurtenant thereto) other than the property or equipment being financed or refinanced under such clause (d) of Section 10.1, replacements of such property, equipment or assets, and additions and accessions and in the case of multiple financings of equipment provided by any lender, other equipment financed by such lender; (b) in the case of clause (r) of Section 10.1, such Lien may not extend to any assets other than the assets owned by the Foreign Subsidiaries incurring such Indebtedness; (c) in the cases of clause (n) and the first paragraph of Section 10.1, if such Indebtedness is (x) *pari passu* in right of security with the Obligations or First Lien Obligations, the Company shall be in compliance on a Pro Forma Basis (including any adjustments required by such definition as a result of a contemplated Permitted Acquisition) with the First Lien Secured Leverage Test and the Senior Secured Leverage Test or (y) junior in right of security to the Obligations or the First Lien Obligations, the Company shall be in compliance on a Pro Forma Basis (including any adjustments required by such definition as a result of a contemplated Permitted Acquisition) with the Senior Secured Leverage Test; and (d) in the case of any such indebtedness for borrowed money incurred pursuant to the first paragraph of Section 10.1 or Section 10.1(1)(ii) that is secured by a Lien on the ABL Priority Collateral, such Liens are subordinated to the Liens on the ABL Priority Collateral securing the Obligations pursuant to, or in a manner substantially consistent with, the ABL/Term Loan Intercreditor Agreement;

(vii) subject to Section 9.14, other than with respect to Mortgaged Property, Liens existing on the Closing Date; provided that any Lien securing Indebtedness or other obligations in excess of (a) $2,500,000 individually or (b) $5,000,000 in the aggregate (when taken together with all other Liens securing obligations outstanding in reliance on this clause (b) that are not listed on Schedule 10.2) shall only be permitted if set forth on Schedule 10.2, and, in each case, any modifications, replacements, renewals, or extensions thereof;

(viii) Liens on property or shares of stock of a Person at the time such Person becomes a Subsidiary; provided such Liens are not created or incurred in connection with, or in contemplation of, such other Person becoming a Subsidiary; provided, further, however, that such Liens may not extend to any other property owned by the Company or any Restricted Subsidiary (other than, with respect to such Person, any replacements of such property or assets and additions and accessions thereto, after-acquired property subject to a Lien securing Indebtedness and other obligations incurred prior to such time and which Indebtedness and other obligations are permitted hereunder that require, pursuant to their terms at such time, a pledge of after-acquired property of such Person, and the proceeds and the products thereof and customary

security deposits in respect thereof and in the case of multiple financings of equipment provided by any lender, other equipment financed by such lender, it being understood that such requirement shall not be permitted to apply to any property to which such requirement would not have applied but for such acquisition);

(ix) Liens on property at the time the Company or a Restricted Subsidiary acquired the property, including any acquisition by means of a merger or consolidation with or into the Company or any Restricted Subsidiary or the designation of an Unrestricted Subsidiary as a Restricted Subsidiary; provided that such Liens are not created or incurred in connection with, or in contemplation of, such acquisition, merger, consolidation, or designation; provided, further, however, that such Liens may not extend to any other property owned by the Company or any Restricted Subsidiary (other than, with respect to such property, any replacements of such property or assets and additions and accessions thereto, after-acquired property subject to a Lien securing Indebtedness and other obligations incurred prior to such time and which Indebtedness and other obligations are permitted hereunder that require, pursuant to their terms at such time, a pledge of after-acquired property, and the proceeds and the products thereof and customary security deposits in respect thereof and in the case of multiple financings of equipment provided by any lender, other equipment financed by such lender, it being understood that such requirement shall not be permitted to apply to any property to which such requirement would not have applied but for such acquisition);

(x) Liens securing Indebtedness or other obligations of a Restricted Subsidiary owing to the Company or another Restricted Subsidiary permitted to be incurred in accordance with Section 10.1;

(xi) Liens securing Hedging Obligations and Cash Management Services so long as the related Indebtedness is, and is permitted hereunder to be, secured by a Lien on the same property securing such Hedging Obligations and Cash Management Services;

(xii) Liens on specific items of inventory or other goods and proceeds of any Person securing such Person's obligations in respect of bankers' acceptances issued or created for the account of such Person to facilitate the purchase, shipment, or storage of such inventory or other goods;

(xiii) leases, subleases, licenses, or sublicenses (including of Intellectual Property) granted to others in the ordinary course of business which do not materially interfere with the ordinary conduct of the business of the Company or any Restricted Subsidiary and do not secure any Indebtedness;

(xiv) Liens arising from Uniform Commercial Code financing statement filings regarding operating leases or consignments entered into by the Company or any Restricted Subsidiary in the ordinary course of business;

(xv) Liens in favor of the Company or any other Guarantor;

(xvi) Liens on equipment of the Company or any Restricted Subsidiary granted in the ordinary course of business to the Company's or such Restricted Subsidiary's client at which such equipment is located;

(xvii) rights of set-off against credit balances of the Company or any of the Restricted Subsidiaries with credit card issuers or credit card processors or amounts owing by such credit

card issuers or credit card processors to the Company or any of its Restricted Subsidiaries in the ordinary course of business secure the obligations of the Company or any of its Subsidiaries to the credit card issuers or credit card processors as a result of fees and charges;

(xviii) Liens to secure any refinancing, refunding, extension, renewal, or replacement (or successive refinancing, refunding, extensions, renewals, or replacements) as a whole, or in part, of any Indebtedness secured by any Lien referred to in clauses (vi), (vii), (viii), (ix), (x), and (xv) of this definition of Permitted Liens; provided that (a) such new Lien shall be limited to all or part of the same property that secured the original Lien (plus improvements on such property), (b) the Indebtedness secured by such Lien at such time is not increased to any amount greater than the sum of (1) the outstanding principal amount or, if greater, committed amount of the Indebtedness described under clauses (vi), (vii), (viii), (ix), (x), and (xv) at the time the original Lien became a Permitted Lien under this Agreement, and (2) an amount necessary to pay any fees and expenses, including premiums and accrued and unpaid interest, related to such refinancing, refunding, extension, renewal, or replacement and (c) in the case of any such Lien on the ABL Priority Collateral, such Liens are subordinated to the Liens on the ABL Priority Collateral securing the Obligations at least to the same extent as the Indebtedness being refinanced, refunded, extended, renewed, or replaced;

(xix) deposits made or other security provided to secure liabilities to insurance carriers under insurance or self-insurance arrangements in the ordinary course of business;

(xx) other Liens securing obligations incurred in the ordinary course of business which obligations do not exceed the greater of (a) $20,000,000 and (b) 40% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of the incurrence of such Lien provided, that in the case of any such Lien securing Indebtedness for borrowed money on the ABL Priority Collateral, such Liens are subordinated to the Liens on the ABL Priority Collateral securing the Obligations pursuant to, or in a manner consistent with, the ABL/Term Loan Intercreditor Agreement;

(xxi) Liens securing judgments for the payment of money not constituting an Event of Default under Section 11.6 or Section 11.11;

(xxii) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business;

(xxiii) Liens (a) of a collection bank arising under Section 4-210 of the Uniform Commercial Code or any comparable or successor provision on items in the course of collection, (b) attaching to commodity trading accounts or other commodity brokerage accounts incurred in the ordinary course of business and (c) in favor of banking or other financial institutions or other electronic payment service providers arising as a matter of law encumbering deposits (including the right of set-off) and which are within the general parameters customary in the banking or finance industry;

(xxiv) Liens deemed to exist in connection with Investments in repurchase agreements permitted under Section 10.1; provided that such Liens do not extend to any assets other than those that are the subject of such repurchase agreement;

(xxv) Liens encumbering reasonable customary initial deposits and margin deposits and similar Liens attaching to commodity trading accounts or other brokerage accounts incurred in the ordinary course of business and not for speculative purposes;

(xxvi) Liens that are contractual rights of set-off (a) relating to the establishment of depository relations with banks not given in connection with the issuance of indebtedness, (b) relating to pooled deposit or sweep accounts of the Company or any of the Restricted Subsidiaries to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Company and the Restricted Subsidiaries, or (c) relating to purchase orders and other agreements entered into by the Company or any of the Restricted Subsidiaries in the ordinary course of business;

(xxvii) Liens (a) solely on any cash earnest money deposits made by the Company or any of the Restricted Subsidiaries in connection with any letter of intent or purchase agreement permitted under this Agreement or (b) consisting of an agreement to dispose of any property pursuant to a disposition permitted hereunder;

(xxviii) rights reserved or vested in any Person by the terms of any lease, license, franchise, grant, or permit held by the Company or any of the Restricted Subsidiaries or by a statutory provision, to terminate any such lease, license, franchise, grant, or permit, or to require annual or periodic payments as a condition to the continuance thereof;

(xxix) restrictive covenants affecting the use to which real property may be put; provided that the covenants are complied with;

(xxx) security given to a public utility or any municipality or governmental authority when required by such utility or authority in connection with the operations of that Person in the ordinary course of business;

(xxxi) zoning by-laws and other land use restrictions, including, without limitation, site plan agreements, development agreements, and contract zoning agreements;

(xxxii) Liens arising out of conditional sale, title retention, consignment, or similar arrangements for sale of goods entered into by the Company or any Restricted Subsidiary in the ordinary course of business;

(xxxiii) Liens arising under the Security Documents;

(xxxiv) Liens on goods purchased in the ordinary course of business the purchase price of which is financed by a documentary letter of credit issued for the account of the Company or any of its Subsidiaries;

(xxxv) (a) Liens on Equity interests in joint ventures; provided that any such Lien is in favor of a creditor of such joint venture and such creditor is not an Affiliate of any partner to such joint venture and (b) purchase options, call, and similar rights of, and restrictions for the benefit of, a third party with respect to Equity Interests held by the Company or any Restricted Subsidiary in joint ventures;

(xxxvi) Liens on cash and Cash Equivalents that are earmarked to be used to satisfy or discharge Indebtedness; provided (a) such cash and/or Cash Equivalents are deposited into an account from which payment is to be made, directly or indirectly, to the Person or Persons

holding the Indebtedness that is to be satisfied or discharged, (b) such Liens extend solely to the account in which such cash and/or Cash Equivalents are deposited and are solely in favor of the Person or Persons holding the Indebtedness (or any agent or trustee for such Person or Persons) that is to be satisfied or discharged, and (c) the satisfaction or discharge of such Indebtedness is expressly permitted hereunder; and

(xxxvii) with respect to any Foreign Subsidiary, other Liens and privileges arising mandatorily by any Requirement of Law.

For purposes of this definition, the term Indebtedness shall be deemed to include interest, premiums (if any), fees and expenses on such Indebtedness.

"**Permitted Reorganization**" shall mean re-organizations and other activities related to tax planning and re-organization, so long as, after giving effect thereto, the security interest of the Lenders in the Collateral, taken as a whole, is not materially impaired.

"**Permitted Sale Leaseback**" shall mean any Sale Leaseback consummated by the Company or any of the Restricted Subsidiaries after the Closing Date; provided that any such Sale Leaseback not between the Company and a Restricted Subsidiary is consummated for fair value as determined at the time of consummation in good faith by (i) the Company or such Restricted Subsidiary or (ii) in the case of any Sale Leaseback (or series of related Sales Leasebacks) the aggregate proceeds of which exceed the greater of (a) $15,000,000 and (b) 30% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of the incurrence of such Sale Leaseback, the board of directors (or analogous governing body) of the Company or such Restricted Subsidiary (which such determination may take into account any retained interest or other Investment of the Company or such Restricted Subsidiary in connection with, and any other material economic terms of, such Sale Leaseback).

"**Permitted Second Lien Exchange Notes**" shall mean "Permitted Debt Exchange Notes" as defined in the Second Lien Credit Agreement that are not prohibited by the terms of this Agreement and the other Credit Documents.

"**Person**" shall mean any individual, partnership, joint venture, firm, corporation, limited liability company, association, trust, or other enterprise or any Governmental Authority.

"**Pit Inventory**" shall mean Inventory located in a clearance center (the "Pit") located within certain showrooms of the Credit Parties and/or maintained on an electronic "e-Pit".

"**Plan**" shall mean., other than any Multiemployer Plan, any employee benefit plan (as defined in Section 3(3) of ERISA), including any employee welfare benefit plan (as defined in Section 3(1) of ERISA), any employee pension benefit plan (as defined in Section 3(2) of ERISA), and any plan which is both an employee welfare benefit plan and an employee pension benefit plan, and in respect of which any Credit Party or, any ERISA Affiliate, is (or, if such Plan were terminated, would under Section 4062 or Section 4069 of ERISA be reasonably likely to be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"**Platform**" shall have the meaning provided in Section 13.17(a).

"**Pledge Agreement**" shall mean the Pledge Agreement, entered into by the Credit Parties party thereto and the Collateral Agent for the benefit of the Secured Parties, substantially in the form of Exhibit C.

"**Post-Acquisition Period**" shall mean, with respect to any Permitted Acquisition, the period beginning on the date such Permitted Acquisition is consummated and ending on the last day of the eighth full consecutive fiscal quarter immediately following the date on which such Permitted Acquisition is consummated.

"**Pounds Sterling**" shall mean British Pounds Sterling or any successor currency in the United Kingdom.

"**Present Fair Salable Value**" shall mean the amount that could be obtained by an independent willing seller from an independent willing buyer if the assets (both tangible and intangible) of the Company and the other Restricted Subsidiaries taken as a whole are sold on a going concern basis with reasonable promptness in an arm's-length transaction under present conditions for the sale of comparable business enterprises insofar as such conditions can be reasonably evaluated.

"**primary obligor**" shall have the meaning provided such term in the definition of Contingent Obligations.

"**Prime Rate**" shall mean the "prime rate" referred to in the definition of ABR.

"**Pro Forma Adjustment**" shall mean, for any Test Period that includes all or any part of a fiscal quarter included in any Post-Acquisition Period, with respect to the Acquired EBITDA of the applicable Acquired Entity or Business or Converted Restricted Subsidiary or the Consolidated EBITDA of the Company, the pro forma increase or decrease in such Acquired EBITDA or such Consolidated EBITDA, as the case may be, projected by the Company in good faith as a result of (i) actions taken during such Post-Acquisition Period for the purposes of realizing reasonably identifiable and factually supportable cost savings or (ii) any additional costs incurred during such Post-Acquisition Period, in each case in connection with the combination of the operations of such Acquired Entity or Business or Converted Restricted Subsidiary with the operations of the Company and the Restricted Subsidiaries; provided that (a) at the election of the Company, such Pro Forma Adjustment shall not be required to be determined for any Acquired Entity or Business or Converted Restricted Subsidiary to the extent the aggregate consideration paid in connection with such acquisition was less than $5,000,000 and (b) so long as such actions are taken during such Post-Acquisition Period or such costs are incurred during such Post-Acquisition Period, as applicable, it may be assumed, for purposes of projecting such pro forma increase or decrease to such Acquired EBITDA or such Consolidated EBITDA, as the case may be, that the applicable amount of such cost savings will be realizable during the entirety of such Test Period, or the applicable amount of such additional costs, as applicable, will be incurred during the entirety of such Test Period; provided, further, that any such pro forma increase or decrease to such Acquired EBITDA or such Consolidated EBITDA, as the case may be, shall be without duplication for cost savings or additional costs already included in such Acquired EBITDA or such Consolidated EBITDA, as the case may be, for such Test Period.

"**Pro Forma Availability**" means, for any date of calculation with respect to any transaction or payment, Excess Availability after giving effect to such transaction or payment on Pro Forma Basis.

"**Pro Forma Availability Condition**" means, for any date of calculation with respect to any transaction or payment, that either (i) (a) the (x) Pro Forma Availability on such date and (y) average daily Excess Availability for a period of thirty (30) consecutive days immediately preceding such

transaction or payment is greater than 12.5% of the Line Cap (or, solely in connection with a Restricted Payment (other than a Restricted Investment), 15.0%) and (b) the Fixed Charge Coverage Ratio, calculated as of the last day of the most recently ended Test Period, after giving effect to such transaction or payment on a Pro Forma Basis, is greater than 1.00:1.00 or (ii) the (x) Pro Forma Availability on such date and (y) average daily Excess Availability for a period of thirty (30) consecutive days immediately preceding such transaction or payment is greater than 17.5% of the Line Cap (or, solely in connection with a Restricted Payment *(*other than a Restricted Investment), 20.0%).

"**Pro Forma Basis**," "**Pro Forma Compliance**," and "**Pro Forma Effect**" shall mean, with respect to compliance with any test, financial ratio, or covenant hereunder, that (i) to the extent applicable, the Pro Forma Adjustment shall have been made and (ii) all Specified Transactions and the following transactions in connection therewith shall be deemed to have occurred as of the first day of the applicable period of measurement in such test or covenant: (a) income statement items (whether positive or negative) attributable to the property or Person subject to such Specified Transaction, (1) in the case of a sale, transfer, or other disposition of all or substantially all Capital Stock in any Restricted Subsidiary of the Company or any division, product line, or facility used for operations of the Company or any of its Restricted Subsidiaries, shall be excluded, and (2) in the case of a Permitted Acquisition or Investment described in the definition of Specified Transaction, shall be included, (b) any retirement of Indebtedness, and (c) any incurrence or assumption of Indebtedness by the Company or any of the Restricted Subsidiaries in connection therewith (it being agreed that if such Indebtedness has a floating or formula rate, such Indebtedness shall have an implied rate of interest for the applicable period for purposes of this definition determined by utilizing the rate that is or would be in effect with respect to such Indebtedness as at the relevant date of determination); provided that, without limiting the application of the Pro Forma Adjustment pursuant to clause (a) above, the foregoing pro forma adjustments may be applied to any such test or covenant solely to the extent that such adjustments are consistent with the definition of Consolidated EBITDA and give effect to operating expense reductions that are (x)(1) directly attributable to such transaction, (2) expected to have a continuing impact on the Company, any Borrower or any of the other Restricted Subsidiaries, and (3) factually supportable or (y) otherwise consistent with the definition of Pro Forma Adjustment.

"**Pro Forma Entity**" shall have the meaning provided in the definition of the term Acquired EBITDA.

"**Prohibited Transaction**" shall have the meaning assigned to such term in Section 406 of ERISA and Section 4975(c) of the Code.

"**Protective Advances**" shall have the meaning set forth in Section 2.1(f).

"**Public Company Costs**" shall mean costs relating to compliance with the provisions of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, as applicable to companies with equity or debt securities held by the public, the rules of national securities exchange companies with listed equity or debt securities, directors' or managers' compensation, fees and expense reimbursement, costs relating to investor relations, shareholder meetings and reports to shareholders or debtholders, directors' and officers' insurance and other executive costs, legal and other professional fees, and listing fees.

"**Public Lender Presentation**" shall mean the Lenders' Presentation of the Company dated January 2014.

"**Qualified Proceeds**" shall mean assets that are used or useful in, or Capital Stock of any Person engaged in, a Similar Business.

"**Qualified Stock**" of any Person shall mean Capital Stock of such Person other than Disqualified Stock of such Person.

"**Qualifying IPO**" shall mean the issuance by the Company or any Parent Entity of its common Equity interests in an underwritten primary public offering (other than a public offering pursuant to a registration statement on Form S-8) pursuant to an effective registration statement filed with the SEC in accordance with the Securities Act (whether alone or in connection with a secondary public offering) or in a firm commitment underwritten offering (or series of related offerings of securities to the public pursuant to a final prospectus) made pursuant to the Securities Act.

"**Real Estate**" shall have the meaning provided in Section 9.1(f).

"**Refinancing Indebtedness**" shall have the meaning provided in Section 10.1(m).

"**Refunding Capital Stock**" shall have the meaning provided in Section 10.5(b)(2).

"**Register**" shall have the meaning provided in Section 13.6(b)(iv).

"**Regulation T**" shall mean Regulation T of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"**Regulation U**" shall mean Regulation U of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"**Regulation X**" shall mean Regulation X of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"**Reimbursement Date**" shall have the meaning provided in Section.3.4(a).

"**Reimbursement Obligations**" shall mean the Borrowers' obligations to reimburse Unpaid Drawings pursuant to Section 3.4(a)

"**Related Business Assets**" shall mean assets (other than cash or Cash Equivalents) used or useful in a Similar Business; provided that any assets received by the Company or the Restricted Subsidiaries in exchange for assets transferred by the Company or a Restricted Subsidiary shall not be deemed to be Related Business Assets if they consist of securities of a Person, unless upon receipt of the securities of such Person, such Person would become a Restricted Subsidiary.

"**Related Fund**" shall mean, with respect to any Lender that is a Fund, any other Fund that is advised or managed by (a) such Lender, (b) an Affiliate of such Lender or (c) an entity or an Affiliate of such entity that administers, advises or manages such Lender.

"**Related Parties**" shall mean, with respect to any specified Person, such Person's Affiliates and the directors, officers, employees, agents, trustees, and advisors of such Person and any Person that possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of such Person, whether through the ability to exercise voting power, by contract or otherwise.

"**Release**" shall mean any release, spill, emission, discharge, disposal, escaping, leaking, pumping, pouring, dumping, emptying, injection, or leaching into the environment.

"**Relevant Governmental Body**" means the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

"**Removal Effective Date**" shall have the meaning provided in Section 12.9(b).

"**Rent and Charges Reserve**" means a reserve, established in the Administrative Agent's Credit Judgment no earlier than ninety (90) days after the Closing Date, for any leased location in a Landlord Lien State where Inventory included in the Borrowing Base is located or where books and records relating to Collateral included in the Borrowing Base are located, in an amount not in excess of two (2) month's rent to any landlord, mortgagee or other Person who possesses any such Collateral or could assert a Lien thereon, unless a Lien Waiver has been obtained from such landlord, mortgagee or other person; provided, that (i) the Rent and Charges Reserve for any location shall not exceed the amount advanced against Collateral consisting of Inventory located at such location and (ii) no Rent and Charges Reserve shall be established for any location at which the aggregate Value of all Inventory at such location is less than $100,000.

"**Reorganization**" shall mean, with respect to any Multiemployer Plan, the condition that such plan is in reorganization within the meaning of Section 4241 of ERISA.

"**Reportable Event**" shall mean any "reportable event", as defined in Section 4043(c) of ERISA or the regulations issued thereunder, with respect to a Pension Plan (other than a Pension Plan maintained by an ERISA Affiliate that is considered an ERISA Affiliate only pursuant to subsection (m) or (o) of Section 414 of the Code), other than those events as to which notice is waived pursuant to PBGC Reg. § 4043.

"**Required Lenders**" shall mean, at any date, Non-Defaulting Lenders holding a majority of the Adjusted Total Revolving Credit Commitment at such date (or, if the Total Revolving Credit Commitment has been terminated at such time, a majority of the aggregate Revolving Credit Exposure of all Lenders (excluding Revolving Credit Exposure of Defaulting Lenders) at such time); provided that at any time there is more than one Non-Defaulting Lender hereunder, if one Non-Defaulting Lender holds more than a majority of the Adjusted Total Revolving Credit Commitment or the Total Revolving Credit Exposure, as applicable, then "Required Lenders" shall include such Non-Defaulting Lender plus one additional Non-Defaulting Lender who is not an Affiliate of such Non-Defaulting Lender.

"**Requirement of Law**" shall mean, as to any Person, the certificate of incorporation and by-laws or other organizational or governing documents of such Person, and any law, treaty, rule., or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or assets or to which such Person or any of its property or assets is subject.

"**Resignation Effective Date**" shall have the meaning provided in Section 12.9(a).

"**Restricted Investment**" shall mean an Investment other than a Permitted Investment.

"**Restricted Payment**" shall have the meaning provided in Section 10.5(a).

"**Restricted Subsidiary**" shall mean any Subsidiary of the Company other than an Unrestricted Subsidiary.

"**Retired Capital Stock**" shall have the meaning provided in Section 10.5(b)(2).

"**Revolving Credit Commitment**" shall mean, as to each Lender, its obligation to make Revolving Credit Loans to the Borrowers pursuant to Section 2.1(b), in an aggregate principal amount at any one time outstanding not to exceed the amount set forth, and opposite such Lender's name on Schedule 1.1(b) under the caption Revolving Credit Commitment or in the Assignment and Acceptance pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement (including Section 2.14). The aggregate Revolving Credit Commitments of all Lenders shall be (i) $40,000,000 on the Closing Date and (ii) $55,000,000 on the Amendment No. 2 Effective Date after giving effect to Amendment No. 2 (the "**Initial Revolving Credit Commitments**"), as such amount may be adjusted from time to time in accordance with the terms of this Agreement. The aggregate Revolving Credit Commitments of all Lenders on the Amendment No. 3 Effective Date is $70,000,000. The aggregate Revolving Credit Commitments of all Lenders on the Amendment No. 4 Effective Date is $150,000,000.

"**Revolving Credit Commitment Percentage**" shall mean at any time, for each Lender, the percentage obtained by dividing (i) such Lender's Revolving Credit Commitment at such time by (ii) the amount of the Total Revolving Credit Commitment at such time; provided that at any time when the Total Revolving Credit Commitment shall have been terminated, each Lender's Revolving Credit Commitment Percentage shall be the percentage obtained by dividing (a) such Lender's Revolving Credit Exposure at such time by (b) the Revolving Credit Exposure of all Lenders at such time.

"**Revolving Credit Exposure**" shall mean, with respect to any Lender at any time, the sum of (i) the aggregate amount of the principal amount of Revolving Credit Loans of such Lender then outstanding, (ii) such Lender's Letter of Credit Exposure at such time, and (iii) such Lender's Revolving Credit Commitment Percentage of the aggregate principal amount of all outstanding Swingline Loans at such time.

"**Revolving Credit Facility**" shall mean, at any time, the aggregate amount of the Lenders' Revolving Credit Commitments at such time.

"**Revolving Credit Loan**" shall have the meaning provided in Section 2.1(b).

"**Revolving Credit Maturity Date**" shall mean the earlier of (i) May 12, 2026 and (ii) either (A) prior to the Term Loan Extension Date, thirty (30) days prior to the earliest stated final maturity date applicable to any First Lien Term Loan (and any Permitted Refinancing thereof) or (B) on and after the Term Loan Extension Date, one hundred eighty (180) days prior to the earliest stated final maturity date applicable to any First Lien Term Loan (other than Permitted Earlier Maturity First Lien Term Loans) (and any Permitted Refinancing thereof).

"**Revolving Credit Termination Date**" shall mean the date on which the Revolving Credit Commitments shall have terminated, no Revolving Credit Loans, Swingline Loans or Protective Advances shall be outstanding and the Letters of Credit Outstanding shall have been reduced to zero or Cash Collateralized.

"**Revolving Loan**" shall mean, collectively or individually as the context may require, any (i) Revolving Credit Loan, (ii) Extended Revolving Credit Loan and (iii) Incremental Revolving Credit Loan, in each case made pursuant to and in accordance with the terms and conditions of this Agreement.

"**S&P**" shall mean Standard & Poor's Ratings Services or any successor by merger or consolidation to its business.

"**Sale Leaseback**" shall mean any arrangement with any Person providing for the leasing by the Company or any Restricted Subsidiary of any real or tangible personal property, which property has been or is to be sold or transferred by the Company or such Restricted Subsidiary to such Person in contemplation of such leasing.

"**SEC**" shall mean the Securities and Exchange Commission or any successor thereto.

"**Second Lien Administrative Agent**" shall have the meaning assigned to the term "Administrative Agent" in the Second Lien Credit Agreement.

"**Second Lien Collateral Agent**" shall have the meaning assigned to the term "Collateral Agent" in the Second Lien Credit Agreement.

"**Second Lien Credit Agreement**" shall mean the Credit Agreement, dated as of the Closing Date, among Holdings, the Borrower(s), the guarantors party thereto, the lenders party thereto, and the Second Lien Administrative Agent (as such agreement may be amended, supplemented, waived or otherwise modified from time to time or refunded, refinanced, restructured, replaced, renewed, repaid, increased or extended from time to time (whether in whole or in part, whether with the original administrative agent and lenders or other agents and lenders or otherwise, and whether provided under the original Second Lien Credit Agreement or other credit agreements or otherwise, unless such agreement, instrument or document expressly provides that it is not intended to be and is not a Second Lien Credit Agreement)).

"**Second Lien Credit Documents**" shall mean the Second Lien Credit Agreement and each other document executed in connection therewith or pursuant thereto.

"**Second Lien Facility**" shall have the meaning provided in the recitals of this Agreement.

"**Second Lien Loans**" shall have the meaning provided to the term "Loans" in the Second Lien Credit Agreement and any modification, replacement, refinancing, refunding, renewal, or extension thereof.

"**Section 2.14 Additional Amendment**" shall have the meaning provided in Section 2.14(g)(iv).

"**Section 9.1 Financials**" shall mean the financial statements delivered, or required to be delivered, pursuant to Section 9.1(a) or (b) together with the accompanying officer's certificate delivered, or required to be delivered, pursuant to Section 9.1(d).

"**Secured Cash Management Agreement**" shall mean any Cash Management Agreement that is entered into by and between Holdings or any of the Restricted Subsidiaries and any Cash Management Bank, which is specified in writing by the Borrower Representative to the Administrative Agent as constituting a Secured Cash Management Agreement hereunder.

"**Secured Cash Management Obligations**" shall mean Obligations under Secured Cash Management Agreements.

"**Secured Hedge Agreement**" shall mean any Hedge Agreement that is entered into by and between Holdings or any Restricted Subsidiary and any Hedge Bank, which is specified in writing by the Borrower Representative to the Administrative Agent as constituting a Secured Hedge Agreement hereunder.

"Secured Hedge Obligations" shall mean Obligations under Secured Hedge Agreements.

"**Secured Hedge Reserve**" means the aggregate amount of reserves established by the Administrative Agent from time to time during the continuance of a Cash Dominion Period in respect of Secured Hedge Obligations, including reserves which the Administrative Agent shall establish in the amounts set forth in written notices from any Cash Management Bank party to a Secured Cash Management Agreement. The amount of any Secured Hedge Reserve established by the Administrative Agent (x) shall have a reasonable relationship to the Secured Hedge Obligation that is the basis for such Reserve as determined by the Administrative Agent in its Credit Judgment as being appropriate to reflect the reasonably anticipated liabilities and obligations of the Credit Parties with respect to Secured Hedge Agreements then provided or outstanding and (y) shall not be duplicative of other Borrowing Base Reserves then in effect.

"**Secured Parties**" shall mean the Administrative Agent, the Collateral Agent, the Letter of Credit Issuer, and each Lender, in each case with respect to the Credit Facilities, each Hedge Bank that is party to any Secured Hedge Agreement with the Company or any Restricted Subsidiary, each Cash Management Bank that is party to a Secured Cash Management Agreement with the Company or any Restricted Subsidiary and each sub-agent pursuant to Section 12 appointed by the Administrative Agent with respect to matters relating to the Credit Facilities or the Collateral Agent with respect to matters relating to any Security Document.

"**Security Agreement**" shall mean the Security Agreement entered into by the Borrowers, the other grantors party thereto, and the Collateral Agent for the benefit of the Secured Parties, substantially in the form of Exhibit D.

"**Security Documents**" shall mean, collectively, the Guarantee, the Pledge Agreement, the Security Agreement, the Mortgages, the ABL/Term Loan Intercreditor Agreement and each other security agreement or other instrument or document executed and delivered pursuant to Sections 9.11, 9.12, or 9.14 or pursuant to any other such Security Documents to secure the Obligations.

"**Seller**" shall have the meaning provided in the preamble to this Agreement.

"**Senior Secured Leverage Test**" shall mean, as of any date of determination, with respect to the last day of the most recently ended Test Period, the Consolidated Senior Secured Debt to Consolidated EBITDA Ratio shall be no greater than 5.50 to 1.00.

"**Series**" shall have the meaning provided in Section 2.14(a).

"**Shrink**" means Inventory identified by the Borrowers as lost, misplaced, or stolen.

"**Similar Business**" shall mean any business conducted or proposed to be conducted by the Company and the Restricted Subsidiaries on the Closing Date or any business that is similar, reasonably related, synergistic, incidental, or ancillary thereto.

"**SOFR**" means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the SOFR Administrator's Website on the immediately succeeding Business Day.

"**SOFR Administrator**" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"**SOFR Administrator's Website**" means the website of the Federal Reserve Bank of New York, currently at http://www.newyorkfed.org, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

"**SOFR Determination Day**" has the meaning assigned to such term in the definition of "Daily Simple SOFR".

"**SOFR Rate Day**" has the meaning assigned to such term in the definition of "Daily Simple SOFR".

"**Sold Entity or Business**" shall have the meaning provided in the definition of the term Consolidated EBITDA.

"**Solvent**" shall mean, after giving effect to the consummation of the Transactions, that (i) the Present Fair Saleable Value of the assets of the Borrowers and the other Restricted Subsidiaries taken as a whole exceed the amount that will be required to pay the probable liability of the Borrowers and its Restricted Subsidiaries on their Stated Liabilities and Identified Contingent Liabilities as they become absolute and matured; (ii) the Present Fair Salable Value of the assets of the Borrowers and the other Restricted Subsidiaries taken as a whole exceed their Stated Liabilities and Identified Contingent Liabilities; (iii) the Borrowers and the Restricted Subsidiaries taken as a whole do not have Unreasonably Small Capital; and (iv) the Borrowers and the Restricted Subsidiaries taken as a whole do not intend to incur, or believe that they will incur, debts including current obligations beyond their ability to pay such debts as they mature in the ordinary course of business.

"**Specified Default**" means (i) the failure of any Credit Party to comply with the terms of Section 9.1(h) and such failure has not been remedied within a period of five (5) days or (ii) the occurrence of any Event of Default specified in Section 11.1, Section 11.3 (solely as it relates to the Borrowers' failure to comply with the covenants set forth in Section 9.2(b)), and Section 11.5.

"**Specified Representations**" shall mean the representations and warranties with respect to the Company and Holdings set forth in Sections 8.1(a) (with respect to the Company and Holdings only), 8.2 (with respect to the Company and Holdings only, as related to the borrowing under, guaranteeing under, granting of security interests in the Collateral to, and performance of, the Credit Documents), 8.3(b) (with respect to the Company and Holdings only and as related to the borrowing under, guaranteeing under, granting of security interests in the Collateral to, and performance of, the Credit Documents), 8.5, 8.7, 8.17, 8.18, and, except with respect to items referred to on Schedule 9.14(d) and subject to the last paragraph of Section 6.2, 8.19 of this Agreement.

"**Specified Transaction**" shall mean, with respect to any period, any Investment (including a Permitted Acquisition), any asset sale, incurrence or repayment of Indebtedness, Restricted Payment, Subsidiary designation, Incremental Revolving Credit Commitment, or other event that by the terms of this Agreement requires Pro Forma Compliance with a test or covenant hereunder or requires such test or covenant to be calculated on a Pro Forma Basis.

"**Sponsor**" shall mean Bain Capital Partners, LLC and/or its Affiliates that are controlled directly or indirectly by Bain Capital Partners, LLC (including, as applicable, related funds, general partners thereof and limited partners thereof, but solely to the extent any such limited partners are directly or indirectly participating as investors pursuant to a side-by-side investing arrangement, but not including, however, any portfolio company of any of the foregoing).

"**Sponsor Management Agreement**" shall mean the Advisory Agreement, dated as of as of February 12, 2014, by and among BDF Holding Corp., the Company, Bob's Discount Furniture, LLC, BDF Intermediate, LLC, Bob's Discount Furniture I, LLC, Bob's Discount Furniture II, LLC, Bob's Discount Furniture of Massachusetts, LLC, Furniture North, LLC, RAKG Partners, LLC, Bob's Discount Furniture of NY, LLC, and Bain Capital Partners, LLC.

"**Sponsor Model**" shall mean the Sponsor's financial model dated January 9, 2014 used in connection with the syndication of the Facilities.

"**Spot Rate**" for any currency shall mean the rate determined by the Administrative Agent to be the rate quoted by the Administrative Agent as the spot rate for the purchase by the Administrative Agent of such currency with another currency through its principal foreign exchange trading office at approximately 11:00 a.m. on the date as of which the foreign exchange computation is made; provided that the Administrative Agent may obtain such spot rate from another financial institution designated by the Administrative Agent if it does not have as of the date of determination a spot buying rate for any such currency.

"**SPV**" shall have the meaning provided in Section 13.6(g).

"**Stated Amount**" of any Letter of Credit shall mean the maximum amount from time to time available to be drawn thereunder, determined without regard to whether any conditions to drawing could then be met; provided, however, that with respect to any Letter of Credit that by its terms or the terms of any Issuer Document provides for one or more automatic increases in the stated amount thereof, the Stated Amount shall be deemed to be the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

"**Stated Liabilities**" shall mean the recorded liabilities (including contingent liabilities that would be recorded in accordance with GAAP) of the Company and the Restricted Subsidiaries taken as a whole, as of the date hereof after giving effect to the consummation of the Transactions (including the execution and delivery of this Agreement, the making of the First Lien Term Loans and the Second Lien Loans and the use of proceeds of such First Lien Term Loans and the Second Lien Loans on the date hereof), determined in accordance with GAAP consistently applied.

"**Stock Equivalents**" shall mean all securities convertible into or exchangeable for Capital Stock and all warrants, options, or other rights to purchase or subscribe for any Capital Stock, whether or not presently convertible, exchangeable, or exercisable.

"**Store**" means any retail store (which includes any real property, fixtures, equipment, Inventory and other property related thereto) operated, or to be operated, by the Company or any Restricted Subsidiary.

"**Subordinated Indebtedness**" shall mean Indebtedness of the Company, any Borrower or any other Guarantor that is by its terms subordinated in right of payment to the obligations of the Company, such Borrower, or such Guarantor, as applicable, under this Agreement or the Guarantee, as applicable.

"**Subsidiary**" of any Person shall mean and include (i) any corporation more than 50% of whose Capital Stock of any class or classes having by the terms thereof ordinary voting power to elect a majority of the directors of such corporation (irrespective of whether or not at the time Capital Stock of any class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time owned by such Person directly or indirectly through Subsidiaries, or (ii) any limited liability company, partnership, association, joint venture, or other entity of which such Person directly or indirectly through Subsidiaries has more than a 50% equity interest at the time. Unless otherwise expressly provided, all references herein to a Subsidiary shall mean a Subsidiary of the Company.

"**Subsidiary Borrower**" shall mean any Subsidiary designated pursuant to Section 2.17 that has not ceased to be a Subsidiary Borrower pursuant to Section 2.17.

"**Successor Borrower**" shall have the meaning provided in Section 10.3(a).

"**Supermajority Lenders**" means, at any time, Lenders (other than Defaulting Lenders) having Commitments aggregating more than 66 2/3% of the Total Revolving Credit Commitment, or if the Commitments have been terminated, Lenders (other than Defaulting Lenders) whose percentage of the Revolving Credit Exposure (calculated assuming settlement and repayment of all Swingline Loans by the Lenders) aggregate more than 66 2/3% of the aggregate Revolving Credit Exposure; provided that at any time there is more than one Non-Defaulting Lender hereunder, if one Non-Defaulting Lender holds more than 66 2/3% of the Adjusted Total Revolving Credit Commitment or the Total Revolving Credit Exposure, as applicable, then "Supermajority Lenders" shall include such Non-Defaulting Lender plus one additional Non-Defaulting Lender who is not an Affiliate of such Non-Defaulting Lender.

"**Swap Obligation**" shall mean, with respect to any Credit Party, any obligation to pay or perform under any agreement, contract, or transaction that constitutes a "swap" within the meaning of section 1(a)(47) of the Commodity Exchange Act.

"**Swingline Commitment**" shall mean the amount of $7,500,000. Swingline Commitment is part of and not in addition to the Revolving Credit Commitment.

"**Swingline Exposure**" shall mean at any time the aggregate principal amount at such time of all outstanding Swingline Loans. The Swingline Exposure of any Lender at any time shall equal its Revolving Credit Commitment Percentage of the aggregate Swingline Exposure at such time.

"**Swingline Lender**" shall mean Royal Bank of Canada, in its capacity as lender of Swingline Loans hereunder or any replacement or successor thereto.

"**Swingline Loans**" shall have the meaning provided in Section 2.1(c).

"**Swingline Maturity Date**" shall mean, with respect to any Swingline Loan, the date that is five Business Days prior to the Revolving Credit Maturity Date.

"**Syndication Agent**" shall mean UBS Securities LLC.

"**Taxes**" shall mean any and all present or future taxes, duties, levies, imposts, assessments, deductions, withholdings (including backup withholding), fees, or other similar charges imposed by any Governmental Authority and any interest, fines, penalties, or additions to tax with respect to the foregoing.

"**Term Loan Extension Date**" means with respect to the First Lien Initial Term Loans, the date on which (x) the earliest stated final maturity date applicable to such First Lien Initial Term Loans (other than Permitted Earlier Maturity First Lien Term Loans) is extended to February 12, 2026 or later and/or (y) such First Lien Initial Term Loans (other than Permitted Earlier Maturity First Lien Term Loans) are refinanced with Indebtedness having an earliest stated final maturity date of February 12, 2026 or later; provided that the Term Loan Extension Date shall be deemed not to have occurred if it shall not have occurred on or prior to July 12, 2023 or if the foregoing clauses (x) and/or (y) are not applicable to all of the First Lien Initial Term Loans (other than Permitted Earlier Maturity First Lien Term Loans).

"**Term Loan Priority Accounts**" means "Term Loan Priority Accounts" as defined in the ABL/Term Loan Intercreditor Agreement.

"**Term Loan Priority Collateral**" means "Term Priority Collateral" as defined in the ABL/Term Loan Intercreditor Agreement.

"**Term SOFR**" means, for any Interest Period for a duration of one-month, three-months, or six-months or twelve-months (in each case. subject to the availability thereof) for a Term SOFR Rate Loan, the greater of (a) the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (the "**Term SOFR Determination Day**") that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator and (b) the Floor: provided, however, that if as of 5:00 p.m. (New York City time) on any Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Term SOFR Determination Day.

"**Term SOFR Adjustment**" means, for any Interest Period, 0.10% (10 basis points).

"**Term SOFR Administrator**" means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

"**Term SOFR Determination Day**" has the meaning assigned to it under the definition of Term SOFR.

"**Term SOFR Rate Loan**" shall mean a Loan (other than a Swingline Loan) at any time that bears interest based on Adjusted Term SOFR, other than pursuant to clause (iii) of the definition of "ABR".

"**Term SOFR Reference Rate**" means the forward-looking term rate based on SOFR.

"**Terminated Contracts**" shall mean binding contracts with customers that have terminated (whether on or before their stated expiration).

"**Test Period**" shall mean, for any determination under this Agreement, the four consecutive fiscal quarters of the Company then last ended and for which Section 9.1 Financials shall have been delivered (or required to be delivered) to the Administrative Agent (or, before the first delivery of

Section 9.1 Financials, the most recent period of four fiscal quarters at the end of which financial statements are available).

"**Title Policy**" shall have the meaning provided in Section 9.14(d)(ii).

"**Total Credit Exposure**" shall mean, at any date, the Total Revolving Credit Commitment at such date (or, if the Total Revolving Credit Commitment shall have terminated on such date, the aggregate Revolving Credit Exposure of all Lenders at such date).

"**Total Debt Leverage Test**" shall mean, as of any date of determination, with respect to the last day of the most recently ended Test Period, the Consolidated Total Debt to Consolidated EBITDA Ratio shall be no greater than 5.50 to 1.00.

"**Total Revolving Credit Commitment**" shall mean the sum of the Initial Revolving Credit Commitments and the Incremental Revolving Credit Commitments, if applicable, of all the Lenders.

"**Tranche**" shall mean any of the Tranche A Loans, the Tranche B Loans or the Overadvance Loans.

"**Tranche A Borrowing Base**" shall mean (a) 90% of Eligible Credit Card Receivables, plus (b) 85% of the appraised Net Orderly Liquidation Value of Eligible Inventory, less (c) Borrowing Base Reserves.

"**Tranche A Loan**" shall mean a Revolving Credit Loan made pursuant to the Tranche A Borrowing Base.

"**Tranche B Borrowing Base**" shall mean the lesser of (a) $6,000,000 and (b) (i) 5% of Eligible Credit Card Receivables, plus (ii) 7.5% of the appraised Net Orderly Liquidation Value of Eligible Inventory.

"**Tranche B Loan**" shall mean a Revolving Credit Loan made pursuant to the Tranche B Borrowing Base.

"**Transaction Expenses**" shall mean any fees, costs, or expenses incurred or paid by Holdings, the Borrowers, or any of their respective Affiliates in connection with the Transactions, this Agreement, and the other Credit Documents, the transactions contemplated hereby and thereby.

"**Transactions**" shall mean, collectively, the transactions contemplated by this Agreement, the First Lien Term Loan Agreement, the Second Lien Credit Agreement, the Acquisition, and the Equity Investments, any repayment, repurchase, prepayment, or defeasance of Indebtedness of the Company or any of its Subsidiaries in connection therewith, the consummation of any other transactions in connection with the foregoing (including in connection with the Acquisition Agreement and the payment of the fees and expenses incurred in connection with any of the foregoing (including the Transaction Expenses)).

"**Transferee**" shall have the meaning provided in Section 13.6(e).

"**Type**" shall mean as to any Revolving Loan, its nature as an ABR Loan or a ~~LIBOR~~Term SOFR Rate Loan.

"**UCP**" shall mean, with respect to any Letter of Credit, the Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce **("ICC")** Publication No. 600 (or such later version thereof as may be in effect at the time of issuance).

"**UK Financial Institution**" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended form time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"**UK Resolution Authority**" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"**Unadjusted Benchmark Replacement**" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"**Unfinanced Capital Expenditures**" means, with respect to the Company and the Restricted Subsidiaries for any period, Capital Expenditures of the Company and the Restricted Subsidiaries for such period paid in cash, exclusive of (a) any Capital Expenditures made with (i) the proceeds of any equity securities issued or capital contributions received or Indebtedness borrowed (excluding borrowings under this Agreement) by the Company or any Restricted Subsidiary in connection with such Capital Expenditures, (ii) the proceeds from any casualty insurance or condemnation or eminent domain or (iii) the proceeds from any sale or other disposition of the Company or any Restricted Subsidiary's assets (other than assets constituting Collateral consisting of Accounts or Inventory and the proceeds thereof), (b) any portion of the purchase price of a Permitted Acquisition or other permitted Investment which is allocated to property, plant or equipment acquired as part of such Permitted Acquisition or permitted Investment or (c) any expenditures which are contractually required to be, and are, reimbursed to the Company or the Restricted Subsidiaries in cash by a third party (including landlords) during such period of calculation.

"**Unpaid Drawing**" shall have the meaning provided in Section 3.4(a).

"**Unreasonably Small Capital**" shall mean, the capital of the Borrowers and the Restricted Subsidiaries, taken as a whole, after consummation of the Transactions (including the execution and delivery of this Agreement, the making of the Loans, the First Lien Term Loans and the Second Lien Loans and the use of proceeds of such Loans, such First Lien Term Loans and such Second Lien Loans on the date hereof) is not unreasonably small in relation to the business of the Borrower and the Restricted Subsidiaries, taken as a whole, contemplated as of the Closing Date.

"**Unrestricted Subsidiary**" shall mean (i) any Subsidiary of the Company which at the time of determination is an Unrestricted Subsidiary (as designated by the board of directors of the Company, as provided below) and (ii) any Subsidiary of an Unrestricted Subsidiary.

The board of directors of the Company may designate any Subsidiary of the Company (including any existing Subsidiary and any newly acquired or newly formed Subsidiary) to be an Unrestricted Subsidiary unless such Subsidiary or any of its Subsidiaries owns any Equity Interests or Indebtedness of, or owns or holds any Lien on, any property of, the Company or any Subsidiary of the Company (other than any Subsidiary of the Subsidiary to be so designated or an Unrestricted Subsidiary); provided that,

(a) such designation complies with Section 10.5.

(b) immediately after giving effect to such designation no Event of Default shall have occurred and be continuing or would result therefrom, and

(c) each of (1) the Subsidiary to be so designated and (2) its Subsidiaries has not at the time of designation, and does not thereafter, create, incur, issue, assume, guarantee, or otherwise become directly or indirectly liable with respect to any Indebtedness pursuant to which the lender has recourse to any of the assets of Holdings or any Restricted Subsidiary except for Indebtedness that could otherwise be incurred by Holdings or such Restricted Subsidiary hereunder and, it such Indebtedness is secured, the Liens securing such Indebtedness are permitted to be incurred by Holdings or such Restricted Subsidiary hereunder.

The board of directors of the Company may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; provided that, immediately after giving effect to such designation no Event of Default shall have occurred and be continuing and assuming such designation shall constitute the incurrence by such Restricted Subsidiary at the time of designation of any Indebtedness of such Restricted Subsidiary outstanding at such time either; (i) the Company would be in compliance on a Pro Forma Basis with the Total Debt Leverage Test set forth in the first paragraph of Section 10.1 or (ii) the Total Debt Leverage Ratio for the Company and the Restricted Subsidiaries on a Pro Forma Basis would be no greater than such ratio for the Company and the Restricted Subsidiaries immediately prior to such designation.

Notwithstanding the foregoing or anything to the contrary contained herein, (i) none of Holdings, any Borrower nor any of their respective Restricted Subsidiaries shall transfer any Material Intellectual Property to any Unrestricted Subsidiary outside of the ordinary course of business and (ii) at the time of designation as an Unrestricted Subsidiary, no Subsidiary so designated shall own any Material Intellectual Property.

Any such designation by the board of directors of the Company shall be notified by the Company to the Administrative Agent by promptly delivering to the Administrative Agent a copy of the Board Resolution giving effect to such designation and a certificate of an Authorized Officer of the Company certifying that such designation complied with the foregoing provisions.

"**U.S.**" and "**United States**" shall mean the United States of America.

"**U.S. Government Securities Business Day**" means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"**U.S. Lender**" shall have the meaning provided in Section 5.4(c)(ii)(A).

"**Voting Stock**" shall mean, with respect to any Person as of any date, the Capital Stock of such Person that is at the time entitled to vote in the election of the board of directors of such Person.

"**Wholly-Owned Restricted Subsidiary**" of any Person shall mean a Restricted Subsidiary of such Person, 100% of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares) shall at the time be owned by such Person or by one or more Wholly-Owned Subsidiaries of such Person.

"**Wholly-Owned Subsidiary**" of any Person shall mean a Subsidiary of such Person, 100% of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying

shares) shall at the time be owned by such Person or by one or more Wholly-Owned Subsidiaries of such Person.

"**Withdrawal Liability**" shall mean liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Title IV of ERISA.

"**Withholding Agent**" shall mean any Credit Party, the Administrative Agent and, in the case of any U.S. federal withholding Tax, any other applicable withholding agent.

"**Write-Down and Conversion Powers**" means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

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

(a) The meanings of defined terms are equally applicable to the singular and plural forms of the defined terms.

(b) The words "herein", "hereto", "hereof"', and "hereunder" and words of similar import when used in any Credit Document shall refer to such Credit Document as a whole and not to any particular provision thereof.

(c) Section, Exhibit, and Schedule references are to the Credit Document in which such reference appears.

(d) The term "including" is by way of example and not limitation.

(e) The term "documents" includes any and all instruments, documents, agreements, certificates, notices, reports, financial statements and other writings, however evidenced, whether in physical or electronic form.

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

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

(h) The words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(i) All references to "knowledge" or "awareness" of any Credit Party or any Restricted Subsidiary thereof means the actual knowledge of an Authorized Officer of such Credit Party or such Restricted Subsidiary.

1.3 Accounting Terms.

(a) Except as expressly provided herein, all accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP, applied in a consistent manner.

(b) Notwithstanding anything to the contrary herein, for purposes of determining compliance with any test or covenant contained in this Agreement with respect to any period during which any Specified Transaction occurs, the Consolidated Total Debt to Consolidated EBITDA Ratio, the Consolidated First Lien Secured Debt to Consolidated EBITDA Ratio, the First Lien Secured Leverage Test, the Consolidated Senior Secured Debt to Consolidated EBITDA Ratio and the Senior Secured Leverage Test shall each be calculated with respect to such period and such Specified Transaction on a Pro Forma Basis.

(c) Where reference is made to "the Company and the Restricted Subsidiaries on a consolidated basis" or similar language, such consolidation shall not include any Subsidiaries of the Company other than Restricted Subsidiaries.

1.4 Rounding. Any financial ratios required to be maintained by the Company pursuant to this Agreement (or required to be satisfied in order tor a specific action to be permitted under this Agreement) shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number.

1.5 References to Agreements Laws, Etc. Unless otherwise expressly provided herein, (a) references to Organizational Documents, agreements (including the Credit Documents), and other Contractual Requirements shall be deemed to include all subsequent amendments, restatements, amendment, and restatements, extensions, supplements, modifications, replacements, refinancings, renewals, or increases, but only to the extent that such amendments, restatements, amendment, and restatements, extensions, supplements, modifications, replacements, refinancings, renewals, or increases are permitted by any Credit Document; and (b) references to any Requirement of Law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing, or interpreting such Requirement of Law.

1.6 Exchange Rates. Notwithstanding the foregoing, for purposes of any determination under Section 9, Section 10 or Section 11 or any determination under any other provision of this Agreement expressly requiring the use of a current exchange rate, all amounts incurred, outstanding, or proposed to be incurred or outstanding in currencies other than Dollars shall be translated into Dollars at the Spot Rate; provided, however, that for purposes of determining compliance with Section 10 with respect to the amount of any Indebtedness, Restricted Investment, Lien, Asset Sale, or Restricted Payment in a currency other than Dollars, no Default or Event of Default shall be deemed to have occurred solely as a result of changes in rates of exchange occurring after the time such Indebtedness, Lien or Restricted Investment is incurred or Asset Sale or Restricted Payment made; provided that, for the avoidance of doubt, the foregoing provisions of this Section 1.6 shall otherwise apply to such Sections, including with respect to determining whether any Indebtedness, Lien, or Investment may be incurred or Asset Sale or Restricted Payment made at any time under such Sections. For purposes of any

determination of Consolidated Total Debt, amounts in currencies other than Dollars shall be translated into Dollars at the currency exchange rates used in preparing the most recently delivered Section 9.1 Financials.

1.7 Interest Rates; Benchmark Notification. The Administrative Agent does not warrant, nor accept responsibility, nor shall the Administrative Agent have any liability with respect to the administration, submission, or any other matter related to the rates in the definition of LIBOR Rate or with respect to any comparable or successor rate thereto.

.The interest rate on a Loan denominated in Dollars may be derived from an interest rate benchmark that may be discontinued or is, or may in the future become, the subject of regulatory reform. Upon the occurrence of a Benchmark Transition Event, Section 2.20 provides a mechanism for determining an alternative rate of interest. The Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the continuation of, the administration of, submission of, calculation of, performance of or any other matter related to any interest rate used in this Agreement (including, without limitation, the ABR, Daily Simple SOFR, SOFR, the Term SOFR Reference Rate, Adjusted Term SOFR or Term SOFR) or any component definition thereof or rates referred to in the definition thereof or with respect to any alternative or successor rate thereto, or replacement rate thereof (including any Benchmark Replacement), including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce the same value or economic equivalence of; or have the same value or economic equivalence of as the existing interest rate (or any component thereat) being replaced or have the same volume or liquidity as did any existing interest rate (or any component thereof) prior to its discontinuance or unavailability. The Administrative Agent and its affiliates and/or other related entities may engage in transactions that affect the calculation of any interest rate (or component thereof) used in this Agreement or any alternative, successor or alternative rate (including any Benchmark Replacement) and/or any relevant adjustments thereto, in each case, in a manner adverse to the Borrowers. The Administrative Agent may select information sources or services in it.s reasonable discretion to ascertain any interest rate used in this Agreement, any component thereof, or rates referred to in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrowers, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs. losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

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

1.9 Timing of Payment or Performance. When the payment of any obligation or the performance of any covenant, duty, or obligation is stated to be due or performance required on (or before) a day which is not a Business Day, the date of such payment (other than as described in the definition of Interest Period) or performance shall extend to the immediately succeeding Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

1.10 Certifications. All certifications to be made hereunder by an officer or representative of a Credit Party shall be made by such a Person in his or her capacity solely as an officer or a representative of such Credit Party, on such Credit Party's behalf and not in such Person's individual capacity.

1.11 Compliance with Certain Sections. In the event that any Lien, Investment, Indebtedness (whether at the time of incurrence or upon application of all or a portion of the proceeds thereof), disposition, Restricted Payment, Affiliate transaction, Contractual Requirement, or prepayment of

Indebtedness meets the criteria of one or more than one of the categories of transactions then permitted pursuant to any clause or subsection of Section 10, such transaction (or portion thereof) at any time shall be permitted under one or more of such clauses as determined by the Borrower Representative in its sole discretion at such time.

Section 2. Amount and Terms of Credit

2.1 Commitments.

(a) [Reserved].

(b) Subject to and upon the terms and conditions herein set forth, each Lender severally agrees to make Revolving Credit Loans denominated in Dollars to the Borrowers from its applicable lending office (each such loan (including any Protective Advances), a "**Revolving Credit Loan**") in an aggregate principal amount not to exceed at any time outstanding the amount of such Lender's Revolving Credit Commitment, provided that any of the foregoing such Revolving Credit Loans (A) shall be made at any time and from time to time on and after the Closing Date and prior to the Revolving Credit Maturity Date, (B) may, at the option of the Borrower Representative be incurred and maintained as, and/or converted into, ABR Loans or ~~LIBOR~~Term SOFR Rate Loans that are Revolving Credit Loans; provided that all Revolving Credit Loans made by each of the Lenders pursuant to the same Borrowing shall, unless otherwise specifically provided herein, consist entirely of Revolving Credit Loans of the same Type, (C) may be repaid (without premium or penalty) and reborrowed in accordance with the provisions hereof, (D) shall not, for any Lender at any time, after giving effect thereto and to the application of the proceeds thereof, result in such Lender's Revolving Credit Exposure in respect of any Class of Revolving Loans at such time exceeding such Lender's Revolving Credit Commitment in respect of such Class of Revolving Loan at such time or the aggregate amount of the Lenders' Revolving Credit Exposures of any Class of Revolving Loans at such time exceeding the aggregate Revolving Credit Commitment with respect to such Class and (E) shall not, after giving effect thereto and to the application of the proceeds thereof, result at any time in the aggregate amount of the Lenders' Revolving Credit Exposures at such time exceeding the Line Cap then in effect. Each Revolving Credit Loan and any Swingline Loan made to a Borrower shall first be made as a Tranche B Loan and considered to be made pursuant to the Tranche B Borrowing Base except (i) Letters of Credit issued pursuant to Section 3 shall first be considered to be made pursuant to the Tranche A Borrowing Base, (ii) to the extent that the aggregate amount of the Lenders' Revolving Credit Exposures exceeds the Tranche B Borrowing Base., any such excess Revolving Credit Loans and Swingline Loans shall be considered to be made pursuant to the Tranche A Borrowing Base (and such Revolving Credit Loans and Swingline Loans shall constitute Tranche A Loans) in an aggregate amount not exceeding the Tranche A Borrowing Base and (iii) until the Overadvance Borrowing Base has been permanently reduced to zero, to the extent that the aggregate amount of the Lenders' Revolving Credit Exposures exceeds the sum of the Tranche B Borrowing Base and the Tranche A Borrowing Base, any such excess Revolving Credit Loans, Swingline Loans and Letter of Credit Exposure shall be considered to be made pursuant to the Overadvance Borrowing Base (and such Revolving Credit Loans, Swingline Loans and Letters of Credit shall constitute Overadvance Loans) in an aggregate amount not exceeding the Overadvance Borrowing Base.

(c) Subject to and upon the terms and conditions herein set forth, the Swingline Lender in its individual capacity agrees, at any time and from time to time on and after the Closing Date and prior to the Swingline Maturity Date, to make a loan or loans (each a "**Swingline Loan**" and, collectively the "**Swingline Loans**") to the Borrowers in Dollars, which Swingline Loans (i) shall be ABR Loans, (ii) shall have the benefit of the provisions of Section 2.1(d), (iii) shall not exceed at any time outstanding the Swingline Commitment, (iv) shall not, after giving effect thereto and to the application of the proceeds thereof, result at any time in the aggregate amount of the Lenders' Revolving Credit Exposures at such

time exceeding the Line Cap then in effect, and (v) may be repaid and reborrowed in accordance with the provisions hereof. On the Swingline Maturity Date, all Swingline Loans shall be repaid in full. Each Swingline Loan shall be made pursuant to the Tranche A Borrowing Base, the Tranche B Borrowing Base or the Overadvance Borrowing Base as provided in Section 2.1(b) and shall be subject to all the terms and conditions (including for calculating interest therein) applicable to Revolving Credit Loans made pursuant to the Tranche A Borrowing Base as Tranche A Loans, the Tranche B Borrowing Base as Tranche B Loans and the Overadvance A Borrowing Base as Overadvance Loans, as applicable, except that all payments, with respect thereto shall be payable to the Swingline Lender for its own account. The Swingline Lender shall not make any Swingline Loan after receiving a written notice from the Borrower Representative, the Administrative Agent or the Required Lenders stating that a Default or Event of Default exists and is continuing until such time as the Swingline Lender shall have received written notice of (i) rescission of all such notices from the party or parties originally delivering such notice or (ii) the waiver of such Default or Event of Default in accordance with the provisions of Section 13.1.

(d) On any Business Day, the Swingline Lender may, in its sole discretion, give notice to the Administrative Agent that all then-outstanding Swingline Loans shall be funded with a Borrowing of Revolving Credit Loans in which case Revolving Credit Loans constituting ABR Loans shall be made on the immediately succeeding Business Day (each such Borrowing, a "**Mandatory Borrowing**") by each Lender pro rata based on each Lender's Revolving Credit Commitment Percentage, and the proceeds thereof shall be applied directly to the Swingline Lender to repay the Swingline Lender for such outstanding Swingline Loans. Each Lender hereby irrevocably agrees to make such Revolving Credit Loans upon one Business Day's notice pursuant to each Mandatory Borrowing in the amount and in the manner specified in the preceding sentence and on the date specified to it in writing by the Swingline Lender notwithstanding (i) that the amount of the Mandatory Borrowing may not comply with the minimum amount for each Borrowing specified in Section 2.2, (ii) whether any conditions specified in Section 7 are then satisfied, (iii) whether a Default or an Event of Default has occurred and is continuing, (iv) the date of such Mandatory Borrowing, or (v) any reduction in the Total Revolving Credit Commitment after any such Swingline Loans were made. In the event that, in the sole judgment of the Swingline Lender, any Mandatory Borrowing cannot for any reason be made on the date otherwise required above (including as a result of the commencement of a proceeding under the Bankruptcy Code in respect of any Borrower), each Lender hereby agrees that it shall forthwith purchase from the Swingline Lender (without recourse or warranty) such participation of the outstanding Swingline Loans as shall be necessary to cause the Lenders to share in such Swingline Loans ratably based upon their respective Revolving Credit Commitment Percentages: provided that all principal and interest payable on such Swingline Loans shall be for the account of the Swingline Lender until the date the respective participation is purchased and, to the extent attributable to the purchased participation, shall be payable to such Lender purchasing same from and after such date of purchase.

(e) If the maturity date shall have occurred in respect of any tranche of Revolving Credit Commitments (the "**Expiring Credit Commitment**") at a time when another tranche or tranches of Revolving Credit Commitments is or are in effect with a longer maturity date (each a "**Non-Expiring Credit Commitment**" and collectively, the "**Non-Expiring Credit Commitments**"), then with respect to each outstanding Swingline Loan, if consented to by the Swingline Lender (such consent not to be unreasonably withheld, conditioned or delayed), on the earliest occurring maturity date such Swingline Loan shall be deemed reallocated to the tranche or tranches of the Non-Expiring Credit Commitments on a pro rata basis; *provided* that (x) to the extent that the amount of such reallocation would cause the aggregate credit exposure to exceed the aggregate amount of such Non-Expiring Credit Commitments, immediately prior to such reallocation the amount of Swing Line Loans to be reallocated equal to such excess shall be repaid or Cash Collateralized and (y) notwithstanding the foregoing, if a Default or Event of Default has occurred and is continuing, the Borrowers shall still be obligated to pay Swingline Loans allocated to the Lenders holding the Expiring Credit Commitments at the maturity date of the Expiring

Credit Commitment or if the Loans have been accelerated prior to the maturity date of the Expiring Credit Commitment. Upon the maturity date of any tranche of Revolving Credit Commitments, the sublimit for Swingline Loans may be reduced as agreed between the Swingline Lender and the Borrower Representative, without the consent of any other Person.

(f) Protective Advances.

(i) The Administrative Agent shall be authorized, in its discretion, at any time that any conditions in Section 7 are not satisfied, to make ABR Loans that are Revolving Credit Loans ("Protective Advances") (1) up to an aggregate amount of $5,000,000 outstanding at any time, if the Administrative Agent deems such Loans necessary or desirable to preserve or protect Collateral, the Secured Parties' rights under the Credit Documents or which is otherwise for the benefit of the Secured Parties and/or to enhance the collectability or repayment of Obligations; or (2) to pay any other amounts chargeable to Credit Parties under any Credit Documents, including costs, fees and expenses. Each Protective Advance shall be subject to all the terms and conditions applicable to other Revolving Credit Loans and may constitute Swingline Loans. Protective Advances may be made in a principal amount that would cause the aggregate Revolving Credit Exposure of all Lenders to exceed the Line Cap, but in no event shall Protective Advances be required that would cause the aggregate Revolving Credit Exposures of all Lenders to exceed the Total Revolving Credit Commitments. Each Lender shall participate in each Protective Advance on a pro rata basis based upon its Revolving Credit Commitment Percentage. Supermajority Lenders may at any time revoke the Administrative Agent's authority to make farther Protective Advances by written notice to the Administrative Agent. Absent such revocation, the Administrative Agent's determination that funding of a Protective Advance is appropriate shall be conclusive. At any time, the Administrative Agent may request the Lenders to make a Revolving Credit Loan to repay a Protective Advance on the same terms as are applicable to Swingline Loans under Section 2.1(d). At any other time, the Administrative Agent may require the Lenders to fund their risk participations described in Section 2.1(f)(ii).

(ii) Upon the making of a Protective Advance by the Administrative Agent (whether before or after the occurrence of a Default or Event of Default), each Lender shall be deemed, without further action by any party hereto, unconditionally and irrevocably to have purchased from the Administrative Agent without recourse or warranty, an undivided interest and participation in such Protective Advance in proportion to its Revolving Credit Exposure. From and after the date, if any, on which any Lender is required to fund its participation in any Protective Advance purchased hereunder, the Administrative Agent shall promptly distribute to such Lender, such Lender's Revolving Credit Exposure of all payments of principal and interest and all proceeds of Collateral (if any) received by the Administrative Agent in respect of such Protective Advance.

(iii) The making by the Administrative Agent of a Protective Advance shall not modify or abrogate any of the provisions hereof regarding the Lenders' obligations to purchase participations with respect to Letters of Credit Outstanding or Swingline Loans.

2.2 Minimum Amount of Each Borrowing; Maximum Number of Borrowings. The aggregate principal amount of each Borrowing of Revolving Credit Loans shall be in a minimum amount of at least the Minimum Borrowing Amount for such Type of Loans and in a multiple of $100,000 in excess thereof and Swingline Loans shall be in a minimum amount of $250,000 and in a multiple of $100,000 in excess thereof (except that Mandatory Borrowings shall be made in the amounts required by Section 2.1(d) and Revolving Credit Loans to reimburse the Letter of Credit Issuer with respect to any Unpaid Drawing shall be made in the amounts required by Section 3.3 or Section 3.4, as applicable).

More than one Borrowing may be incurred on any date; provided that at no time shall there be outstanding more than ten Borrowings of ~~LIBOR~~Term SOFR Rate Loans that are Revolving Credit Loans under this Agreement.

2.3 Notice of Borrowing.

(a) [Reserved].

(b) Whenever a Borrower desires to incur Revolving Credit Loans (other than Mandatory Borrowings or borrowings to repay Unpaid Drawings), the Borrower Representative shall give the Administrative Agent at the Administrative Agent's Office, (i) prior to 1 :00 p.m. (New York City Time) at least three Business Days' prior written notice of each Borrowing of Revolving Credit Loans that are ~~LIBOR~~Term SOFR Rate Loans and (ii) prior to 10:00 a.m. (New York City time) one Business Day prior to such Borrowing written notice of each Borrowing of Revolving Credit Loans that are ABR Loans. Each such notice (a "**Notice of Borrowing"),** except as otherwise expressly provided in Section 2.10, shall specify (w) the aggregate principal amount of the Revolving Credit Loans to be made pursuant to such Borrowing, (x) the date of Borrowing (which shall be a Business Day), (y) whether the respective Borrowing shall consist of ABR Loans or ~~LIBOR~~Term SOFR Rate Loans that are Revolving Credit Loans and, if ~~LIBOR~~Term SOFR Rate Loans that are Revolving Credit Loans, the Interest Period to be initially applicable thereto, and (z) the identity of the applicable Borrower. The Administrative Agent shall promptly give each Lender written notice of each proposed Borrowing of Revolving Credit Loans, of such Lender's Revolving Credit Commitment Percentage thereof, of the identity of the Borrower, and of the other matters covered by the related Notice of Borrowing.

(c) Whenever a Borrower desires to incur Swingline Loans hereunder, the Borrower Representative shall give the Swingline Lender written notice with a copy to the Administrative Agent of each Borrowing of Swingline Loans prior to 2:00 p.m. (New York City time) on the date of such Borrowing. Each such notice shall specify (x) the aggregate principal amount of the Swingline Loans to be made pursuant to such Borrowing, (y) the date of Borrowing (which shall be a Business Day), and (z) the identity of the applicable Borrower.

(d) Mandatory Borrowings shall be made upon the notice specified in Section 2.1(d), with each Borrower irrevocably agreeing, by its incurrence of any Swingline Loan, to the making of Mandatory Borrowings as set forth in such Section.

(e) Borrowings to reimburse Unpaid Drawings shall be made upon the notice specified in Section 3.4(a).

(f) Without in any way limiting the obligation of the Borrower Representative to confirm in writing any notice it shall give hereunder by telephone (which such obligation is absolute), the Administrative Agent may act prior to receipt of written confirmation without liability upon the basis of such telephonic notice believed by the Administrative Agent in good faith to be from an Authorized Officer of the Borrower Representative.

2.4 Disbursement of Funds

(a) No later than 1 :00 p.m. (New York City time) on the date specified in each Notice of Borrowing (including Mandatory Borrowings), each Lender shall make available its pro rata portion, if any, of each Borrowing requested to be made on such date in the manner provided below; provided that on the Closing Date, such funds may be made available at such earlier time as may be agreed among the Lenders, the Company, and the Administrative Agent for the purpose of consummating the Transactions;

provided, further, that all Swingline Loans shall be made available to the Borrower in the full amount thereof by the Swingline Lender no later than 4:00 p.m. (New York City time).

(b) Each Lender shall make available all amounts it is to fund to the Borrower under any Borrowing for its applicable Commitments, and in immediately available funds, to the Administrative Agent at the Administrative Agent's Office and the Administrative Agent will (except in the case of Mandatory Borrowings and Borrowings to repay Unpaid Drawings) make available to the Borrower, by depositing to an account designated by the Borrower Representative to the Administrative Agent the aggregate of the amounts so made available in Dollars. Unless the Administrative Agent shall have been notified by any Lender prior to the date of any such Borrowing that such Lender docs not intend to make available to the Administrative Agent its portion of the Borrowing or Borrowings to be made on such date, the Administrative Agent may assume that such Lender has made such amount available to the Administrative Agent on such date of Borrowing, and the Administrative Agent, in reliance upon such assumption, may (in its sole discretion and without any obligation to do so) make available to the Borrower a corresponding amount. If such corresponding amount is not in fact made available to the Administrative Agent by such Lender and the Administrative Agent has made available such amount to the Borrower, the Administrative Agent shall be entitled to recover such corresponding amount from such Lender. If such Lender docs not pay such corresponding amount forthwith upon the Administrative Agent's demand therefor the Administrative Agent shall promptly notify the Borrower Representative and the Borrower shall immediately pay such corresponding amount to the Administrative Agent in Dollars. The Administrative Agent shall also be entitled to recover from such Lender or the Borrower interest on such corresponding amount in respect of each day from the date such corresponding amount was made available by the Administrative Agent to the Borrower to the date such corresponding amount is recovered by the Administrative Agent, at a rate per annum equal to (i) if paid by such Lender, the Overnight Rate or (ii) if paid by the Borrower, the then-applicable rate of interest or fees, calculated in accordance with Section 2.8, for the respective Loans.

(c) Nothing in this Section 2.4 shall be deemed to relieve any Lender from its obligation to, fulfill its commitments hereunder or to prejudice any rights that the Borrowers may have against any Lender as a result of any default by such Lender hereunder (it being understood., however, that no Lender shall be responsible for the failure of any other Lender to fulfill its commitments hereunder).

2.5 Repayment of Loans; Evidence of Debt

(a) The Borrowers shall repay to the Administrative Agent for the benefit of the Lenders, on the Revolving Credit Maturity Date, the then outstanding Revolving Credit Loans made to such Borrower in Dollars. The Borrowers shall repay to the Administrative Agent for the benefit of the Lenders, on each Extended Revolving Loan Maturity Date, the then outstanding amount of Extended Revolving Credit Loans made to the Borrowers in Dollars. The Borrowers shall repay to the Swingline Lender, on the Swingline Maturity Date, the then outstanding Swingline Loans made to the Borrowers in Dollars.

(b) [Reserved].

(c) [Reserved].

(d) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the Indebtedness of the Borrowers to the appropriate lending office of such Lender resulting from each Loan made by such lending office of such Lender from time to time, including the amounts of principal and interest payable and paid to such lending office of such Lender from time to time under this Agreement.

(e) The Administrative Agent shall maintain the Register pursuant to Section 13.6(b), and a subaccount for each Lender, in which Register and subaccounts (taken together) shall be recorded (i) the amount of each Loan made hereunder, whether such Loan is a Revolving Credit Loan or Swingline Loan, as applicable, the Type and Tranche of each Loan made, the name of the Borrower and the Interest Period, if any, applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder, and (iii) the amount of any sum received by the Administrative Agent hereunder from the Borrower and each Lender's share thereof.

(f) The entries made in the Register and accounts and subaccounts maintained pursuant to clauses (d) and (e) of this Section 2.5 shall, to the extent permitted by applicable law, be prima facie evidence of the existence and amounts of the obligations of the Borrowers therein recorded; provided, however, that the failure of any Lender, the Administrative Agent or the Swingline Lender to maintain such account, such Register or subaccount, as applicable, or any error therein, shall not in any manner affect the obligation of any Borrower to repay (with applicable interest) the Loans made to such Borrower by such Lender in accordance with the terms of this Agreement.

(g) Each Borrower hereby agrees that, upon request of any Lender at any time and from time to time after a Borrower has made an initial borrowing hereunder, the Borrowers shall provide to such Lender, at the Borrowers' own expense, a promissory note, substantially in the form of Exhibit G, evidencing the Revolving Loans and Swingline Loans, respectively, owing to such Lender. Thereafter, unless otherwise agreed to by the applicable Lender, the Loans evidenced by such promissory note and interest thereon shall at all times (including alter assignment pursuant to Section 13.6) be represented by one or more promissory notes in such form payable to the payee named therein (or, if requested by such payee, to such payee or its registered assigns).

2.6 Conversions and Continuations

(a) Subject to the penultimate sentence of this clause (a), (x) the Borrowers shall have the option on any Business Day to convert all or a portion equal to at least $500,000 of the outstanding principal amount of one Type of Revolving Credit Loans of one Type into a Borrowing or Borrowings of another Type and (y) the Borrowers shall have the option on any Business Day to continue the outstanding principal amount of any ~~LIBOR~~Term SOFR Rate Loans as ~~LIBOR~~Term SOFR Rate Loans for an additional Interest Period; provided that (i) no partial conversion of ~~LIBOR~~Term SOFR Rate Loans shall reduce the outstanding principal amount of ~~LIBOR~~Term SOFR Rate Loans made pursuant to a single Borrowing to less than the Minimum Borrowing Amount, (ii) ABR Loans may not be converted into ~~LIBOR~~Term SOFR Rate Loans if an Event of Default is in existence on the date of the conversion and the Administrative Agent has or the Required Lenders have determined in its or their sole discretion not to permit such conversion, (iii) ~~LIBOR~~Term SOFR Rate Loans may not be continued as ~~LIBOR~~Term SOFR Rate Loans for an additional Interest Period if an Event of Default is in existence on the date of the proposed continuation and the Administrative Agent has or the Required Lenders have determined in its or their sole discretion not to permit such continuation, and (iv) Borrowings resulting from conversions pursuant to this Section 2.6 shall be limited in number as provided in Section 2.2. Each such conversion or continuation shall be effected by the Borrower Representative by giving the Administrative Agent at the Administrative Agent's Office prior to 1:00 p.m. (New York City time) at least (i) three Business Days' notice, in the case of a continuation of or conversion to ~~LIBOR~~Term SOFR Rate Loans (other than in the case of a notice delivered on the Closing Date, which shall be deemed to be effective on the Closing Date), or (ii) one Business Day's notice in the case of a conversion into ABR Loans prior written notice (each, a "**Notice of Conversion or Continuation**" substantially in the form of Exhibit K) specifying the Loans to be so conve1ied or continued, the Type of Loans to be converted or continued into and., if such Loans are to be converted into or continued as ~~LIBOR~~Term SOFR Rate Loans, the Interest Period to be initially applicable thereto. The Administrative Agent shall give each applicable

Lender notice as promptly as practicable of any such proposed conversion or continuation affecting any of its Loans.

(b) If any Event of Default is in existence at the time of any proposed continuation of any ~~LIBOR~~Term SOFR Rate Loans denominated in Dollars and the Administrative Agent has or the Required Lenders have determined in its or their sole discretion not to permit such continuation, such ~~LIBOR~~Term SOFR Rate Loans shall be automatically converted on the last day of the current Interest Period into ABR Loans. If upon the expiration of any Interest Period in respect of ~~LIBOR~~Term SOFR Rate Loans, a Borrower has tailed to elect a new Interest Period to be applicable thereto as provided in clause (a), such Borrower shall be deemed to have elected to convert such Borrowing of ~~LIBOR~~Term SOFR Rate Loans into a Borrowing of ABR Loans, effective as of the expiration date of such current Interest Period.

2.7 Pro Rata Borrowings. Each Borrowing of Revolving Credit Loans (other than Swingline Loans and Protective Advances) under this Agreement shall be made by the Lenders pro rata on the basis of their then-applicable Revolving Credit Commitment Percentages. Each Borrowing of Incremental Revolving Credit Loans under this Agreement shall be made by the Lenders pro rata on the basis of their then-applicable Incremental Revolving Credit Commitments. It is understood that (a) no Lender shall be responsible for any default by any other Lender in its obligation to make Loans hereunder and that each Lender severally but not jointly shall be obligated to make the Loans provided to be made by it hereunder, regardless of the failure of any other Lender to fulfill its commitments hereunder and (b) other than as expressly provided herein with respect to a Defaulting Lender, failure by a Lender to perform any of its obligations under any of the Credit Documents shall not release any Person from performance of its obligation, under any Credit Document.

2.8 Interest

(a) The unpaid principal amount of each ABR Loan shall bear interest from the date of the Borrowing thereof until maturity (whether by acceleration or otherwise) at a rate per annum that shall at all times be the Applicable Margin for ABR Loans *plus* the ABR, in each case, in effect from time to time.

(b) ~~(b)~~ The unpaid principal amount of each ~~LIBOR~~Term SOFR Rate Loan shall bear interest from the date of the Borrowing thereof until maturity thereof (whether by acceleration or otherwise) at a rate per annum that shall at all times be the Applicable Margin for ~~LIBOR~~SOFR Loans *plus* the relevant ~~LIBOR Rate~~Adjusted Term SOFR.

(c) ~~(c)~~ If all or a portion of (i) the principal amount of any Loan or (ii) any interest payable thereon or any other amount payable hereunder shall not be paid when due (whether at the stated maturity, by acceleration or otherwise but after giving effect to any grace period set forth herein), such overdue amount shall bear interest at a rate per annum that is (the "**Default Rate**") (x) in the case of overdue principal, the rate that would otherwise be applicable thereto *plus* 2.00% or (y) in the case of any other overdue amount, including overdue interest, to the extent permitted by applicable law, the rate described in Section 2.8(a) *plus* 2.00% from the date of such non-payment to the date on which such amount is paid in full (after as well as before judgment).

(d) ~~(d)~~ Interest on each Loan shall accrue from and including the date of any Borrowing to but excluding the date of any repayment thereof; provided that any Loan that is repaid on the same date on which it is made shall bear interest for one day. Except as provided below, interest shall be payable (i) in respect of each ABR Loan, quarterly in arrears on the last Business Day of each March, June, September and December, (ii) in respect of each ~~LIBOR~~Term SOFR Rate Loan, on the last day of

each Interest Period applicable thereto and, in the case of an Interest Period in excess of three months, on each date occurring at three-month intervals after the first day of such Interest Period, and (iii) in respect of each Loan, (A) on any prepayment in respect of ~~LIBOR~~Term SOFR Rate Loans, (B) at maturity (whether by acceleration or otherwise), and (C) after such maturity, on demand.

(e) ~~(e)~~ All computations of interest hereunder shall be made in accordance with Section 5.5.

(f) ~~(f)~~ The Administrative Agent, upon determining the interest rate for any Borrowing of ~~LIBOR~~Term SOFR Rate Loans, shall promptly notify the Borrower Representative and the relevant Lenders thereof. Each such determination shall, absent clearly demonstrable error, be final and conclusive and binding on all parties hereto.

(g) In connection with the use or administration of SOFR or Term SOFR, the Administrative Agent and the Borrower Representative will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Credit Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Credit Document. The Administrative Agent will promptly notify the Borrower Representative and the Lenders of the effectiveness of any Benchmark Replacement Conforming Changes in connection with the use or administration of SOFR or Term SOFR, as applicable.

2.9 Interest Periods. At the time the Borrower Representative gives a Notice of Borrowing or Notice of Conversion or Continuation in respect of the making of, or conversion into or continuation as, a Borrowing of ~~LIBOR~~Term SOFR Rate Loans in accordance with Section 2.6(a), the Borrower Representative shall give the Administrative Agent written notice of the Interest Period applicable to such Borrowing~~, which Interest Period shall, at the option of the Borrower Representative be a one, two, three or six month period (or if available to all the Lenders making such LIBOR Loans as determined by such Lenders in good faith based on prevailing market conditions, a twelve month or shorter period)~~.

Notwithstanding anything to the contrary contained above:

(a) the initial Interest Period for any Borrowing of ~~LIBOR~~Term SOFR Rate Loans shall commence on the date of such Borrowing (including the date of any conversion from a Borrowing of AHR Loans) and each Interest Period occurring thereafter in respect of such Ho1Towing shall commence on the day on which the next preceding Interest Period expires:

(b) if any Interest Period relating to a Borrowing of ~~LIBOR~~Term SOFR Rate Loans begins on the last Business Day of a calendar month or begins on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period, such Interest Period shall end on the last Business Day of the calendar month at the end of such Interest Period;

(c) if any Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day; provided that if any Interest Period in respect of a ~~LIBOR~~Term SOFR Rate Loan would otherwise expire on a day that is not a Business Day but is a day of the month after which no further Business Day occurs in such month, such Interest Period shall expire on the immediately preceding Business Day; and

(d) the Borrowers shall not be entitled to elect any interest Period in respect of any ~~LIBOR~~Term SOFR Rate Loan if such interest Period would extend beyond the Maturity Date of such Loan.

2.10 Increased Costs, Illegality, Etc.

(a) In the event that (x) in the case of clause (i) below, the Administrative Agent and (y) in the case of clauses (ii) and (iii) below, the Required Lenders shall have reasonably determined (which determination shall, absent clearly demonstrable error, be final and conclusive and binding upon all parties hereto):

(i) on any date for determining the ~~LIBOR Rate~~Adjusted Term SOFR for any interest Period that (x) deposits in the principal amounts and currencies of the Loans comprising such ~~LIBOR~~Term SOFR Rate Borrowing are not generally available in the relevant market or (y) by reason of any changes arising on or after the Closing Date affecting the interbank ~~LIBOR~~SOFR market, adequate and fair means do not exist for ascertaining the applicable interest rate on the basis provided for in the definition of ~~LIBOR Rate; or~~theAdjusted Term SOFR;

(ii) at any time, that such ~~Lenders~~Lender shall incur increased costs or reductions in the amounts received or receivable hereunder with respect to any ~~LIBOR~~Term SOFR Rate Loans (including any increased costs or reductions attributable to Taxes, other than any increase or reduction attributable to Taxes described in clauses (i) or (ii) of paragraph (d) of this Section 2.10) because of any Change in Law; or

(iii) at any time, that the making or continuance of any ~~LIBOR Loan~~Term SOFR Rate Loans has become unlawful by compliance by such ~~Lenders~~Lender in good faith with any law, governmental rule, regulation, guideline or order (or would conflict with any such governmental rule, regulation, guideline or order not having the force of law even though the failure to comply therewith would not be unlawful), or has become impracticable as a result of a contingency occurring after the Closing Date that materially and adversely affects the interbank ~~LIBOR~~SOFR market;

(such Loans, **"Impacted Loans"**), then, and in any such event, such Required Lenders (or the Administrative Agent, in the case of clause (i) above) shall within a reasonable time thereafter give notice (if by telephone, confirmed in writing) to the Borrower Representative~~,~~ and to the Administrative Agent of such determination (which notice the Administrative Agent shall promptly transmit to each of the other Lenders). Thereafter, (x) in the case of clause (i) above, ~~LIBOR~~Term SOFR Rate Loans shall no longer be available until such time as the Administrative Agent notifies the Borrower Representative and the Lenders that the circumstances giving rise to such notice by the Administrative Agent no longer exist (which notice the Administrative Agent agrees to give at such time when such circumstances no longer exist), and any Notice of Borrowing or Notice of Conversion given by the Borrower Representative with respect to ~~LIBOR~~Term SOFR Rate Loans that have not yet been incurred shall be deemed rescinded by the Borrower Representative, (y) in the case of clause (ii) above, the Borrower shall pay to such ~~Lenders~~Lender, promptly after receipt of written demand therefor such additional amounts (in the form of an increased rate of, or a different method of calculating, interest or otherwise as such Required Lenders in their reasonable discretion shall determine) as shall be required to compensate such ~~Lenders~~Lender for such actual increased costs or reductions in amounts receivable hereunder (it being agreed that a written notice as to the additional amounts owed to such ~~Lenders~~Lender, showing in reasonable detail the basis for the calculation thereof, submitted to the Borrower Representative by such ~~Lenders~~Lender shall, absent clearly demonstrable error, be final and conclusive and binding upon all

parties hereto), and (z) in the case of ~~subclause~~clause (iii) above, the Borrower Representative shall take one of the actions specified in subclause (x) or (y), as applicable, of Section 2. 10(b) promptly and, in any event, within the time period required by law.

Notwithstanding the foregoing, if the Administrative Agent has made the determination described in Section 2. 10(a)(i)(x), the Administrative Agent, in consultation with the Borrower Representative and the affected Lenders, may establish an alternative interest rate for the Impacted Loans, in which case, such alternative rate of interest shall apply with respect to the Impacted Loans until (1) the Administrative Agent revokes the notice delivered with respect to the Impacted Loans under clause (x) of the first sentence of the immediately preceding paragraph, (2) the Administrative Agent or the affected Lenders notify the Administrative Agent and the Borrower Representative that such alternative interest rate does not adequately and fairly reflect the cost to such Lenders of funding the Impacted Loans, ~~or~~ (3) any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for such Lender or its applicable Lending Office to make, maintain or fund Loans whose interest is determined by reference to such alternative rate of interest or to determine or charge interest rates based upon such rate or any Governmental Authority has imposed material restrictions on the authority of such Lender to do any of the foregoing and provides the Administrative Agent and the Borrower Representative written notice thereof or (4) the occurrence of a Benchmark Transition Event.

~~Notwithstanding the foregoing, if the Administrative Agent (i) determines that the circumstances described in this clause (a) have arisen and such circumstances are unlikely to be temporary, (ii) determines that the circumstances described in this clause (a) have not arisen but the supervisor for the administrator of the LIBOR Rate or a Governmental Authority having jurisdiction over the Administrative Agent has made a public statement identifying a specific date after which the LIBOR Rate shall no longer be used for determining interest rates for loans or (iii) new syndicated loans have started to adopt a new benchmark interest rate as determined by the Administrative Agent with the consent of the Borrower Representative, then the Administrative Agent and the Borrower Representative shall endeavor to establish an alternative rate of interest to the LIBOR Rate that gives due consideration to the then prevailing market convention for determining a rate of interest for syndicated loans in the United States at such time, and shall enter into an amendment to this Agreement reasonably acceptable to the Borrower Representative and the Administrative Agent to reflect such alternate rate of interest and such other related changes to this Agreement as may be applicable, provided that to the extent that the Administrative Agent determines that adoption of any portion of such market convention is not administratively feasible or that no market convention for the administration of such alternate rate of interest exists, the Administrative Agent shall administer such alternate rate of interest in a manner determined by the Administrative Agent with the consent of the Borrower Representative. Notwithstanding anything to the contrary, such amendment shall become effective without any further action or consent of any other party to this Agreement so long as the Administrative Agent shall not have received, within five (5) Business Days of the date notice of such alternate rate of interest is provided to the Lenders, a written notice from the Required Lenders stating that such Required Lenders object to such amendment. If a notice of an alternate rate of interest has been given and no such alternate rate of interest has been determined, and (x) the circumstances under clause (i) or (iii) above exist or (y) the specific date referred to in clause (ii) has occurred (as applicable), ABR shall apply without regard to clause (c) of the definition thereof. Provided that, if such alternate rate of interest shall be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.~~

(b) At any time that any ~~LIBOR~~Term SOFR Rate Loan is affected by the circumstances described in Section. 2.10(a)(ii) or (iii), the Borrower Representative may (and in the case of a ~~LIBOR~~Term SOFR Rate Loan affected pursuant to Section 2.10(a)(iii) shall) either (x) if a Notice of Borrowing or Notice of Conversion or Continuation with respect to the affected ~~LIBOR~~Term SOFR Rate

Loan has been submitted pursuant to Section 2.3 but the affected ~~LIBOR~~Term SOFR Rate Loan has not been funded or continued, cancel such requested Borrowing by giving the Administrative Agent written notice thereof on the same date that the Borrower Representative was notified by Lenders pursuant to Section 2.10(a)(ii) or (iii) or (y) if the affected ~~LIBOR~~Term SOFR Rate Loan is then outstanding, upon at least three Business Days' notice to the Administrative Agent, require the affected Lender to convert each such ~~LIBOR~~Term SOFR Rate Loan into an ABR Loan (the interest rate on which ABR Loans shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Adjusted Term SOFR component of the ABR), either on the last day of the Interest Period therefor, if all affected Lenders may lawfully continue to maintain such Term SOFR Rate Loan to such day, or immediately, if all affected Lenders may not lawfully continue to maintain such Term SOFR Rate Loan until, in each case of notice pursuant to Section 2.10(a)(iii), the Administrative Agent is advised in writing by each affected Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon SOFR, the Term SOFR Reference Rate, Adjusted Term SOFR or Term SOFR. Upon any such prepayment or conversion following receipt of notice of Impacted Loans, the Borrowers shall also pay accrued interest on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 2.11; provided that if more than one Lender is affected at any time, then all affected Lenders must be treated in the same manner pursuant to this Section 2.10(b).

(c) If, after the Closing Date, any Change in Law relating to capital adequacy or liquidity of any Lender or compliance by any Lender or its parent with any Change in Law relating to capital adequacy or liquidity occurring after the Closing Date, has or would have the effect of reducing the actual rate of return on such Lender's or its parent's or its Affiliate's capital or assets as a consequence of such Lender's commitments or obligations hereunder to a level below that which such Lender or its parent or its Affiliate could have achieved but for such Change in Law (taking into consideration such Lender's or its parent's policies with respect to capital adequacy or liquidity), then from time to time, promptly after demand by such Lender (with a copy to the Administrative Agent), the ~~Borrower~~Borrowers shall pay to such Lender such actual additional amount or amounts as will compensate such Lender or its parent for such actual reduction, it being understood and agreed, however, that a Lender shall not be entitled to such compensation as a result of such Lender's compliance with, or pursuant to any request or directive to comply with, any law, rule or regulation as in effect on the Closing Date or to the extent such Lender is not imposing such charges on, or requesting such compensation from, borrowers (similarly situated to the Borrowers hereunder) under comparable syndicated credit facilities similar to the Credit Facilities. Each Lender, upon determining in good faith that any additional amounts will be payable pursuant to this Section 2.10(c), will give prompt ·written notice thereof to the Borrower Representative, which notice shall set forth in reasonable detail the basis of the calculation of such additional amounts, although the failure to give any such notice shall not, subject to Section 2.13, release or diminish the Borrowers' obligations to pay additional amounts pursuant to this Section 2.10(c) promptly following receipt of such notice.

(d) It is understood that this Section 2.10 shall not apply to (i) Taxes indemnifiable under Section 5.4 or (ii) Excluded Taxes.

2.11 Compensation. If (a) any payment of principal of any ~~LIBOR~~Term SOFR Rate Loan is made by a Borrower to or for the account of a Lender other than on the last day of the Interest Period for such ~~LIBOR~~Term SOFR Rate Loan as a result of a payment or conversion pursuant to Sections 2.5, 2.6, 2.10, 5.1, 5.2 or 13.7, as a result of acceleration of the maturity of the Loans pursuant to Section 11 or for any other reason, (b) any Borrowing of ~~LIBOR~~Term SOFR Rate Loans is not made as a result of a withdrawn Notice of Borrowing or a failure to satisfy borrowing conditions, (c) any ABR Loan is not converted into a ~~LIBOR~~Term SOFR Rate Loan as a result of a withdrawn Notice of Conversion or Continuation, (d) any ~~LIBOR~~Term SOFR Rate Loan is not continued as a ~~LIBOR~~Term SOFR Rate Loan, as the case may be, as a result of a withdrawn Notice of Conversion or Continuation or (e) any

prepayment of principal of any ~~LIBOR~~Term SOFR Rate Loan is not made as a result of a withdrawn notice of prepayment pursuant to Sections 5.1 or 5.2, the Borrower shall, after receipt of a written request by such Lender (which request shall set forth in reasonable detail the basis for requesting such amount), promptly pay to the Administrative Agent for the account of such Lender any amounts required to compensate such Lender for any additional losses, costs or expenses that such Lender may reasonably incur as a result of such payment, failure to convert, failure to continue or failure to prepay, including any loss, cost or expense (excluding loss of anticipated profits) actually incurred by reason of the liquidation or reemployment of deposits or other funds acquired by any Lender to fond or maintain such ~~LIBOR~~Term SOFR Rate Loan. A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender as specified in this Section 2.11 and setting forth in reasonable detail the manner in which such amount or amounts were determined shall be delivered to the Borrower Representative and shall be conclusive, absent manifest error.

2.12 Change of Lending Office. Each Lender agrees that, upon the occurrence of any event giving rise to the operation of Sections 2.10(a)(ii), 2.10(a)(ii), 2.10(b), 3.5 or 5.4 with respect to such Lender, it will, if requested by the Borrower Representative use reasonable efforts (subject to overall policy considerations of such Lender) to designate another lending office tor any Loans affected by such event; provided that such designation is made on such terms that such Lender and its lending office suffer no unreimbursed cost or other material economic, legal or regulatory disadvantage, with the object of avoiding the consequence of the event giving rise to the operation of any such Section. Nothing in this Section 2. 12 shall affect or postpone any of the obligations of the Borrower or the right of any Lender provided in Sections 2.10, 3.5 or 5.4.

2.13 Notice of Certain Costs. Notwithstanding anything in this Agreement to the contrary, to the extent any notice required by Sections 2.10, 2.11, 3.5 or 5.4 is given by any Lender more than 120 days after such Lender has knowledge (or should have had knowledge) of the occurrence of the event giving rise to the additional cost, reduction in amounts, loss, or other additional amounts described in such Sections, such Lender shall not be entitled to compensation under Sections 2.10, 2.11, 3.5 or 5.4, as the case may be, for any such amounts incurred or accruing prior to the 121st day prior to the giving of such notice to the Borrower Representative.

2.14 Incremental Facilities.

(a) The Borrower Representative may by written notice to Administrative Agent elect to request the establishment of one or more increases in Revolving Credit Commitments (the **"Incremental Revolving Credit Commitments"**), by an aggregate amount not in excess of the Maximum Incremental Facilities Amount in the aggregate and not less than $5,000,000 individually (or such lesser amount as (x) may be approved by the Administrative Agent or (y) shall constitute the difference between the Maximum Incremental Facilities Amount and all such Incremental Revolving Credit Commitments obtained on or prior to such date). Each such notice shall specify the date (each, an "**Increased Amount Date**") on which the Borrower Representative proposes that the Incremental Revolving Credit Commitments shall be effective. The Borrower Representative may approach any Lender or any Person (other than a natural Person) to provide all or a portion of the Incremental Revolving Credit Commitments: provided that any Lender offered or approached to provide all or a portion of the incremental Revolving Credit Commitments may elect or decline, in its sole discretion, to provide a Incremental Revolving Credit Commitment. If the existing Lenders are unwilling to increase their applicable commitments by an amount equal to the requested increase, the Administrative Agent, at the request of and in consultation with Borrower Representative, will use its commercially reasonable efforts to obtain one or more financial institutions which are not then Lenders (which financial institution may be suggested by Borrower) to become party to the Credit Documents and to provide a commitment to the extent necessary to satisfy Borrower Representative's requested increase in the Incremental Revolving

Credit Commitments, as the case may be; provided, however, (a) compensation for any such assistance by the Administrative Agent shall be mutually agreed by the Administrative Agent and Borrower Representative, (b) such assistance shall be subject to the execution of a customary engagement letter and (c) Administrative Agent shall have no obligation to provide any such New Loan Commitment. In each case, such Incremental Revolving Credit Commitments shall become effective as of the applicable increased Amount Date; provided that (i) the Overadvance Borrowing Base has been permanently reduced to $0 and no Event of Default shall exist on such Increased Amount Date before or after giving effect to such Incremental Revolving Credit Commitments, as applicable, (ii) the Incremental Revolving Credit Commitments shall be effected pursuant to one or more Joinder Agreements executed and delivered by the Borrower Representative and Administrative Agent, and each of which shall be recorded in the Register and shall be subject to the requirements set forth in Section 5.4(e), and (iii) the Borrowers shall make any payments required pursuant to Section 2.11 in connection with the Incremental Revolving Credit Commitments, as applicable. No Lender shall have any obligation to provide any Commitments pursuant to this Section 2.14(a).

(b) On any Increased Amount Date on which Incremental Revolving Credit Commitments are effected, subject to the satisfaction of the foregoing terms and conditions, (i) each Incremental Revolving Commitment shall be deemed for all purposes of this Agreement to be a Revolving Credit Commitment, (ii) each Loan made under an Incremental Revolving Credit Commitment (an **"Incremental Revolving Credit Loan"**) shall be deemed, for all purposes, a Revolving Credit Loan and (iii) each Lender with an Incremental Revolving Credit Commitment (each an **"Incremental Revolving Loan Lender"**) shall become a Lender with respect to the Incremental Revolving Credit Commitment and all matters relating thereto; *provided* that the Administrative Agent shall have consented (not to be unreasonably withheld or delayed) to such Incremental Revolving Loan Lender's providing such Incremental Revolving Credit Commitment to the extent such consent, if any, would be required under Section 13.6(b) for an assignment of Incremental Revolving Loans or incremental Revolving Credit Commitments, as applicable, to such incremental Revolving Loan Lender.

(c) On any Increased Amount Date, each Lender immediately prior to such increase will automatically and without further act be deemed to have assigned to each Incremental Revolving Loan Lender in respect of such increase, and each such incremental Revolving Loan Lender will automatically and without further act be deemed to have assumed, a portion of such Lender's participations hereunder in outstanding Letters of Credit, after giving effect to each such deemed assignment and assumption of participations, the percentage of the aggregate outstanding participations hereunder in such Letters of Credit held by each Revolving Loan Lender (including each such Incremental Revolving Loan Lender), as applicable, will equal the percentage of the aggregate Total Revolving Credit Commitments of all Lenders under the Credit Facilities. Additionally, if any Revolving Credit Loans are outstanding under the Credit Facilities at the time any Incremental Revolving Commitments are established, the applicable Lenders immediately after effectiveness of such Incremental Revolving Credit Commitments shall purchase and assign at par such amounts of the Revolving Credit Loans outstanding under the Credit Facilities at such time as the Administrative Agent may require such that all of the Lenders effectively participate in each of the outstanding Revolving Credit Loans on a pro rata basis of their Revolving Credit Commitment Percentages immediately after giving effect to all such assignments. The Administrative Agent and the Lenders hereby agree that the minimum borrowing, pro rata borrowing and pro rata payment requirements contained elsewhere in this Agreement shall not apply to the transactions effected pursuant to the immediately preceding sentence.

(d) [Reserved]

(e) Incremental Revolving Credit Commitments and Incremental Revolving Credit Loans shall be identical to the Initial Revolving Credit Commitments and the related Revolving Credit Loans;

provided, that underwriting, arrangement, upfront or similar fees that may be agreed to among the Borrower Representative and the Lenders providing and/or arranging such Incremental Revolving Credit Commitments may be paid in connection with such Incremental Revolving Credit Commitments.

(f) Each Joinder Agreement may, without the consent of any other Lenders, effect technical and corresponding amendments to this Agreement and the other Credit Documents as may be necessary or appropriate, in the opinion of the Administrative Agent, to effect the provision of this Section 2.14.

(g) (i) [Reserved]**.**

(ii) The Borrower Representative may at any time and from time to time request that all or a portion of the Revolving Credit Commitments of any Class, any Extended Revolving Credit Commitments and/or any incremental Revolving Credit Commitments, each existing at the time of such request (each, an "**Existing Revolving Credit Commitment**" and any related revolving credit loans thereunder, "**Existing Revolving Credit Loans**"**;** each Existing Revolving Credit Commitment and related Existing Revolving Credit Loans together being referred to as an "**Existing Revolving Credit Class**") be converted to extend the termination date thereof and the scheduled maturity date(s) of any payment of principal with respect to all or a portion of any principal amount of Loans related to such Existing Revolving Credit Commitments (any such Existing Revolving Credit Commitments which have been so extended, "**Extended Revolving Credit Commitments"** and any related Loans, "**Extended Revolving Credit Loans**") and to provide for other terms consistent with this Section 2.14(g)**.** In order to establish any Extended Revolving Credit Commitments, the Borrower Representative shall provide a notice to the Administrative Agent (who shall provide a copy of such notice to each of the Lenders of the applicable Class of Existing Revolving Credit Commitments which such request shall be offered equally to all such Lenders) setting forth the proposed terms of the Extended Revolving Credit Commitments to be established, which shall be identical to the terms of the applicable Tranche of Existing Revolving Credit Commitments (the "**Specified Existing Revolving Credit Commitment**") unless (x) the Lenders providing existing Revolving Credit Loans receive the benefit of such more favorable terms applicable before the Revolving Credit Termination Date or (y) any such provisions apply after the Revolving Credit Termination Date, in each case, to the extent provided in the applicable Extension Amendment; provided, however, that (w) all or any of the final maturity dates of such Extended Revolving Credit Commitments may be delayed to later dates than the final maturity dates of the Specified Existing Revolving Credit Commitments, (x) (A) the interest margins with respect to the Extended Revolving Credit Commitments may be higher or lower than the interest margins for the Specified Existing Revolving Credit Commitments and/or (B) additional fees and premiums may be payable to the Lenders providing such Extended Revolving Credit Commitments in addition to or in lieu of any increased margins contemplated by the preceding clause (A) and (y) the revolving credit commitment fee rate with respect to the Extended Revolving Credit Commitments may be higher or lower than the Revolving Credit Commitment Fee Rate for the Specified Existing Revolving Credit Commitment; provided that, notwithstanding anything to the contrary in this Section 2.14(g) or otherwise, (1) the borrowing and repayment (other than (I) in connection with a permanent repayment and termination of commitments or (II) payments of interest and fees in different rates on Extended Revolving Credit Commitments) of Loans with respect to any Original Revolving Credit Commitments shall be made on a pro rata basis with all other Original Revolving Credit Commitments and (2) assignments and participations of Extended Revolving Credit Commitments and Extended Revolving Credit Loans shall be governed by the same assignment and participation provisions applicable to Revolving Credit Commitments and the Revolving Credit Loans related to such Commitments set forth in Section 13.6. No Lender shall have any obligation to agree to have any of its Revolving Credit Loans or Revolving Credit Commitments

of any Existing Revolving Credit Class converted into Extended Revolving Credit Loans or Extended Revolving Credit Commitments pursuant to any Extension Request. Any Extended Revolving Credit Commitments of any Extension Series shall constitute a separate Class of revolving credit commitments from the Specified Existing Revolving Credit Commitments and from any other Existing Revolving Credit Commitments (together with any other Extended Revolving Credit Commitments so established on such date).

(iii) Any Lender (an "**Extending Lender**") wishing to have all or a portion of its Revolving Credit Commitments or Extended Revolving Credit Commitment of the Existing Class or Existing Classes subject to such Extension Request converted into Extended Revolving Credit Commitments shall notify the Administrative Agent (an "**Extension Election**") on or prior to the date specified in such Extension Request of the amount of its Revolving Credit Commitments or Extended Revolving Credit Commitment of the Existing Class or Existing Classes subject to such Extension Request that it has elected to convert into Extended Revolving Credit Commitments. 1n the event that the aggregate amount of Revolving Credit Commitments or Extended Revolving Credit Commitment of the Existing Class or Existing Classes subject to Extension Elections exceeds the amount of Extended Revolving Credit Commitments requested pursuant to the Extension Request, Revolving Credit Commitments or Extended Revolving Credit Commitments of the Existing Class or Existing Classes subject to Extension Elections shall be converted to Extended Revolving Credit Commitments on a pro rata basis based on the amount of Revolving Credit Commitments or Extended Revolving Credit Commitment included in each such Extension Election. Notwithstanding the conversion of any Existing Revolving Credit Commitment into an Extended Revolving Credit Commitment, such Extended Revolving Credit Commitment shall be treated identically to all other Original Revolving Credit Commitments for purposes of the obligations of a Lender in respect of Swingline Loans under Section 2.1(c) Protective Advances pursuant to Section 2.1(f) and Letters of Credit under Section 3, except that the applicable Extension Amendment may provide that the Swingline Maturity Date and/or the L/C Facility Maturity Date may be extended and the related obligations to make Swingline Loans and issue Letters of Credit may be continued so long as the Swingline Lender and/or the Letter of Credit Issuer, as applicable, have consented to such extensions in their sole discretion (it being understood that no consent of any other Lender shall be required in connection with any such extension).

(iv) [Reserved].

(v) Extended Revolving Credit Commitments shall be established pursuant to an amendment (an **"Extension Amendment"**) to this Agreement (which, except to the extent expressly contemplated by the penultimate sentence of this Section 2.14(g)(iv) and notwithstanding anything to the contrary set forth in Section 13.1, shall not require the consent of any Lender other than the Extending Lenders and New Commitment Lenders with respect to the Extended Revolving Credit Commitments established thereby) executed by the Credit Parties, the Administrative Agent and the Extending Lenders or New Commitment Lenders, as applicable. No Extension Amendment shall provide for any tranche of Extended Revolving Credit Commitments in an aggregate principal amount that is less than $5,000,000. ln addition to any terms and changes required or permitted by Section 2.14(g)(i), each Extension Amendment may, but shall not be required to, impose additional requirements (not inconsistent with the provisions of this Agreement in effect at such time) with respect to the final maturity of Incremental Revolving Credit Commitments incurred following the date of such Extension Amendment. Notwithstanding anything to the contrary in this Section 2.14(g) and without limiting the generality or applicability of Section 13.1 to any Section 2.14 Additional Amendments, any Extension Amendment may provide tor additional terms and/or additional amendments other

than those referred to or contemplated above (any such additional amendment, a "**Section 2.14 Additional Amendment**") to this Agreement and the other Credit Documents: provided that such Section 2.14 Additional Amendments are within the requirements of Section 2.14(g)(i) and do not become effective prior to the time that such Section 2.14 Additional Amendments have been consented to by such of the Lenders, Credit Parties and other parties (if any) as may be required in order for such Section 2.14 Additional Amendments to become effective in accordance, with Section 13.1.

(vi) Notwithstanding anything to the contrary contained in this Agreement, (A) on any date on which any Existing Class is converted to extend the related scheduled maturity date(s) in accordance with clauses (i) and/or (ii) above (an **"Extension Date"**), in the case of the Specified Existing Revolving Credit Commitments of each Extending Lender, except to the extent of New Commitments by New Commitment Lenders, the aggregate principal amount of such Specified Existing Revolving Credit Commitments shall be deemed reduced by an amount equal to the aggregate principal amount of Extended Revolving Credit Commitments so converted by such Lender on such date, and such Extended Revolving Credit Commitments (including any New Commitments established in connection therewith) shall be established as a separate Class of revolving credit commitments from the Specified Existing Revolving Credit Commitments and from any other Existing Revolving Credit Commitments (together with any other Extended Revolving Credit Commitments so established on such date) and (B) if, on any Extension Date, any Loans of any Extending Lender are outstanding under the applicable Specified Existing Revolving Credit Commitments, such Loans (and any related participations) shall be deemed to be allocated as Extended Revolving Credit Loans (and related participations) and Existing Revolving Credit Loans (and related participations) in the same proportion as such Extending Lender's Specified Existing Revolving Credit Commitments to Extended Revolving Credit Commitments.

(vii) The Administrative Agent and the Lenders (other than the Swingline Lender to the extent such consent is expressly required by this Section 2.14) hereby consent to the consummation of the transactions contemplated by this Section 2.14 (including, for the avoidance of doubt, payment of any interest, fees, or premium in respect of any Extended Revolving Commitments on such terms as may be set forth in the relevant Extension Amendment) and hereby waive the requirements of any provision of this Agreement (including, without limitation, any pro rata payment or amendment section) or any other Credit Document that may otherwise prohibit or restrict any such extension or any other transaction contemplated by this Section 2.14.

(viii) No conversion of Loans pursuant to any Extension in accordance with this Section 2.14(g) shall constitute a voluntary or mandatory payment or prepayment for purposes of this Agreement.

2.15 [Reserved].

2.16 Defaulting Lenders.

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of Required Lenders and Section 13.1.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Section 11 or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 13.8 shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; *second*, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to the Letter of Credit Issuer, Swingline Lender or the Administrative Agent (in respect of Protective Advances) hereunder; *third,* to Cash Collateralize the Letter of Credit Issuer's Fronting Exposure with respect to such Defaulting Lender in accordance with Section 3.8; *fourth,* as the Borrower Representative may request (so long as no Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative *Agent*; *fifth,* if so determined by the Administrative Agent and the Borrower Representative, to be held in a deposit account and released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (y) Cash Collateralize the Letter of Credit Issuer's future Fronting Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with Section 3.8; *sixth,* to the payment of any amounts owing to the Borrowers, the Lenders, the Administrative Agent, the Letter of Credit Issuer or Swingline Lender as a result of any judgment of a court of competent jurisdiction obtained by any Borrower, any Lender, the Administrative Agent, the Letter of Credit issuer or the Swingline Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *seventh,* to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans or L/C Borrowings in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 7 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and L/C Obligations owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Obligations owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in L/C Obligations and Swingline Loans are held by the Lenders pro rata in accordance with the Commitments hereunder without giving effect to Section 2.16(a)(iv). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section2.16(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees; Default Interest.

(A) No Defaulting Lender shall be entitled to receive any foe payable under Section 4 or any interest at the Default Rate payable under Section 2.8(c) for any period during which that Lender is a Defaulting Lender (and the Borrowers shall not be required to pay any such foe that otherwise would have been required to have been paid to that Defaulting Lender).

(B) Each Defaulting Lender shall be entitled to receive Letter of Credit Fees for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Applicable Percentage of the stated amount of Letters of Credit tor which it has provided Cash Collateral pursuant to Section 3.8.

(C) With respect to any Letter of Credit Fee not required to be paid to any Defaulting Lender pursuant to clause (A) or (B) above, the Borrowers shall (x) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in L/C Obligations that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below, (y) pay to the Letter of Credit Issuer the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to such Letter of Credit's Fronting Exposure to such Defaulting Lender, and (z) not be required to pay the remaining amount of any such fee.

(iv) Reallocation of Applicable Percentages to Reduce Fronting Exposure. All or any part of such Defaulting Lender's participation in L/C Obligations and Swingline Loans shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Revolving Credit Commitment Percentages (calculated without regard to such Defaulting Lender's Commitment) but only to the extent that such reallocation does not cause the aggregate Revolving Credit Exposure of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Commitment. No reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(v) Cash Collateral, Repayment of Swing Line Loans. If the reallocation described in clause (a)(iv) above cannot, or can only partially, be effected, the Borrowers shall, without prejudice to any right or remedy available to them hereunder or under applicable law, (x) *first*, prepay Swingline Loans in an amount equal to the Swingline Lenders' Fronting Exposure and (y) *second,* Cash Collateralize the Letter of Credit Issuers'. Fronting Exposure in accordance with the procedures set forth in Section 3.8.

(b) Defaulting Lender Cure. If the Borrower Representative, the Administrative Agent, the Swingline Lender, and the Letter of Credit Issuer agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Revolving Credit Loans and funded and unfunded participations in Letters of Credit and Swingline Loans to be held on a pro rata basis by the Lenders in accordance with their Revolving Credit Commitment Percentages (without giving effect to Section 2.16(a)(iv)), whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrowers while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

2.17 Designation of Subsidiary Borrowers. After the Closing Date, the Borrower Representative may, at any time and from time to time, designate any Domestic Subsidiary that is a Wholly-Owned Restricted Subsidiary as a Subsidiary Borrower by delivery to the Administrative Agent of a Borrower Subsidiary Agreement executed by such Subsidiary and the Borrower Representative and the satisfaction of the other conditions precedent set forth in Section 13.24, and upon such delivery and satisfaction or such conditions precedent, such Subsidiary shall for all purposes of this Agreement and the other Credit Documents be a Subsidiary Borrower and a party to this Agreement. As soon as practicable upon receipt of a Borrowing Subsidiary Agreement, the Administrative Agent shall furnish a copy thereof to each Lender. Notwithstanding anything in this Agreement to the contrary, the Total Revolving Credit Commitments shall not be increased and no Revolving Credit Commitment of any Lender shall be increased without such Lender's prior written consent.

2.18 Borrower Representative. Each Subsidiary Borrower hereby designates the Company as its representative and agent (in such capacity, the "**Borrower Representative**") for all purposes under the Credit Documents, including requests for Loans and Letters of Credit, designation of interest rates, delivery or receipt of communications, preparation and delivery of financial reports, requests for waivers, amendments or other accommodations, actions under the Credit Documents (including in respect of compliance with covenants), and all other dealings with the applicable Administrative Agent, the Letter of Credit Issuer, the Swingline Lender or any Lender. The Company hereby accepts such appointment as Borrower Representative. The Administrative Agent, the Letter of Credit Issuer, the Swingline Lender and the Lenders shall be entitled to rely upon, and shall be fully protected in relying upon, any notice or communication (including any notice of borrowing) delivered by Borrower Representative on behalf of any Borrower. The Administrative Agent, the Letter of Credit Issuer, the Swingline Lender and the Lenders may give any notice or communication with a Borrower hereunder to the Borrower Representative on behalf of such Borrower. Each of the Administrative Agent, Letter of Credit Issuer, the Swingline Lender and the Lenders shall have the right, in its discretion, to deal exclusively with the Borrower Representative for any or all purposes under the Credit Documents. Each Borrower agrees that any notice, election, communication, representation, agreement or undertaking made on its behalf by the Borrower Representative shall be binding upon and enforceable against it. Anything contained herein to the contrary notwithstanding, no Borrower (other than the Borrower Representative) shall be authorized to request any Borrowing or Letter of Credit hereunder without the prior written consent of the Company.

2.19 Borrowing Base Reserves: Changes to Borrowing Base Reserves.

(a) The initial Borrowing Base Reserves as of the Closing Date are those set forth in the Borrowing Base Certificate delivered to the Administrative Agent on the Closing Date.

(b) The Administrative Agent may hereafter establish additional Borrowing Base Reserves or change any of the Borrowing Base Reserves in effect on the Closing Date, in the exercise of its Credit Judgment; provided that such Borrowing Base Reserves shall not be established or changed except upon not less than five (5) days written notice to the Borrower Representative (during which period the Administrative Agent shall be available to discuss any such proposed Borrowing Base Reserve with the Borrowers); provided further that no such prior notice shall be required (I) if a Specified Default has occurred and is continuing, (1) changes to any Borrowing Base Reserves resulting solely by virtue of mathematical calculations of the amount of the Borrowing Base Reserve in accordance with the methodology of calculation previously utilized, or (2) changes to Borrowing Base Reserves or the establishment of additional Borrowing Base Reserves if it would be reasonably likely that a Material Adverse Effect under clause (b)(ii) of the definition thereof would occur were such Borrowing Base Reserves not changed or established prior to the expiration of such five (5) day period. Upon delivery of a notice described above., the Credit Parties may take such action as may be required so that the event,

condition, circumstance or new fact that is the basis for such Borrowing Base Reserve or increase no longer exists, in a manner and to the extent reasonably satisfactory to the Administrative Agent.

(c) The amount of any Borrowing Base Reserve established by the Administrative Agent shall have a reasonable relationship as determined by the Administrative Agent in its Credit Judgment to the event, condition or other matter that is the basis for such Borrowing Base Reserve. Notwithstanding anything herein to the contrary, (i) a Borrowing Base Reserve shall not be established to the extent it is duplicative of any specific item excluded as ineligible in the definitions of Eligible Credit Card Receivables, Eligible In-Transit Inventory and Eligible Inventory, but the Administrative Agent shall retain the right, subject to the requirements of this clause (c), to establish a Borrowing Base Reserve with respect to prospective changes in Eligible Credit Card Receivables, Eligible In-Transit Inventory or Eligible Inventory that may reasonably be anticipated and (ii) circumstances, conditions, events or contingencies existing or arising prior to the Closing Date of which the Administrative Agent had actual knowledge prior to the Closing Date shall not be the basis for the establishment of Borrowing Base Reserves unless the Administrative Agent establishes such Borrowing Base Reserves on the Closing Date (subject to the notice requirements of the above clause (b)) or such circumstances, conditions, events or contingencies shall have changed in a manner materially adverse to the Administrative Agent and the Lenders since the Closing Date.

(d) From and after April 12, 2023 until the First Lien Initial Term Loans are repaid in full, the Administrative Agent may establish in its Credit Judgement Borrowing Base Reserves in an amount equal to the difference (if positive) of (i) the aggregate outstanding amount of First Lien Initial Term Loans, *less* (ii) cash and Cash Equivalents subject to a Blocked Account Agreement in favor of the Collateral Agent. If any Borrowing Base Reserve is being established pursuant to this clause (d), the Borrower Representative will report to the Administrative Agent by 12:00 noon on each Business Day the amount of cash and Cash Equivalents subject to a Blocked Account Agreement in favor of the Collateral Agent as of the beginning of such Business Day on an account by account basis; provided that to the extent the Borrower Representative has not provided such information to the Administrative Agent, the amount of cash and Cash Equivalents subject to a Blocked Account Agreement in favor of the Collateral Agent shall be deemed to be $0 for purposes of this clause (d) until such time as the Borrower Representative has provided such information to the Administrative Agent.

2.20 Term SOFR Availability.

(a) Benchmark Replacement.

(i) Notwithstanding anything to the contrary herein or in any other Credit Document, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Credit Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Credit Document and (y) if a Benchmark Replacement is determined in accordance with clause (2) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Credit Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Credit Document so long as the Administrative Agent has not received,

by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders. If the Benchmark Replacement is Daily Simple SOFR, all interest payments will be payable on a quarterly basis.

(ii) No agreement in respect of Swap Obligations shall be deemed to be a "Credit Document" for purposes of this Section 2.20.

(b) Benchmark Replacement Conforming Changes. In connection with the use, administration. adoption or implementation of a Benchmark Replacement, the Administrative Agent and the Borrower Representative will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Credit Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Credit Document.

(c) Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower Representative and the Lenders (and, if applicable, provide the relevant amendment to this Agreement related to) of (i) the implementation of any Benchmark Replacement, (ii) the effectiveness of any Benchmark Replacement Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement, (iii) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (d) below and (iv) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, it applicable, any Lender (or group of Lenders) pursuant to this Section 2.20 including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their reasonable discretion and without consent from any other party to this Agreement or any other Credit Document, except, in each case, as expressly required pursuant to this Section 2.20.

(d) Unavailability of Tenor of Benchmark Notwithstanding anything to the contrary herein or in any other Credit Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including the Term SOFR Reference Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the administrator of such Benchmark or the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative or in compliance with or aligned with the IOSCO Principles for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) Benchmark Unavailability Period. Upon the Borrowers' receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrowers may revoke any request for a Term SOFR Rate Loan of, conversion to or continuation of Term SOFR Rate Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrowers will be deemed to

have converted any such request into a request for a Borrowing of or conversion to ABR Loans. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of the ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of the ABR.

Section 3. Letters of Credit.

3.1 Letters of Credit.

(a) Subject to and upon the terms and conditions herein set forth, at any time and from time to time after the Closing Date and prior to the L/C Facility Maturity Date, the Letter of Credit Issuer agrees, in reliance upon the agreements of the Lenders set forth in this Section 3, to issue from time to time from the Closing Date through the L/C Facility Maturity Date for the account of the Borrowers (or, so long as the Borrowers are the primary obligors, for the account of Holdings or any Restricted Subsidiary (other than the Borrowers)) letters of credit or bank guarantees (the "**Letters of' Credit**" and each, a "**Letter of Credit**") in such form as may be approved by the Letter of Credit issuer in its reasonable discretion.

(b) Notwithstanding the foregoing, (i) no Letter of Credit shall be issued the Stated Amount of which, when added to the Letters of Credit Outstanding at such time, would exceed the Line Cap then in effect; (ii) no Letter of Credit shall be issued the Stated Amount of which would cause the aggregate amount of the Lenders' Revolving Credit Exposures at the time of the issuance thereof to exceed the Line Cap then in effect; (iii) unless otherwise agreed to by the Issuing Lender and the Administrative Agent, each Letter of Credit shall have an expiration date occurring no later than one year after the date of issuance thereof (except with respect to trade Letters of Credit, which may have an expiration date occurring no later than 180 days after the date of issuance thereof, or as set forth in Section 3.2(d)), provided that in no event shall such expiration date occur later than the L/C Facility Maturity Date, in each case, unless otherwise agreed upon by the Administrative Agent, the Letter of Credit Issuer and, unless such Letter of Credit has been Cash Collateralized, the Lenders; (iv) the Letter of Credit shall be denominated in Dollars; (v) no Letter of Credit shall be issued if it would be illegal under any applicable law for the beneficiary of the Letter of Credit to have a Letter of Credit issued in its favor; and (vi) no Letter of Credit shall be issued by the Letter of Credit Issuer after it has received a written notice from any Credit Party or the Administrative Agent or the Required Lenders stating that a Default or Event of Default has occurred and is continuing until such time as the Letter of Credit Issuer shall have received a written notice of (x) rescission of such notice from the party or parties originally delivering such notice or (y) the waiver of such Default or Event of Default in accordance with the provisions of Section 13.1.

(c) Upon at least two Business Days' prior written notice to the Administrative Agent and the Letter of Credit Issuer (which notice the Administrative Agent shall promptly transmit to each of the Lenders), the Borrowers shall have the right, on any day, permanently to terminate or reduce the Letter of Credit Commitment in whole or in part; provided that, after giving effect to such termination or reduction, the Letters of Credit Outstanding shall not exceed the Letter of Credit Commitment.

(d) [Reserved].

(e) The Letter of Credit Issuer shall not be under any obligation to issue any Letter of Credit if:

(i) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms enjoin or restrain the Letter of Credit Issuer from issuing such Letter of Credit, or any law applicable to the Letter of Credit Issuer or any request or directive (whether or not

having the force of law) from any Governmental Authority with jurisdiction over the Letter of Credit Issuer shall prohibit, or request that the Letter of Credit Issuer refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon the Letter of Credit Issuer with respect to such Letter of Credit any restriction, reserve or capital requirement (in each case, for which the Letter of Credit Issuer is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose upon the Letter of Credit Issuer any unreimbursed loss, cost or expense which was not applicable on the Closing Date and which the Letter of Credit Issuer in good faith deems material to it;

(ii) the issuance of such Letter of Credit would violate one or more policies of the Letter of Credit Issuer applicable to letters of credit generally;

(iii) except as otherwise agreed by the Administrative Agent and the Letter of Credit Issuer, such Letter of Credit is in an initial Stated Amount less than $50,000, in the case of a commercial Letter of Credit, or $10,000, in the case of a standby Letter of Credit;

(iv) unless otherwise agreed by the Administrative Agent and the Letter of Credit Issuer, such Letter of Credit is denominated in a currency other than Dollars;

(v) such Letter of Credit contains any provisions for automatic reinstatement of the Stated Amount after any drawing thereunder; or

(vi) a default of any Lender's obligations to fund under Section 3.3 exists or any Lender is at such time a Defaulting Lender hereunder, unless, in each case, the Borrowers have entered into arrangements reasonably satisfactory to the Letter of Credit Issuer to eliminate the Letter of Credit Issuer's risk with respect to such Lender or such risk has been reallocated in accordance with Section 2.16.

(f) The Letter of Credit Issuer shall not increase the Stated Amount of any Letter of Credit if the Letter of Credit Issuer would not be permitted at such time to issue such Letter of Credit in its amended form under the terms hereof.

(g) The Letter of Credit Issuer shall be under no obligation to amend any Letter of Credit if (A) the Letter of Credit Issuer would have no obligation at such time to issue such Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of such Letter of Credit docs not accept the proposed amendment to such Letter of Credit.

(h) The Letter of Credit Issuer shall act on behalf of the Lenders with respect to any Letters of Credit issued by it and the documents associated therewith and the Letter of Credit Issuer shall have all of the benefits and immunities (A) provided to the Administrative Agent in Section 13 with respect to any acts taken or omissions suffered by the Letter of Credit Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and Issuer Documents pertaining to such Letters of Credit as fully as if the term "Administrative Agent" as used in Section 13 included the Letter of Credit Issuer with respect to such acts or omissions, and (B) as additionally provided herein with respect to the Letter of Credit Issuer.

3.2 Letter of Credit Requests.

(a) Whenever a Borrower desires that a Letter of Credit be issued for its account or amended, the Borrower Representative shall give the Administrative Agent and the Letter of Credit Issuer a Letter of Credit Request by no later than 1:00 p.m. (New York City time) at least three Business

Days (or such other period as may be agreed upon by the Borrower Representative, the Administrative Agent and the Letter of Credit Issuer) prior to the proposed date of issuance or amendment. Each Letter of Credit Request shall be executed by the Borrower Representative. Such Letter of Credit Request may be sent by facsimile, by United States mail, by overnight courier, by electronic transmission using the system provided by the Letter of Credit Issuer, by personal delivery or by any other means acceptable to the Letter of Credit Issuer.

(b) In the case of a request for an initial issuance of a Letter of Credit, such Letter of Credit Request shall specify in form and detail reasonably satisfactory to the Letter of Credit Issuer: (A) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (B) the Stated Amount thereof in Dollars; (C) the expiry date thereof; (D) the name and address of the beneficiary thereof; (E) the documents to be presented by such beneficiary in case of any drawing thereunder; (F) the full text of any certificate to be presented by such beneficiary in case of any drawing thereunder; (G) the identity of the applicant; and (H) such other matters as the Letter of Credit Issuer may reasonably require. ln the case of a request for an amendment of any outstanding Letter of Credit, such Letter of Credit Request shall specify in form and detail reasonably satisfactory to the Letter of Credit Issuer (I) the Letter of Credit to be amended; (II) the proposed date of amendment thereof (which shall be a Business Day); (III) the nature of the proposed amendment; and (IV) such other matters as the Letter of Credit Issuer may reasonably require. Additionally, the Borrower Representative shall furnish to the Letter of Credit Issuer and the Administrative Agent such other documents and information pertaining to such requested Letter of Credit issuance or amendment, including any Issuer Documents, as the Letter or Credit Issuer or the Administrative Agent may reasonably require.

(c) Promptly after receipt of any Letter of Credit Request, the Letter of Credit Issuer will confirm with the Administrative Agent in writing that the Administrative Agent has received a copy of such Letter of Credit Request from the Borrower Representative and, if not, the Letter of Credit Issuer will provide the Administrative Agent with a copy thereof. Unless the Letter of Credit Issuer has received written notice from any Lender, the Administrative Agent or any Credit Party, at least one Business Day prior to the requested date of issuance or amendment of the Letter of Credit, that one or more applicable conditions contained in Sections 6 (solely with respect to any Letter of Credit issued on the Closing Date) and 7 shall not then be satisfied to the extent required thereby, then, subject to the terms and conditions hereof; the Letter of Credit Issuer shall, on the requested date, issue a Letter of Credit for the account of such Borrower (or, so long as the Borrowers are the primary obligors, for the account of Holdings or another Restricted Subsidiary) or enter into the applicable amendment, as the case may be, in each case in accordance with the Letter of Credit Issuer's usual and customary business practices.

(d) If the Borrower Representative so requests in any Letter of Credit Request, the Letter of Credit Issuer shall agree to issue a Letter of Credit that has automatic extension provisions (each, an "**Auto Extension Letter of Credit**"); provided that any such Auto-Extension Letter of Credit must permit the Letter of Credit Issuer to prevent any such extension at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof and the Borrower Representative not later than a day (the "**Non-Extension Notice Date**") in each such twelve-month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by the Letter of Credit Issuer, the Borrower Representative shall not be required to make a specific request to the Letter of Credit Issuer for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Lenders shall be deemed to have authorized (but may not require) the Letter of Credit Issuer to permit the extension of such Letter of Credit at any time to an expiry date not later than the L/C Facility Maturity Date, unless otherwise agreed upon by the Administrative Agent and the Letter of Credit Issuer; provided, however, that the Letter of Credit Issuer shall not permit any such extension if (A) the Letter of Credit Issuer has reasonably determined that it would not be permitted, or

would have no obligation, at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of clause (b) of Section 3.1 or otherwise), or (B) it has received written notice on or before the day that is seven Business Days before the Non-Extension Notice Date from the Administrative Agent, any Lender or the Borrower Representative that one or more of the applicable conditions specified in Sections 6 and 7 are not then satisfied, and in each such case directing the Letter of Credit Issuer not to Permit such extension.

(e) Promptly after its delivery of any Letter of Credit or any amendment to a Letter of Credit (including any Existing Letter of Credit) to an advising bank with respect thereto or to the beneficiary thereat the Letter of Credit Issuer will also deliver to the Borrower Representative and the Administrative Agent a true and complete copy of such Letter of Credit or amendment. On the first Business Day of each month, the Letter of Credit Issuer shall provide the Administrative Agent a list of all Letters of Credit (including any Existing Letter of Credit) issued by it that are outstanding at such time.

(f) The making of each Letter of Credit Request shall be deemed to be a representation and warranty by the Borrower Representative that the Letter of Credit may be issued in accordance with, and will not violate the requirements of, Section 3.1 (b).

3.3 Letter of Credit Participations.

(a) Immediately upon the issuance by the Letter of Credit Issuer of any Letter of Credit, the Letter of Credit Issuer shall be deemed to have sold and transferred to each Lender (each such Lender, in its capacity under this Section 3.3, an **"L/C Participant"**), and each such L/C Participant shall be deemed irrevocably and unconditionally to have purchased and received from the Letter of Credit Issuer, without recourse or warranty, an undivided interest and participation (each an **"L/C Participation"**), to the extent of such L/C Participant's Revolving Credit Commitment Percentage in each Letter of Credit, each substitute therefor, each drawing made thereunder and the obligations of the Borrowers under this Agreement with respect thereto, and any security therefor or guaranty pertaining thereto; provided that the Letter of Credit Fees will be paid directly to the Administrative Agent for the ratable account of the L/C Participants as provided in Section 4.l(b) and the L/C Participants shall have no right to receive any portion of any Fronting Fees.

(b) ln determining whether to pay under any Letter of Credit, the relevant Letter of Credit Issuer shall have no obligation relative to the L/C Participants other than to confirm that any documents required to be delivered under such Letter of Credit have been delivered and that they appear to comply on their face with the requirements of such Letter of Credit. Any action taken or omitted to be taken by the relevant Letter of Credit Issuer under or in connection with any Letter of Credit issued by it, if taken or omitted in the absence of gross negligence or willful misconduct as determined in the final non-appealable judgment of a court of competent jurisdiction, shall not create for the Letter of Credit Issuer any resulting liability.

(c) ln the event that the Letter of Credit Issuer makes any payment under any Letter of Credit issued by it and the applicable Borrower shall not have repaid such amount in full to the respective Letter of Credit Issuer through the Administrative Agent pursuant to Section 3.4(a), the Administrative Agent shall promptly notify each L/C Participant of such failure, and each L/C Participant shall promptly and unconditionally pay to the Administrative Agent for the account of the Letter of Credit Issuer, the amount of such UC Participant's Revolving Credit Commitment Percentage of such unreimbursed payment in Dollars and in immediately available funds. If and to the extent such L/C Participant shall not have so made its Revolving Credit Commitment Percentage of the amount of such payment available to the Administrative Agent for the account of the Letter of Credit Issuer, such L/C Participant agrees to

pay to the Administrative Agent for the account of the Letter of Credit Issuer, forthwith on demand, such amount, together with interest thereon for each day from such date until the date such amount is paid to the Administrative Agent for the account of the Letter of Credit Issuer at a rate per annum equal to the Overnight Rate from time to time then in effect, plus any administrative, processing or similar fees that are reasonably and customarily charged by the Letter of Credit issuer in connection with the foregoing. The failure of any L/C Participant to make available to the Administrative Agent for the account of the Letter of Credit Issuer its Revolving Credit Commitment Percentage of any payment under any Letter of Credit shall not relieve any other L/C Participant of its obligation hereunder to make available to the Administrative Agent for the account of the Letter of Credit issuer its Revolving Credit Commitment Percentage of any payment under such Letter of Credit on the date required, as specified above, but no L/C Participant shall be responsible for the failure of any other L/C Participant to make available to the Administrative Agent such other L/C Participant's Revolving Credit Commitment Percentage of any such payment.

(d) Whenever the Administrative Agent receives a payment in respect of an unpaid reimbursement obligation as to which the Administrative Agent has received for the account of the Letter of Credit Issuer any payments from the L/C Participants pursuant to clause (c) above, the Administrative Agent shall promptly pay to each L/C Participant that has paid its Revolving Credit Commitment Percentage of such reimbursement obligation, in Dollars and in immediately available funds, an amount equal to such L/C Participant's share (based upon the proportionate aggregate amount originally funded by such L/C Participant to the aggregate amount funded by all L/C Participants) of the amount so paid in respect of such reimbursement obligation and interest thereon accruing after the purchase of the respective L/C Participations at the Overnight Rate.

(e) The obligations of the L/C Participants to make payments to the Administrative Agent for the account of the Letter of Credit Issuer with respect to Letters of Credit shall be irrevocable and not subject to counterclaim, set-off or other defense or any other qualification or exception whatsoever and shall be made in accordance with the terms and conditions of this Agreement under all circumstances.

(f) If any payment received by the Administrative Agent for the account of the Letter of Credit Issuer pursuant to Section 3.3(c) is required to be returned under any of the circumstances described in Section 3.20 (including pursuant to any settlement entered into by the Letter of Credit issuer in its discretion), each Lender shall pay to the Administrative Agent for the account of the Letter of Credit Issuer its Revolving Credit Commitment Percentage thereof on demand of the Administrative Agent, *plus* interest thereon from the date of such demand to the date such amount is returned by such Lender, at a rate per annum equal to the applicable Overnight Rate from time to time in effect. The obligations of the Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

3.4 Agreement to Repay Letter of Credit Drawings.

(a) Each Borrower hereby jointly and severally agrees to reimburse the Letter of Credit Issuer, by making payment with respect to any drawing under any Letter of Credit in Dollars. Any such reimbursement shall be made by the Borrower to the Administrative Agent in immediately available funds for any payment or disbursement made by the Letter of Credit Issuer under any Letter of Credit (each such amount so paid until reimbursed, an "**Unpaid Drawing**") no later than the date that is one Business Day after the date on which the Borrower Representative receives written notice of such payment or disbursement (the "**Reimbursement Date**"), with interest on the amount so paid or disbursed by the Letter of Credit Issuer, to the extent not reimbursed prior to 5:00 p.m. (New York City time) on the Reimbursement Date, from the Reimbursement Date to the date the Letter of Credit issuer is reimbursed therefor at a rate per annum that shall at all times be the Applicable Margin for ABR Loans

that are Revolving Credit Loans applicable under Section 2.1(b) *plus* the ABR as in effect from time to time, provided that, notwithstanding anything contained in this Agreement to the contrary, (i) unless the Borrower Representative shall have notified the Administrative Agent and the relevant Letter of Credit Issuer prior to 1:00 p.m. (New York City time) on the Reimbursement Date that the Borrower intends to reimburse the relevant Letter of Credit Issuer for the amount of such drawing with funds other than the proceeds of Loans, the Borrower Representative shall be deemed to have given a Notice of Borrowing requesting that, with respect to Letters of Credit, the Lenders make Revolving Credit Loans (which shall be ABR Loans) on the Reimbursement Date in the amount of such drawing and (ii) the Administrative Agent shall promptly notify each L/C Participant of such drawing and the amount of its Revolving Credit Loan to be made in respect thereof, and each L/C Participant shall be irrevocably obligated to make a Revolving Credit Loan to the Borrower in Dollars in the manner deemed to have been requested in the amount of its Revolving Credit Commitment Percentage of the applicable Unpaid Drawing by 2:00 p.m. (New York City time) on such Reimbursement Date by making the amount of such Revolving Credit Loan available to the Administrative Agent. Such Revolving Credit Loans shall be made without regard to the Minimum Borrowing Amount. The Administrative Agent shall use the proceeds of such Revolving Credit Loans solely for purpose of reimbursing the Letter of Credit Issuer for the related Unpaid Drawing. In the event that the Borrower fails to Cash Collateralize any Letter of Credit that is outstanding on the L/C Facility Maturity Date, the full amount of the Letters of Credit Outstanding in respect of such Letter of Credit shall be deemed to be an Unpaid Drawing subject to the provisions of this Section 3.4 except that the Letter of Credit Issuer shall hold the proceeds received from the L/C Participants as contemplated above as cash collateral for such Letter of Credit to reimburse any Drawing under such Letter of Credit and shall use such proceeds first, to reimburse itself for any Drawings made in respect of such Letter of Credit following the L/C Facility Maturity Date, second, to the extent such Letter of Credit expires or is returned undrawn while any such cash collateral remains, to the repayment of obligations in respect of any Revolving Credit Loans that have not been paid at such time and third, to the Borrowers or as otherwise directed by a court of competent jurisdiction. Nothing in this Section 3.4(a) shall affect the Borrowers' obligation to repay all outstanding Revolving Credit Loans when due in accordance with the terms of this Agreement.

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

(i) any lack of validity or enforceability of this Agreement or any of the other Credit Documents;

(ii) the existence of any claim, set-off, defense or other right that any Borrower may have at any time against a beneficiary named in a Letter of Credit, any transferee of any Letter of Credit (or any Person for whom any such transferee may be acting), the Administrative Agent, the Letter of Credit Issuer, any Lender or other Person, whether in connection with this Agreement, any Letter of Credit, the transactions contemplated herein or any unrelated transactions (including any underlying transaction between a Borrower and the beneficiary named in any such Letter of Credit);

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

(iv) waiver by the Letter of Credit Issuer of any requirement that exists for the Letter of Credit Issuer's protection and not the protection of a Borrower (or Holdings or other Restricted Subsidiary) or any waiver by the Letter of Credit Issuer which does not in fact materially prejudice such Borrower (or Holdings or other Restricted Subsidiary);

(v) any payment made by the Letter of Credit issuer in respect of an otherwise complying item presented after the date specified as the expiration date of, or the date by which documents must be received under, such Letter of Credit if presentation after such date is authorized by the UCC, the ISP or the UCP, as applicable;

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

(vii) honor of a demand for payment presented electronically even if such Letter of Credit requires that demand be in the form of a draft; or

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

(c) The Borrowers shall not be obligated to reimburse the Letter of Credit Issuer for any wrongful payment made by the Letter of Credit Issuer under the Letter of Credit issued by it as a result of acts or omissions constituting willful misconduct or gross negligence on the part of the Letter of Credit Issuer as determined in the final non-appealable judgment of a court of competent jurisdiction.

3.5 Increased Costs. If after the Closing Date, the adoption of any applicable law, treaty, rule, or regulation, or any change therein, or any change in the interpretation or administration thereof by any Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof, or actual compliance by the Letter of Credit issuer or any L/C Participant with any request or directive made or adopted after the Closing Date (whether or not having the force of law), by any such authority, central bank or comparable agency shall either (x) impose, modify or make applicable any reserve, deposit, capital adequacy or similar requirement against letters of credit issued by the Letter of Credit Issuer, or any L/C Participant's L/C Participation therein, or (y) impose on the Letter of Credit Issuer or any L/C Participant any other conditions or costs affecting its obligations under this Agreement in respect of Letters of Credit or L/C Participations therein or any Letter of Credit or such L/C Participant's L/C Participation therein, and the result of any of the foregoing is to increase the actual cost to the Letter of Credit Issuer or such L/C Participant of issuing, maintaining or participating in any Letter of Credit, or to reduce the actual amount of any sum received or receivable by the Letter of Credit Issuer or such L/C Participant hereunder (including any increased costs or reductions attributable to Taxes, other than any such increase or reduction attributable to (i) Taxes indemnifiable under Section 5.4 or (ii) Excluded Taxes) in respect of Letters of Credit or L/C Participations therein, then, promptly after receipt of written demand to the Borrower Representative by the Letter of Credit Issuer or such L/C Participant, as the case may be (a copy of which notice shall be sent by the Letter of Credit Issuer or such L/C Participant to the Administrative Agent (with respect to a Letter of Credit issued on account of such Borrower (or Holdings or other Restricted Subsidiary))), such Borrower shall pay to the Letter of Credit

Issuer or such L/C Participant such actual additional amount or amounts as will compensate the Letter of Credit Issuer or such L/C Participant for such increased cost or reduction, it being understood and agreed, however, that the Letter of Credit Issuer or an L/C Participant shall not be entitled to such compensation as a result of such Person's compliance with, or pursuant to any request or directive to comply with, any such law, rule or regulation as in effect on the Closing Date. A certificate submitted to the Borrower Representative by the relevant Letter of Credit Issuer or an L/C Participant, as the case may be (a copy of which certificate shall be sent by the Letter of Credit Issuer or such L/C Participant to the Administrative Agent), setting forth in reasonable detail the basis for the determination of such actual additional amount or amounts necessary to compensate the Letter of Credit issuer or such L/C Participant as aforesaid shall be conclusive and binding on the Borrowers absent clearly demonstrable error.

3.6 New or Successor Letter of Credit Issuer.

(a) The Letter of Credit Issuer may resign as the Letter of Credit Issuer upon 60 days' prior written notice to the Administrative Agent, the Lenders, and the Borrower Representative. The Borrower Representative may replace the Letter of Credit issuer for any reason upon written notice to the Administrative Agent and the Letter of Credit Issuer. The Borrower Representative may add Letter of Credit Issuers at any time upon notice to the Administrative Agent. If the Letter of Credit Issuer shall resign or be replaced, or if the Borrower Representative shall decide to add a new Letter of Credit Issuer under this Agreement, then the Borrower Representative may appoint from among the Lenders a successor issuer of Letters of Credit or a new Letter of Credit Issuer, as the case may be, or, with the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed), another successor or new issuer of Letters of Credit, whereupon such successor issuer accepting such appointment shall succeed to the rights, powers and duties of the replaced or resigning Letter of Credit Issuer under this Agreement and the other Credit Documents, or such new issuer of Letters of Credit accepting such appointment shall be granted the rights, powers and duties of the Letter of Credit Issuer hereunder, and the term Letter of Credit issuer shall mean such successor or such new issuer of Letters of Credit effective upon such appointment. At the time such resignation or replacement shall become effective, the Borrowers shall pay to the resigning or replaced Letter of Credit Issuer all accrued and unpaid fees applicable to the Letters of Credit pursuant to Sections 4.1(b) and 4.1(d). The acceptance of any appointment as the Letter of Credit issuer hereunder whether as a successor issuer or new issuer of Letters of Credit in accordance with this Agreement, shall be evidenced by an agreement entered into by such new or successor issuer of Letters of Credit, in a form reasonably satisfactory to the Borrower Representative and the Administrative Agent and, from and after the effective date of such agreement, such new or successor issuer of Letters of Credit shall become the Letter of Credit Issuer hereunder. After the resignation or replacement of the Letter of Credit Issuer hereunder, the resigning or replaced Letter of Credit Issuer shall remain a party hereto and shall continue to have all the rights and obligations of the Letter of Credit Issuer under this Agreement and the other Credit Documents with respect to Letters of Credit issued by it prior to such resignation or replacement, but shall not be required to issue additional Letters of Credit. In connection with any resignation or replacement pursuant to this clause (a) (but, in case of any such resignation, only to the extent that a successor issuer of Letters of Credit shall have been appointed), either (i) the Borrower Representative, the resigning or replaced Letter of Credit issuer and the successor issuer of Letters of Credit shall arrange to have any outstanding Letters of Credit issued by the resigning or replaced Letter of Credit Issuer replaced with Letters of Credit issued by the successor issuer of Letters of Credit or (ii) the Borrower Representative shall cause the successor issuer of Letters of Credit, if such successor issuer is reasonably satisfactory to the replaced or resigning Letter of Credit Issuer, to issue "back-stop" Letters of Credit naming the resigning or replaced Letter of Credit Issuer as beneficiary for each outstanding Letter of Credit issued by the resigning or replaced Letter of Credit Issuer, which new Letters of Credit shall be denominated in the same currency as, and shall have a face amount equal to, the Letters of Credit being back-stopped and the sole requirement for drawing on such new Letters of Credit shall be a drawing on the corresponding back-stopped Letters of Credit. After

any resigning or replaced Letter of Credit Issuer's resignation or replacement as Letter of Credit Issuer, the provisions of this Agreement relating to the Letter of Credit issuer shall inure to its benefit as to any actions taken or omitted to be taken by it (A) while it was the Letter of Credit Issuer under this Agreement or (B) at any time with respect to Letters of Credit issued by such Letter of Credit Issuer.

(b) To the extent there are, at the time of any resignation or replacement as set forth in clause (a) above, any outstanding Letters of Credit, nothing herein shall be deemed to impact or impair any rights and obligations of any of the parties hereto with respect to such outstanding Letters of Credit (including, without limitation, any obligations related to the payment of Fees or the reimbursement or funding of amounts drawn), except that the Borrowers, the resigning or replaced Letter of Credit Issuer and the successor issuer of Letters of Credit shall have the obligations regarding outstanding Letters of Credit described in clause (a) above.

3.7 Role of Letter of Credit Issuer. Each Lender and each Borrower agree that, in paying any drawing under a Letter of Credit, the Letter of Credit issuer shall not have any responsibility to obtain any document (other than any sight draft, certificates and documents expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering any such document. None of the Letter of Credit Issuer, the Administrative Agent, any of their respective Affiliates nor any correspondent, participant or assignee of the Letter of Credit Issuer shall be liable to any Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the Required Lenders; (ii) any action taken or omitted in the absence of gross negligence or willful misconduct as determined in the final non-appealable judgment of a court of competent jurisdiction; or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or Issuer Document. The Borrowers hereby assume all risks of the acts or omissions of any beneficiary or transferee with respect to its use of any Letter of Credit; provided that this assumption is not intended to, and shall not, preclude the Borrowers' pursuit of such rights and remedies as they may have against the beneficiary or transferee at law or under any other agreement. None of the Letter of Credit issuer, the Administrative Agent, any of their respective Affiliates nor any correspondent, participant or assignee of the Letter of Credit Issuer shall be liable or responsible for any of the matters described in Section 3.3(b); provided that anything in such Section to the contrary notwithstanding, the Borrowers may have a claim against the Letter of Credit Issuer, and the Letter of Credit issuer may be liable to the Borrowers, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by the Borrowers which the Borrowers prove were caused by the Letter of Credit Issuer's willful misconduct or gross negligence or the Letter of Credit Issuer's willful failure to pay under any Letter of Credit after the presentation to it by the beneficiary of a sight draft and certificate(s) strictly complying with the terms and conditions of a Letter of Credit in each case as determined in the final non-appealable judgment of a court of competent jurisdiction. In furtherance and not in limitation of the foregoing, the Letter of Credit Issuer may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, and the Letter of Credit Issuer shall not be responsible for the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign a Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason.

The Letter of Credit Issuer may send a Letter of Credit or conduct any communication to or from the beneficiary via the Society for Worldwide Interbank Financial Telecommunication ("**SWIFT**") message or overnight courier, or any other commercially reasonable means of communicating with a beneficiary.

3.8 Cash Collateral.

(a) Certain Credit Support Events. Upon the written request of the Administrative Agent or the Letter of Credit Issuer, if (i) as of the L/C Facility Maturity Date, any L/C Obligation for any reason remains outstanding, (ii) the Borrowers shall be required to provide Cash Collateral pursuant to Section 2.1(e), 3.1(b), 3.4(a), 3.12, 5.2, 11.13 or 11.14, or (iii) the provisions of Section 2.16(a)(v) are in effect, the Borrowers shall immediately (in the case of clause (ii) above) or within one Business Day (in all other cases) following any written request by the Administrative Agent or the Letter of Credit Issuer, provide Cash Collateral in an amount not less than the applicable Minimum Collateral Amount (determined in the case of Cash Collateral provided pursuant to clause (iii) above, after giving effect to Section 2.16(a)(iv) and any Cash Collateral provided by the Defaulting Lender).

(b) Grant of Security Interest. The Borrowers, and to the extent provided by any Defaulting Lender, such Defaulting Lender, hereby grant to (and subject to the control of) the Administrative Agent, for the benefit of the Administrative Agent, the Letter of Credit Issuer and the Lenders, and agree to maintain, a first priority security interest in all such cash, deposit accounts and all balances therein as described in Section 3.8(a), and all other property so provided as collateral pursuant hereto, and in all proceeds of' the foregoing, all as security tor the obligations to which such Cash Collateral may be applied pursuant to Section 3.8(c). If at any time the Administrative Agent determines that Cash Collateral is subject to any right or claim of any Person other than the Administrative Agent or the Letter of Credit Issuer as herein provided, other than Permitted Liens, or that the total amount of such Cash Collateral is less than the Minimum Collateral Amount, the Borrowers will, promptly upon written demand by the Administrative Agent, pay or provide to the Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency. Cash Collateral shall be maintained in blocked, interest bearing deposit accounts with the Administrative Agent. The Borrowers shall pay on demand therefor from time to time all customary account opening, activity and other administrative fees and charges in connection with the maintenance and disbursement of Cash Collateral.

(c) Application. Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under any of this Section 3.8 or Sections 2.16, 5.2, or 11.13 in respect of Letters of Credit shall be held and applied to the satisfaction of the specific L/C Obligations, obligations to fund participations therein (including, as to Cash Collateral provided by a Defaulting Lender, any interest accrued on such obligation) and other obligations for which the Cash Collateral was so provided, prior to any other application of such property as may otherwise be provided for herein.

(d) Cash Collateral (or the appropriate portion thereof) provided to reduce Fronting Exposure or to secure other obligations shall be released promptly following (i) the elimination of the applicable Fronting Exposure or other obligations giving rise thereto (including by the termination of Defaulting Lender status of the applicable Lender (or, as appropriate, its assignee following compliance with Section 13.6(b)(ii)) or there is no longer existing an Event of Default) or (ii) the determination by the Administrative Agent and the Letter of Credit issuer that there exists excess Cash Collateral.

3.9 Applicability of ISP and UCP. Unless otherwise expressly agreed by the Letter of Credit Issuer and the applicable Borrower when a Letter of Credit is issued, (i) the rules of the ISP shall apply to each standby Letter of Credit, and (ii) the rules of the Uniform Customs and Practice for Documentary Credits, as most recently published by the International Chamber of Commerce at the time of issuance, shall apply to each commercial Letter of Credit. Notwithstanding the foregoing, the Letter of Credit Issuer shall not be responsible to such Borrower for, and the Letter of Credit Issuer's rights and remedies against such Borrower shall not be impaired by, any action or inaction of the Letter of Credit Issuer required or permitted under any law, order, or practice that is required or permitted to be applied to any Letter of Credit or this Agreement, including the applicable law or any order of a jurisdiction where the

Letter of Credit Issuer or the beneficiary is located, the practice stated in the ISP or UCP, as applicable, or in the decisions, opinions, practice statements, or official commentary of the ICC Banking Commission, the Bankers Association for Finance and Trade - International Financial Services Association (BAFT-IFSA), or the Institute of International Banking Law & Practice, whether or not any Letter of Credit chooses such law or practice.

3.10 Conflict with Issuer Documents. In the event of any conflict between the terms hereof and the terms of any Issuer Document, the terms hereof shall control and any grant of security interest in any Issuer Documents shall be void.

3.11 Letters of Credit issued for Restricted Subsidiaries. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, Holdings or a Restricted Subsidiary, the Borrowers shall be jointly and severally obligated to reimburse the Letter of Credit Issuer hereunder for any and all drawings under such Letter of Credit. The Borrowers hereby acknowledge that the issuance of Letters of Credit for the account of Holdings or any other Restricted Subsidiaries inures to the benefit of each Borrower and that each Borrower's business derives substantial benefits from the businesses of Holdings and the other Restricted Subsidiaries.

3.12 Provisions Related to Extended Revolving Credit Commitments. If the Letter of Credit Expiration Date in respect of any tranche of Revolving Credit Commitments occurs prior to the expiry date of any Letter of Credit, then (i) if consented to by the Letter of Credit Issuer which issued such Letter of Credit, if one or more other tranches of Revolving Credit Commitments in respect of which the Letter of Credit Expiration Date shall not have so occurred are then in effect, such Letters of Credit for which consent has been obtained shall automatically be deemed to have been issued (including for purposes of the obligations of the Lenders to purchase participations therein and to make Revolving Credit Loans and payments in respect thereof pursuant to Sections 3.3 and 3.4) under (and ratably participated in by Lenders pursuant to) the Revolving Credit Commitments in respect of such non-terminating tranches up to an aggregate amount not to exceed the aggregate amount of the unutilized Revolving Credit Commitments thereunder at such time (it being understood that no partial face amount of any Letter of Credit may be so reallocated) and (ii) to the extent not reallocated pursuant to immediately preceding clause (i), the Borrowers shall Cash Collateralize any such Letter of Credit in accordance with Section 3.8. Upon the maturity date of any tranche of Revolving Credit Commitments, the sublimit for Letters of Credit may be reduced as agreed between the Letter of Credit Issuer and the Borrower Representative, without the consent of any other Person.

Section 4. Fees

4.1 Fees.

(a) Without duplication, the Borrowers jointly and severally agree to pay to the Administrative Agent in Dollars, for the account of each Lender (in each case pro rata according to the respective Revolving Credit Commitments of all such Lenders), a commitment fee (the "**Commitment Fee**") for each day from the Closing Date to the Revolving Credit Termination Date. Each Commitment Fee shall be payable (x) quarterly in arrears on the last Business Day of each March, June, September, and December (for the three-month period (or portion thereof) ended on such day for which no payment has been received) and (y) on the Revolving Credit Termination Date (for the period ended on such date for which no payment has been received pursuant to clause (x) above), and shall be computed for each day during such period at a rate per annum equal to the Commitment Fee Rate in effect on such day on the Available Commitment in effect on such day.

(b) Without duplication, the Borrowers jointly and severally agree to pay to the Administrative Agent in Dollars for the account of the Lenders pro rata on the basis of their respective Letter of Credit Exposure, a fee in respect of each Letter of Credit issued on any Borrower's or any of the other Restricted Subsidiaries' behalf (the **"Letter of Credit Fee"),** for the period from the date of issuance of such Letter of Credit to the te1mination date of such Letter of Credit computed at the per annum rate for each day equal to the Applicable Margin for ~~LIBOR~~Term SOFR Rate Revolving Credit Loans applicable under Section 2.1(b). Except as provided below, such Letter of Credit Fees shall be due and payable (x) quarterly in arrears on the last Business Day of each March, June, September, and December and (y) on the date upon which the Total Revolving Credit Commitment terminates and the Letters of Credit Outstanding shall have been reduced to zero.

(c) Without duplication, the Borrowers jointly and severally agree to pay to the Administrative Agent in Dollars, for its own account, administrative agent fees as have been previously agreed in writing or as may be agreed in writing from time to time.

(d) Without duplication, the Borrowers jointly and severally agree to pay to the Letter of Credit Issuer a fee in Dollars in respect of each Letter of Credit issued by it to a Borrower (the **"Fronting Fee")** (i) with respect to each commercial Letter of Credit, at the rate of 0.125%, computed on the amount of such Letter of Credit, and (ii) with respect to each standby Letter of Credit, for the period from the date of issuance of such Letter of Credit to the tc1mination date of such Letter of Credit, computed. at the rate for each day equal to 0.125% per annum on the average daily Stated Amount of such Letter of Credit (or at such other rate per annum as agreed in writing between the Borrower Representative and the Letter of Credit Issuer). Such Fronting Fees shall be due and payable (x) quarterly in arrears on the first Business Day after the end of each of March, June, September and December and (y) on the date upon which the Total Revolving Credit Commitment terminates and the Letters of Credit Outstanding shall have been reduced to zero.

(e) Without duplication, the Borrowers jointly and severally agree to pay directly to the Letter of Credit Issuer in Dollars upon each issuance or renewal of, drawing under, and/or amendment of, a Letter of Credit issued by it such amount as shall at the time of such issuance or renewal of, drawing under, and/or amendment be the processing charge that the Letter of Credit Issuer is customarily charging for issuances or renewals of, drawings under or amendments of, letters of credit issued by it.

(f) Notwithstanding the foregoing, the Borrowers shall not be obligated to pay any amounts to any Defaulting Lender pursuant to this Section 4.1.

4.2 Voluntary Reduction of Revolving Credit Commitments.

(a) Upon at least two (2) Business Days' prior written notice to the Administrative Agent at the Administrative Agent's Office (which notice the Administrative Agent shall promptly transmit to each of the Lenders), the Borrowers shall have the right, without premium or penalty, on any day, to terminate or permanently reduce Revolving Credit Commitments in whole or in part; provided that (a) any such reduction shall apply proportionately and permanently to reduce the Revolving Credit Commitment of each of the Lenders of any applicable Class and any such reduction or termination shall be accompanied by any repayment of Revolving Credit Loans required under Section 5.2(b), except that (i) notwithstanding the foregoing, in connection with the establishment on any date of any Extended Revolving Credit Commitments pursuant to Section 2.14(g), the Revolving Credit Commitments of any one or more Lenders providing any such Extended Revolving Credit Commitments on such date shall be reduced in an amount equal to the amount of Revolving Credit Commitments so extended on such date (provided that after giving effect to any such reduction and to the repayment of any Revolving Credit Loans made on such date, the Revolving Credit Exposure of any such Lender docs not exceed the

Revolving Credit Commitment thereof and (ii) the Borrowers may at their election permanently reduce the Revolving Credit Commitment of a Defaulting Lender to $0 without affecting the Revolving Credit Commitments of any other Lender, and (b) after giving effect to such termination or reduction and to any prepayments of the Loans made on the date thereof in accordance with this Agreement, the aggregate amount of the Lenders' Revolving Credit Exposures shall not exceed the Line Cap and the aggregate amount of the Lenders' Revolving Credit Exposures in respect of any Class shall not exceed the aggregate Revolving Credit Commitment of such Class. Each such reduction shall be in the principal amount of $5,000,000 or any integral multiple thereof (or it less, the remaining applicable amount at the time of such termination or reduction). Each such reduction or termination shall (i) be applied ratably to each Lender holding the Revolving Credit Commitments and (ii) be irrevocable at the effective time of any such termination or reduction. The Borrowers shall pay to the Administrative Agent for application as provided herein (i) at the effective time of any such termination (but not any partial reduction), all earned and unpaid fees under the Fee Letter and the Commitment Fee accrued on the Revolving Credit Commitments so terminated.

(b) Upon at least two (2) Business Days' prior written notice to the Administrative Agent Office (which notice the Administrative Agent shall promptly transmit to each of the Lenders), the Borrowers shall have the right, without premium or penalty, on any day, to terminate or permanently reduce the then applicable amount set forth in clause (a) of the definition of Overadvance Borrowing Base in whole or in part. Each partial reduction of the Overadvance Borrowing Base shall be in the principal amount of $ 1,000,000 or any integral multiple thereof (or if less, the remaining applicable amount at the time of such termination or reduction). Any such reduction shall be accompanied by any repayment of Revolving Credit Loans required under Section 52.(b).

(c) At any time on or after the first anniversary of the Closing Date and so long as the Overadvance Borrowing Base has been permanently reduced to $0, upon at least two (2) Business Days' prior written notice to the Administrative Agent Office (which notice the Administrative Agent shall promptly transmit to each of the Lenders), the Borrowers shall have the right, without premium or penalty, on any day, to terminate or permanently reduce the then applicable amount set forth in clause (a) of the definition of Tranche B Borrowing Base in whole or in part. Each partial reduction of the Overadvance Borrowing Base shall be in the principal amount of $1,000,000 or any integral multiple thereof (or if less, the remaining applicable amount at the time of such termination or reduction). Any such reduction shall be accompanied by any repayment of Revolving Credit Loans required under Section 5.2(b).

4.3 Mandatory Termination of Commitments.

(a) The Revolving Credit Commitment shall terminate at 5:00 p.m. (New York City time) on the Revolving Credit Maturity Date.

(b) The Swingline Commitment shall terminate at 5:00 p.m. (New York City time) on the Swingline Maturity Date.

Section 5. Payments

5.1 Voluntary Prepayments.

(a) The Borrowers shall have the right to prepay Loans, including Revolving Credit Loans and Swingline Loans, as applicable, without premium or penalty, in whole or in part from time to time on the following terms and conditions: (a) the Borrower Representative shall give the Administrative Agent at the Administrative Agent's Office written notice of its intent to make such prepayment, the amount of

such prepayment and (in the case of ~~LIBOR~~Term SOFR Rate Loans) the specific Borrowing(s) pursuant to which made, which notice shall be given by the Borrower Representative no later than 12:00 Noon (New York City time) (i) in the case of ~~LIBOR~~Term SOFR Rate Loans, three Business Days prior to, (ii) in the case of ABR Loans, one Business Day prior to or (iii) in the case of Swingline Loans, on, the date of such prepayment and shall promptly be transmitted by the Administrative Agent to each of the Lenders or the Swingline Lender, as the case may be; (b) each partial prepayment of(i) any Borrowing of ~~LIBOR~~Term SOFR Rate Loans shall be in a minimum amount of $ 1,000,000 and in multiples of $500,000 in excess thereof, (ii) any ABR Loans (other than Swingline Loans) shall be in a minimum amount of $500,000 and in multiples of $100,000 in excess thereof and (iii) Swingline Loans shall be in a minimum amount of $500,000 and in multiples of $100,000 in excess thereof, provided that no partial prepayment of ~~LIBOR~~Term SOFR Rate Loans made pursuant to a single Borrowing shall reduce the outstanding ~~LIBOR~~Term SOFR Rate Loans made pursuant to such Borrowing to an amount less than the applicable Minimum Borrowing Amount for such ~~LIBOR~~Term SOFR Rate Loans and (c) in the case of any prepayment of ~~LIBOR~~Term SOFR Rate Loans pursuant to this Section 5.1 on any day other than the last day of an Interest Period applicable thereto, the Borrower shall, promptly after receipt of a written request by any applicable Lender (which request shall set forth in reasonable detail the basis tor requesting such amount), pay to the Administrative Agent for the account of such Lender any amounts required pursuant to Section 2.11. At the Borrower Representative's election in connection with any prepayment pursuant to this Section 5.1, such prepayment shall not be applied to any Revolving Credit Loan of a Defaulting Lender.

(b) Application to Revolving Credit Loans. Each prepayment of Revolving Credit Loans (x) shall be applied first, to the outstanding Overadvance Loans, second, to outstanding Tranche A Loans and third, to outstanding Tranche B Loans; provided that, with respect to any termination or permanent reduction of the then applicable amount set forth in clause (a) of the definition of Tranche B Borrowing Base in accordance with Section 4.2(c), the Borrower shall prepay the Tranche B Loans then outstanding without first repaying the Tranche A Loans then outstanding up to the amount of such reduction of, if such amount is reduced to $0, the entire principal amount of the then outstanding Tranche B Loans, (y) after giving effect to clause (x), each prepayment of any Loans made pursuant to a Borrowing shall be applied pro rata among such Loans; and (z) notwithstanding the provisions of the preceding clauses (x) or (y), no prepayment of Revolving Loans shall be applied to the Revolving Credit Loans of any Defaulting Lender unless otherwise agreed in writing by the Borrower Representative. With respect to each prepayment of Revolving Credit Loans, the Borrower Representative may designate the Types of Loans that are to be prepaid and the specific Borrowing(s) pursuant to which made. In the absence of a designation by the Borrower Representative as described in the preceding sentence with respect to the Type of Loans that are to be prepaid, the Administrative Agent shall, subject to the above, make such designation in its reasonable discretion with a view, but no obligation, to minimize breakage costs owing under Section 2.11. The voluntary prepayments set forth in this Section 5.2 shall not reduce the aggregate amount of Revolving Credit Commitments and amounts prepaid may be reborrowed.

5.2 Mandatory Prepayments.

(a) [Reserved].

(b) Repayment of Revolving Credit Loans.

(i) Except with respect to Protective Advances permitted under Section 2.1 (f), if on any date the aggregate amount of the Lenders' Revolving Credit Exposures for any reason exceeds the Line Cap, then in effect, the Borrowers shall forthwith repay within one (1) Business Day after the date on which the Borrower Representative receives notice of such excess, Revolving Loans in an amount equal to such excess. If after giving effect to the prepayment of all outstanding Revolving Loans, the Lenders'

Revolving Credit Exposures exceed the Line Cap then in effect, the Borrowers shall Cash Collateralize the Letters of Credit Outstanding in relation to such Class to the extent of such excess within one (1) Business Day after the date on which the Borrower Representative receives notice of such excess.

(ii) During a Cash Dominion Period, upon the receipt of the Net Cash Proceeds from an Asset Sale Prepayment Event, the Borrowers shall, within three (3) Business Days after receipt of the Net Cash Proceeds of such Asset Sale Prepayment Event, prepay, in accordance with clause (c) below, Revolving Credit Loans with an equivalent principal amount equal to 100% of the Net Cash Proceeds from such Asset Sale Prepayment Event.

(c) [Reserved].

(d) [Reserved].

(e) Application to Revolving Credit Loans. With respect to each prepayment of Revolving Credit Loans required by Section 5.2(b), the Borrower Representative may designate (i) the Types of Loans that are to be prepaid and the specific Borrowing(s) pursuant to which made and (ii) the Revolving Loans to be prepaid, provided that (x) each prepayment shall be applied first, ratably to outstanding Swingline Loans and Unpaid Drawings, second to the prepayment of outstanding Overadvance Loans, third, to the prepayment of outstanding Tranche A Loans and fourth, to the prepayment of outstanding Tranche B Loans, (y) after giving effect to clause (x), each prepayment of any Loans made pursuant to a Borrowing shall be applied pro rata among such Loans; and (z) notwithstanding the provisions of the preceding clauses (x) or (y), no prepayment of Revolving Loans shall be applied to the Revolving Credit Loans of any Defaulting Lender unless otherwise agreed in writing by the Borrower Representative. In the absence of a designation by the Borrower Representative as described in the preceding sentence, the Administrative Agent shall, subject to the above, make such designation in its reasonable discretion with a view, but no obligation, to minimize breakage costs owing under Section 2.11. The mandatory prepayments set forth in this Section 5.2 shall not reduce the aggregate amount of Revolving Credit Commitments and amounts prepaid may be reborrowed in accordance with the terms hereof.

5.3 Method and Place of Payment.

(a) Except as otherwise specifically provided herein, all payments under this Agreement shall be made by the Borrowers, without set-off, counterclaim or deduction of any kind, to the Administrative Agent for the ratable account of the Lenders entitled thereto (or, in the case of the Swingline Loans to the Swingline Lender) or the Letter of Credit Issuer entitled thereto, as the case may be, not later than 2:00 p.m. (New York City time), in each case, on the date when due and shall be made in immediately available funds at the Administrative Agent's Office or at such other office as the Administrative Agent shall specify for such purpose by notice to the Borrower Representative (or, in the case of the Swingline Loans, at such office as the Swingline Lender shall specify for such purpose by Notice to the Borrower Representative), it being understood that written or facsimile notice by the Borrower Representative to the Administrative Agent to make a payment from the funds in the Borrowers' account at the Administrative Agent's Office shall constitute the making of such payment to the extent of such funds held in such account. All repayments or prepayments of any Loans (whether of principal, interest or otherwise) hereunder shall be made in Dollars. The Administrative Agent will thereafter cause to be distributed on the same day (if payment was actually received by the Administrative Agent prior to 2:00 p.m. (New York City time) or, otherwise, on the next Business Day) like funds relating to the payment of principal or interest or Fees ratably to the Lenders entitled thereto.

(b) Any payments under this Agreement that are made later than 2:00 p.m. (New York City time) may be deemed to have been made on the next succeeding Business Day in the Administrative

Agent's sole discretion (or, in the case of the Swingline Loans, at the Swingline Lender's sole discretion). Whenever any payment to be made hereunder shall be stated to be due on a day that is not a Business Day, the due date thereof shall be extended to the next succeeding Business Day and, with respect to payments of principal, interest shall be payable during such extension at the applicable rate in effect immediately prior to such extension.

5.4 Net Payments.

(a) Payments Free of Taxes: Obligation to Withhold: Payments on Account of Taxes.

(i) Any and all payments by or on account of any obligation of any Credit Party hereunder or under any other Credit Document shall to the extent permitted by applicable laws be made free and clear of and without reduction or withholding for any Taxes.

(ii) If any Credit Party, the Administrative Agent or any other applicable Withholding Agent shall be required by applicable law to withhold or deduct any Taxes from any payment, then (A) such Withholding Agent shall withhold or make such deductions as are reasonably determined by such Withholding Agent to be required by applicable law, (B) such Withholding Agent shall timely pay the full amount withheld or deducted to the relevant Governmental Authority, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes or Other Taxes, the sum payable by the applicable Credit Party shall be increased as necessary so that after any required withholding or deductions have been made (including withholding or deductions applicable to additional sums payable under this Section 5.4) each Lender (or, in the case of a payment to the Administrative Agent for its own account, the Administrative Agent) receives an amount equal to the sum it would have received had no such withholding or deductions been made.

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

(c) Tax Indemnifications. Without limiting the provisions of subsection (a) or (b) above, the Borrowers shall indemnify the Administrative Agent and each Lender, and shall make payment in respect thereof within 15 days after demand therefor, for the full amount of Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section 5.4) payable by the Administrative Agent or such Lender, as the case may be, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of any such payment or liability (along with a written statement setting forth in reasonable detail the basis and calculation of such amounts) delivered to the Borrower Representative by a Lender, or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error. If the Borrower Representative reasonably believes that any such Indemnified Taxes or Other Taxes were not correctly or legally asserted, the Administrative Agent and/or each affected Lender will use reasonable efforts to cooperate with the Borrower Representative in pursuing a refund of such Indemnified Taxes or Other Taxes so long as such efforts would not, in the sole determination of the Administrative Agent or affected Lender, result in any additional costs, expenses or risks or be otherwise disadvantageous to it.

(d) Evidence of Payments. After any payment of Taxes by any Credit Party or the Administrative Agent to a Governmental Authority as provided in this Section 5.4, the Borrower

Representative shall deliver to the Administrative Agent or the Administrative Agent shall deliver to the Borrower Representative, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by laws to report such payment or other evidence of such payment reasonably satisfactory to the Borrower Representative or the Administrative Agent, as the case may be.

(e) Status of Lenders and Tax Documentation.

(i) Each Lender shall deliver to the Borrower Representative and to the Administrative Agent, at such time or times reasonably requested by the Borrower Representative or the Administrative Agent, such properly completed and executed documentation prescribed by applicable laws or by the taxing authorities of any jurisdiction and such other reasonably requested information as will permit the Borrower Representative or the Administrative Agent, as the case may be, to determine (A) whether or not any payments made hereunder or under any other Credit Document are subject to Taxes, (B) if applicable, the required rate of withholding or deduction, and (C) such Lender's entitlement to any available exemption from, or reduction of, applicable Taxes in respect of any payments to be made to such Lender by any Credit Party pursuant to any Credit Document or otherwise to establish such Lender's status for withholding tax purposes in the applicable jurisdiction. Any documentation and information required to be delivered by a Lender pursuant to this Section 5.4(c) (including any specific documentation set forth in subsection (ii) below) shall be delivered by such Lender (i) on or prior to the Closing Date (or on or prior to the date it becomes a party to this Agreement), (ii) on or before any date on which such documentation expires or becomes obsolete or invalid, (iii) after the occurrence of any change in the Lender's circumstances requiring a change in the most recent documentation previously delivered by it to the Borrower Representative and the Administrative Agent, and (iv) from time to time thereafter if reasonably requested by the Borrower Representative or the Administrative Agent, and each such Lender shall promptly notify in writing the Borrower Representative and the Administrative Agent if such Lender is no longer legally eligible to provide any documentation previously provided.

(ii) Without limiting the generality of the foregoing:

(A) any Lender that is a "United States person" within the meaning of Section 7701 (a)(30) of the Code (a "**U.S. Lender**") shall deliver to the Borrower Representative and the Administrative Agent executed originals of Internal Revenue Service Form W-9 or such other documentation or information prescribed by applicable laws or reasonably requested by the Borrower Representative or the Administrative Agent as will enable the Borrower Representative or the Administrative Agent, as the case may be, to determine whether or not such Lender is subject to backup withholding or information reporting requirements;

(B) each Non-U.S. Lender that is entitled under the Code or any applicable treaty to an exemption from or reduction of U.S. federal withholding tax with respect to any payments hereunder or under any other Credit Document shall deliver to the Borrower Representative and the Administrative Agent (in such number of copies as shall be requested by the recipient) whichever of the following is applicable:

(1) executed originals of Internal Revenue Service Form W-8BEN (or any successor form thereto) claiming eligibility for benefits of an income tax treaty to which the United States is a party;

(2) executed originals of Internal Revenue Service Form W-8ECI (or any successor form thereto);

(3) in the case of a Non-U.S. Lender claiming the benefits of the exemption for portfolio interest under Section 881 (c) of the Code, (x) a certificate, substantially in the form of Exhibit J-1, J-2, J-3 or J-4, as applicable, (a "**Non-Bank Tax Certificate**"), to the effect that such Non-U.S. Lender is not (A) a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (B) a "10 percent shareholder" of a Borrower within the meaning of Section 881(c)(3)(B) of the Code, or (C) a "controlled foreign corporation" described in Section 881 (c)(3)(C) of the Code and that no payments under any Credit Document are effectively connected with such Non-U.S. Lender's conduct of a United States trade or business and (y) executed originals of Internal Revenue Service Form W-8BEN (or any successor thereto):

(4) where such Lender is a partnership (for U.S. federal income tax purposes) or otherwise not a beneficial owner (e.g., where such Lender has sold a participation), IRS Form W-81MY (or any successor thereto) and all required supporting documentation (including, where one or more of the underlying beneficial owner(s) is claiming the benefits of the portfolio interest exemption, a Non-Bank Tax Certificate of such beneficial owner(s)) (provided that, if the Non-U.S. Lender is a partnership and not a participating Lender, the Non-Bank Tax Certificate(s) may be provided by the Non-U.S. Lender on behalf of the direct or indirect partner(s)); or

(5) executed originals of any other form prescribed by applicable laws as a basis for claiming exemption from or a reduction in United States federal withholding tax together with such supplementary documentation as may be prescribed by applicable laws to permit the Borrower Representative or the Administrative Agent to determine the withholding or deduction required to be made;

(C) if a payment made to a Lender under any Credit Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower Representative and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower Representative or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower Representative or the Administrative Agent as may be necessary for the Borrower Representative and the Administrative Agent to comply with their obligations under FATCA, to determine whether such Lender has complied with such Lender's obligations under FATCA or to determine the amount, if any, to deduct and withhold from such payment. Solely

for purposes of this clause(C), FATCA shall include any amendments made to FATCA after the date of this Agreement; and

(D) If the Administrative Agent is a "United States person" (as defined in Section 7701(a)(30) of the Code), it shall provide the Company with two duly completed original copies of Internal Revenue Service Form W-9. If the Administrative Agent is not a "United States person" (as defined in Section 7701(a)(30) of the Code), it shall provide (1) Internal Revenue Service Form W-8ECI with respect to payments to be received by it as a beneficial owner and (2) Internal Revenue Service Form W-81MY (together with required accompanying documentation) with respect to payments to be received by it on behalf of the Lenders.

(iii) Notwithstanding anything to the contrary in this Section 5.4, no Lender or the Administrative Agent shall be required to deliver any documentation that it is not legally eligible to deliver.

(f) Treatment of Certain Refunds. If the Administrative Agent or any Lender determines, in its sole discretion exercised in good faith, that it has received a refund of any Indemnified Taxes or Other Taxes as to which it has been indemnified by any Credit Party or with respect to which any Credit Party has paid additional amounts pursuant to this Section 5.4, the Administrative Agent or such Lender (as applicable) shall promptly pay to the Borrowers an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by the Credit Parties under this Section 5.4,with respect to the Indemnified Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses (including any Taxes) incurred by the Administrative Agent or such Lender, as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); provided that the Borrowers, upon the request of the Administrative Agent or such Lender, agree to repay the amount paid over to the Borrowers (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent or such Lender in the event the Administrative Agent or such Lender is required to repay such refund to such Governmental Authority. In such event, the Administrative Agent or such Lender, as the case may be, shall, at the Borrower Representative's request, provide the Borrower Representative with a copy of any notice of assessment or other evidence of the requirement to repay such refund received from the relevant taxing authority (provided that the Administrative Agent or such Lender may delete any information therein that it deems confidential). This subsection shall not be construed to require the Administrative Agent or any Lender to make available its lax returns (or any other information relating to its Taxes that it deems confidential) to any Credit Party or any other Person.

(g) For the avoidance of doubt, for purposes of this Section 5.4, the term Lender includes the Letter of Credit Issuer and the Swingline Lender and the term "applicable law" includes FATCA.

(h) Each party's obligations under this Section 5.4 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under the Credit Documents.

5.5 Computations of interest and Fees.

(a) Except as provided in the next succeeding sentence, interest on ~~LIBOR~~Term SOFR Rate Loans shall be calculated on the basis of a 360-day year for the actual days elapsed. Interest on ABR

Loans shall be calculated on the basis of a 365- (or 366-, as the case may be) day year for the actual days elapsed.

(b) Fees and the average daily Stated Amount of Letters of Credit shall be calculated on the basis of a 360-day year for the actual days elapsed.

5.6 Limit on Rate of Interest.

(a) No Payment Shall Exceed Lawful Rate. Notwithstanding any other term of this Agreement, the Borrowers shall not be obliged to pay any interest or other amounts under or in connection with this Agreement or otherwise in respect of the Obligations in excess of the amount or rate permitted under or consistent with any applicable law, rule or regulation.

(b) Payment at Highest Lawful Rate. If the Borrowers are not obliged to make a payment that they would otherwise be required to make, as a result of Section 5.6(a), the Borrowers shall make such payment to the maximum extent permitted by or consistent with applicable laws, rules, and regulations.

(c) Adjustment if Any Payment Exceeds Lawful Rate. If any provision of this Agreement or any of the other Credit Documents would obligate the Borrowers to make any payment of interest or other amount payable to any Lender in an amount or calculated at a rate that would be prohibited by any applicable law, rule or regulation, then notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law, such adjustment to be effected, to the extent necessary, by reducing the amount or rate of interest required to be paid by the Borrowers to the affected Lender under Section 2.8; provided that to the extent lawful, the interest or other amounts that would have been payable but were not payable as a result of the operation of this Section shall be cumulated and the interest payable to such Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the Federal Funds Effective Rate to the date of repayment, shall have been received by such Lender.

Notwithstanding the foregoing, and after giving effect to all adjustments contemplated thereby, if any Lender shall have received from the Borrowers an amount in excess of the maximum permitted by any applicable law, rule or regulation, then the Borrowers shall be entitled, by notice in writing to the Administrative Agent to obtain reimbursement from that Lender in an amount equal to such excess, and pending such reimbursement, such amount shall be deemed to be an amount payable by that Lender to the Borrowers.

Section 6. Conditions Precedent to Initial Borrowing

The initial Borrowing under this Agreement is subject to the satisfaction of the following conditions precedent, except as otherwise agreed between the Company and the Administrative Agent.

6.1 Credit Documents.

The Administrative Agent (or its counsel) shall have received:

(a) this Agreement, executed and delivered by a duly Authorized Officer of Holdings and the Company:

(b) the Guarantee, executed and delivered by a duly Authorized Officer of Holdings;

(c) the Pledge Agreement, executed and delivered by a duly Authorized Officer of each of Holdings and the Company;

(d) the Security Agreement, executed and delivered by a duly Authorized Officer of each of Holdings and the Company; and

(e) the ABL/Term Intercreditor Agreement, executed and delivered by the parties thereto.

6.2 Collateral. Except for any items referred to on Schedule 9.14(d):

(a) All outstanding equity interests in whatever form of each Borrower and each Restricted Subsidiary that is directly owned by or on behalf of any Credit Party and required to be pledged pursuant to the Security Documents shall have been pledged pursuant thereto;

(b) The Collateral Agent shall have received the certificates representing securities of the Borrowers and of each Credit Party's Wholly Owned Restricted Subsidiaries to the extent required to be delivered under the Security Documents and pledged under the Security Documents to the extent certificated, accompanied by instruments of transfer and undated stock powers endorsed in blank; and

(c) All Uniform Commercial Code financing statements, reasonably requested by the Collateral Agent to be filed, registered or recorded to create the Liens intended to be created by any Security Document and perfect such Liens to the extent required by, and with the priority required by, such Security Document shall have been delivered to the Collateral Agent for filing, registration or recording;

provided that each of the requirements set forth in this Section 6.2, except to the extent that a Lien on such Collateral may be perfected solely (x) by the filing of a financing statement under the Uniform Commercial Code or (y) by the delivery of stock certificates or other certificates, if any, of the Equity Interests of the Company to the extent possession of such stock certificates or other certificates perfects a security interest therein) shall not constitute conditions precedent to the initial Borrowing on the Closing Date after the Company's use of commercially reasonable efforts to provide such items on or prior to the Closing Date or without undue burden or expense if the Company agrees to deliver, or cause to be delivered, such documents and instruments, or take or cause to be taken such other actions as may be required to perfect such security interests within 90 days after the Closing Date (subject to extensions approved by the Administrative Agent in its reasonable discretion).

6.3 Legal Opinions. The Administrative Agent (or its counsel) shall have received the executed legal opinions, in customary form, of Kirkland & Ellis LLP, special New York counsel to the Credit Parties, and Proskauer Rose LLP, special Massachusetts counsel to the Credit Parties. Holdings and the Company hereby instruct and agree to instruct the other Credit Parties to have such counsel deliver such legal opinions.

6.4 Equity Investments. Equity Investments, which, to the extent constituting Capital Stock other than common Capital Stock, shall be on terms and conditions and pursuant to documentation reasonably satisfactory to the Joint Lead Arrangers and Bookrunners to the extent material to the interests of the Lenders, in an amount not less than the Minimum Equity Amount shall have been made.

6.5 Closing Certificates. The Administrative Agent (or its counsel) shall have received a certificate of each of Holdings and the Company, dated the Closing Date, substantially in the form of

Exhibit E, with appropriate insertions, executed by the President or any Vice President and the Secretary or any Assistant Secretary of Holdings or the Company, as applicable, and attaching the documents referred to in Section 6.6.

6.6 Authorization of Proceedings of Holdings and the Company; Corporate Documents. The Administrative Agent shall have received (i) a copy of the resolutions of the board of directors or other managers of Holdings and the Company (or a duly authorized committee thereof) authorizing (a) the execution, delivery, and performance of the Credit Documents (and any agreements relating thereto) to which it is a party and (b) in the case of the Company, the extensions of credit contemplated hereunder, (ii) the Certificate of Incorporation and By-Laws, Certificate of Formation and Operating Agreement or other comparable Organizational Documents, as applicable, of Holdings and the Company, and (iii) signature and incumbency certificates (or other comparable documents evidencing the same) of the Authorized Officers of Holdings and the Company executing the Credit Documents to which it is a party.

6.7 Fees. The Agents and Lenders shall have received, substantially simultaneously with the funding of the First Lien Term Loans and Second Lien Loans, fees and, to the extent invoiced at least three business days prior to the Closing Date (except as otherwise reasonably agreed by the Borrower Representative) expenses in the amounts previously agreed in writing to be received on the Closing Date (which amounts may, at the Borrower Representative's option, be offset against the proceeds of the First Lien Term Loans).

6.8 Representations and Warranties. On the Closing Date, the Acquired Company Representations and the Specified Representations shall be true and correct in all material respects.

6.9 Solvency Certificate. On the Closing Date, the Administrative Agent shall have received a certificate from the Chief Executive Officer, President, the Chief Financial Officer, the Treasurer, the Vice President-Finance, a Director, a Manager, or any other senior financial officer of the Borrower Representative to the effect that after giving effect to the consummation of the Transactions, the Company, together with the Restricted Subsidiaries on a consolidated basis, is Solvent.

6.10 Acquisition. Substantially concurrently with the initial Credit Event hereunder, the Acquisition shall have been consummated in all material respects in accordance with the terms of the Acquisition Agreement (or the Joint Lead Arrangers and Bookrunners shall be reasonably satisfied with the arrangements in place for the consummation of the Acquisition reasonably promptly after the initial Credit Event hereunder and shall have received confirmation from representatives of the Company that such actions shall be taken promptly after the initial Credit Event hereunder).

6.11 Patriot Act. The Joint Lead Arrangers and Bookrunners shall have received such documentation and information as is reasonably requested in writing at least ten days prior to the Closing Date by the Administrative Agent about Holdings, the Borrowers and the other Guarantors to the extent the Administrative Agent and Holdings in good faith mutually agree is required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the Patriot Act.

6.12 Pro Forma Balance Sheet. The Joint Lead Arrangers shall have received a pro forma consolidated balance sheet and related pro forma consolidated statements of operations (collectively, the "**Pro Forma Financial Statements**") of the Company as of and for the twelve-month period ending October 27, 2013, prepared after giving effect to the Transactions as if the Transactions had occurred as of such date (in the case of such balance sheet) or at the beginning of such period (in the case of such other statements. of income), which need not be prepared in compliance with Regulation S-X of the

Securities Act of 1933, as amended, or include adjustments for purchase accounting (including adjustments of the type contemplated by ASC 805).

6.13 Financial Statements. The Joint Lead Arrangers and Bookrunners shall have received the Historical Financial Statements.

6.14 No Company Material Adverse Effect. Since December 23, 2013, there shall not have occurred any Company Material Adverse Effect.

6.15 Refinancing. After giving effect to the Transactions, the Company and its Restricted Subsidiaries shall have no material outstanding Indebtedness other than Indebtedness hereunder, under the First Lien Term facility, under the Second Lien Facility or Indebtedness permitted to be incurred and remain outstanding under the Acquisition Agreement or the Credit Documents.

6.16 Initial Borrowing Base Certificate. The Administrative Agent shall have received the initial Borrowing Base Certificate meeting the requirements hereof.

6.17 Notice of Borrowing; Letter of Credit Request.

(a) Prior to the making of any Revolving Credit Loan and any Swingline Loan on the Closing Date, the Administrative Agent shall have received a Notice of Borrowing meeting the requirements of Section 2.3.

(b) Prior to the issuance of any Letter of Credit on the Closing Date, the Administrative Agent and the Letter of Credit Issuer shall have received a Letter of Credit Request meeting the requirements of Section 3.2(a).

(c) After giving effect to any requested Credit Event on the Closing Date, the aggregate Revolving Credit Exposure docs not exceed the Line Cap.

For purposes of determining compliance with the conditions specified in Section 6 on the Closing Date, 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 Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

Section 7. Conditions Precedent to All Credit Events after the Closing Date.

The agreement of each Lender to make any Loan requested to be made by it on any date after the Closing Date (excluding Mandatory Borrowings and Revolving Credit Loans required to be made by the Lenders in respect of Unpaid Drawings pursuant to Sections 3.3 and 3.4) and the obligation of the Letter of Credit Issuer to issue Letters of Credit on any date after the Closing Date is subject to the satisfaction (or waiver) of the following conditions precedent:

7.1 No Default; Representations and Warranties. At the time of each Credit Event and also after giving effect thereto (a) no Default or Event of Default shall have occurred and be continuing and (b) all representations and warranties made by any Credit Party contained herein or in the other Credit Documents shall be true and correct in all material respects with the same effect as though such representations and warranties had been made on and as of the date of such Credit Event (except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date).

7.2 Notice of Borrowing; Letter of Credit Request.

(a) Prior to the making of each Revolving Credit Loan (other than any Revolving Credit Loan made pursuant to Section 3.4(a)) and each Swingline Loan, the Administrative Agent shall have received a Notice of Borrowing meeting the requirements of Section 2.3.

(b) Prior to the issuance of each Letter of Credit, the Administrative Agent and the Letter of Credit Issuer shall have received a Letter of Credit Request meeting the requirements of Section 32(a).

(c) After giving effect to any requested Credit Event, the aggregate Revolving Credit Exposure does not exceed the Line Cap.

The acceptance of the benefits of each Credit Event shall constitute a representation and warranty by each Credit Party to each of the Lenders that all the applicable conditions specified in Section 7 above have been satisfied as of that time.

Section 8. Representations and Warranties

ln order to induce the Lenders to enter into this Agreement, to make the Loans and issue or participate in Letters of Credit as provided for herein, the Company makes the following representations and warranties to the Lenders, all of which shall survive the execution and delivery of this Agreement and the making of the Loans and the issuance of the Letters of Credit (it being understood that the following representations and warranties shall be deemed made with respect to any Foreign Subsidiary only to the extent relevant under applicable law); provided that, on the Closing Date, each such Person's representations under this Section 8 and warranties shall be limited to the Specified Representations:

8.1 Corporate Status. Each Credit Party (a) is a duly organized and validly existing corporation, limited liability company or other entity in good standing (if applicable) under the laws of the jurisdiction of its organization and has the corporate, limited liability company or other organizational power and authority to own its property and assets and to transact the business in which it is engaged and (b) has duly qualified and is authorized to do business and is in good standing (if applicable) in all jurisdictions where it is required, to be so qualified, except where the failure to be so qualified could not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

8.2 Corporate Power and Authority. Each Credit Party has the corporate or other organizational power and authority to execute, deliver and cany out the terms and provisions of the Credit Documents to which it is a party and has taken all necessary corporate or other organizational action to authorize the execution, delivery and performance of the Credit Documents to which it is a party. Each Credit Party has duly executed and delivered each Credit Document to which it is a party and each such Credit Document constitutes the legal, valid, and binding obligation of such Credit Party enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and subject to general principles of equity.

8.3 No Violation. Neither the execution, delivery or performance by any Credit Party of the Credit Documents to which it is a party nor compliance with the terms and provisions thereof nor the consummation of the Acquisition and the other transactions contemplated hereby or thereby will (a) contravene any applicable provision of any material law, statute, rule, regulation, order, writ, injunction or decree of any court or governmental instrumentality that would, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect or (b) violate any provision of the

certificate of incorporation, by-laws, articles or other Organizational Documents of such Credit Party or any of the Restricted Subsidiaries.

8.4 Litigation. There are no actions, suits or proceedings pending or, to the knowledge of the Company, threatened in writing against the Company or any of the Restricted Subsidiaries that would, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

8.5 Margin Regulations. Neither the making of any Loan hereunder nor the use of the proceeds thereof will violate the provisions of Regulation T, U or X of the Board.

8.6 Governmental Approvals. The execution, delivery and performance of each Credit Document does not require any consent or approval of, registration or filing with, or other action by, any Governmental Authority, except for (i) such as have been obtained or made and are in fall force and effect, (ii) filings, consents, approvals, registrations and recordings in respect of the Liens created pursuant to the Security Documents (and to release existing Liens), and (iii) such licenses, approvals, authorizations, registrations, filings or consents the failure of which to obtain or make could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

8.7 Investment Company Act. None of Holdings, the Borrowers, or any other Restricted Subsidiary is required to be registered as an "investment company" under the Investment Company Act of 1940, as amended.

8.8 True and Complete Disclosure.

(a) None of the written factual information and written data (taken as a whole) heretofore or contemporaneously furnished by or on behalf of the Company or any of its Restricted Subsidiaries or any of their respective authorized representatives to the Administrative Agent, any Joint Lead Arranger, and/or any Lender on or before the Closing Date (including all such written information and data contained in (i) the Confidential Information Memorandum (as updated prior to the Closing Date) concerning the Company and its Subsidiaries and (ii) the Credit Documents) for purposes of or in connection with this Agreement or any transaction contemplated herein contained any untrue statement of any material fact or omitted to state any material fact necessary to make such information and data (taken as a whole) not materially misleading at such time in light of the circumstances under which such information or data was furnished (after giving effect to all supplements and updates), it being understood and agreed that for purposes of this Section 8.8(a), such factual information and data shall not include pro forma financial information, projections, estimates (including financial estimates, forecasts, and other forward-looking information) or other forward looking information and information of a general economic or general industry nature.

(b) The projections (including financial estimates and forecasts) contained in the information and data referred to in paragraph (a) above were based on good faith estimates and assumptions believed by such Persons to be reasonable at the time made, it being recognized by the Lenders that such projections as to future events are not to be viewed as facts or a guarantee of performance, are subject to significant uncertainties and contingencies, many of which are beyond the control of the Company and its Subsidiaries and that actual results during the period or periods covered by any such projections may differ from the projected results and such differences may be material.

8.9 Financial Condition; Financial Statements.

(a) (i) The Historical Financial Statements and (ii) the unaudited consolidated financial statement of the Acquired Company and Operating Companies, consisting of the unaudited consolidated

balance sheet of the Acquired Company and Operating Companies as of December 29, 2013, and the related unaudited consolidated statements of income, changes in stockholders' equity and cash flows for the twelve month period ending on December 29, 2013, in each case present fairly in all material respects the consolidated financial position of the Acquired Company and the Operating Companies at the respective dates of said information, statements and results of operations for the respective periods covered thereby. The Pro Forma Financial Statements, copies of which have heretofore been furnished to the Administrative Agent, have been prepared based on the Historical Financial Statements and have been prepared in good faith, based on assumptions believed by the Company to be reasonable as of the date of delivery thereof, and present fairly in all material respects on a Pro Forma Basis the estimated financial position of Borrower and its Subsidiaries as at October 27, 2013 (as if the Transactions had been consummated on such date) and their estimated results of operations as if the Transactions had been consummated on October 27, 2013. The financial statements referred to in clause (a)(ii) of this Section 8.9 have been prepared in accordance with GAAP consistently applied except to the extent provided in the notes to said financial statements.

(b) There has been no Material Adverse Effect since the Closing Date.

Each Lender and the Administrative Agent hereby acknowledges and agrees that the Company and its Subsidiaries may be required to restate historical financial statements as the result of the implementation of changes in GAAP or IFRS, or the respective interpretation thereof, and that such restatements will not result in a Default or an Event of Default under the Credit Documents.

8.10 Comp1iance with Laws. Each Credit Party is in compliance with all Requirements of Law applicable to it or its property, except where the failure to be so in compliance could not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

8.11 Tax Matters. Except as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (a) the Company and each of the Restricted Subsidiaries has filed all Tax returns required to be filed by it and has timely paid all Taxes payable by it (whether or not shown on a Tax return and including in its capacity as withholding agent) that have become due, other than those being contested in good faith and by proper proceedings if it has maintained adequate reserves (in the good faith judgment of management of the Company or such Restricted Subsidiary, as applicable) with respect thereto in accordance with GAAP and (b) each of the Company and each of the Restricted Subsidiaries has paid, or has provided adequate reserves (in the good faith judgment of management of the Company or such Restricted Subsidiary, as applicable) in accordance with GAAP for the payment of all Taxes not yet due and payable. There is no current or proposed Tax assessment, deficiency or other claim against the Company or any Restricted Subsidiary that would reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

8.12 Compliance with ERISA. Except as could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect, no ERISA Event has occurred or is reasonably expected to occur.

8.13 Subsidiaries. Schedule 8.13 1ists each Subsidiary of Holdings and the Company, in each case, existing on the Closing Date, after giving effect to the Transactions.

8.14 Intellectual Property. Each of the Company and the Restricted Subsidiaries owns or has the right to use all intellectual Property that is used in or otherwise necessary for the operation of their respective businesses as currently conducted, except where the failure of the foregoing could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect. The operation of their respective businesses by the Company and the Restricted Subsidiaries does not infringe

upon, misappropriate, violate or otherwise conflict with the Intellectual Property of any third party, except as could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

8.15 Environmental Laws.

(a) Except as set forth on Schedule 8.15, or as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect: (i) each of the Company and the Restricted Subsidiaries and their respective operations and properties are in compliance with all applicable Environmental Laws; (ii) none of the Company nor any Restricted Subsidiary has received written notice of any Environmental Claim; (iii) none of the Company or any Restricted Subsidiary is conducting any investigation, removal, remedial or other corrective action pursuant to any Environmental Law at any location: and (iv) to the knowledge of the Borrower Representative, no underground or above ground storage tank or related piping, or any impoundment or other disposal area containing Hazardous Materials is located at, on or under any Real Estate currently owned or leased by the Company or any of the Restricted Subsidiaries.

(b) Except as set forth on Schedule 8.15, none of the Company or any of the Restricted Subsidiaries has treated, stored, transported, Released or arranged for disposal or transport for disposal or treatment of Hazardous Materials at, on, under or from any currently or, formerly owned or operated property nor, to the knowledge of the Borrower Representative, has there been any other Release of Hazardous Materials at, on, under or from any such properties, in each case, in a manner that would reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

8.16 Properties.

(a) Each of the Company and the Restricted Subsidiaries has good and valid record title to, valid leasehold interests in, or rights to use, all properties that are necessary for the operation of their respective businesses as currently conducted and as proposed to be conducted, free and clear of all Liens (other than any Liens pe1mitted by this Agreement) and except where the failure to have such good title or interest could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect and (b) no Mortgage encumbers improved Real Estate that is located in an area that has been identified by the Secretary of Housing and Urban Development as an area having special flood hazards within the meaning of the National Flood insurance Act of 1968, as amended, unless flood insurance available under such Act has been obtained in accordance with Section 9.3(b).

(b) As of the Closing Date, no Credit Party owns any real property having a Fair Market Value in excess of $5,000,000.

(c) Schedule 8. l6(c) sets forth all leases or subleases of real property by any Credit Party in effect as of the Closing Date.

8.17 Solvency. On the Closing Date (after giving effect to the Transactions, including the making of the First Lien Te1m Loans and the Second Lien Loans) immediately following the making of the Loans and after giving effect to the application of the proceeds of such Loans, the Company on a consolidated basis with the Restricted Subsidiaries will be Solvent.

8.18 Patriot Act. On the Closing Date, the use of proceeds of the Loans will not be used by Holdings, the Company and its Subsidiaries in violation of the PATRIOT Act in any material respect.

8.19 Security, Interest in Collateral. Subject to the te1ms of the last paragraph of Section 6.2, the provisions of this Agreement and the other Credit Documents create legal, valid, and enforceable Liens on all of the Collateral in favor of the Collateral Agent, for the benefit itself and the other Secured Parties, subject, as to enforceability, to applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally and to general principles of equity and principles of good faith and dealing (provided that, with respect to the creation and perfection of security interests with respect to Indebtedness, Capital Stock and Stock Equivalents of Foreign Subsidiaries, only to the extent enforceability of such obligation with respect to which Capital Stock and Stock Equivalents of Foreign Subsidiaries is governed by the Uniform Commercial Code), and upon the making of such filings and taking of such other actions required to be taken hereby or by the applicable Credit Documents (including the filing of appropriate financing statements with the office of the Secretary of State of the state of organization of each Credit Party, the filing of appropriate notices with the U.S. Patent and Trademark Office and the U.S. Copyright Office, and the proper recordation of Mortgages and fixture filings with respect to any Mortgaged Property, in each case in favor of the Collateral Agent for the benefit of the Secured Parties and the delivery to the Collateral Agent of any stock certificates or promissory notes required to be delivered pursuant to the applicable Credit Documents), such Liens constitute perfected and continuing Liens on the Collateral of the type required by the Security Documents securing the Obligations to the extent such Liens may be perfected by such filings and the taking of such other actions.

8.20 Anti-Terrorism Laws.

(a) To the extent applicable, each of Holdings, the Borrower and its Subsidiaries is in compliance, in all material respects, with the Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto.

(b) No part of the proceeds of the Loans will be used by Holdings, the Company or any of their Subsidiaries, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain retain or direct business obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended.

(c) None of Holdings, the Company or any Restricted Subsidiary nor, to the knowledge of the Borrower Representative, any director, officer or employee of Holdings, the Company or any Restricted Subsidiary, (i) is a person on the list of "*Specially Designated Nationals and Blocked persons*" or (ii) is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("OFAC"); and the Borrower will not directly or indirectly use the proceeds of the Loans or otherwise knowingly make available such proceeds to any Person, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

8.21 Borrowing Base Certificates. The information set forth in each Borrowing Base Certificate is true and correct in all material respects and has been prepared in all material respects in accordance with the requirements of this Agreement.

Section 9. Affirmative Covenants.

The Company hereby covenants and agrees that on the Closing Date and thereafter, until the Commitments, the Swingline Commitment and each Letter of Credit have terminated or been Cash Collateralized in accordance with the tem1s of this Agreement and the Loans and Unpaid Drawings,

together with interest, Fees and all other Obligations incurred hereunder (other than contingent indemnity obligations, Secured Hedge Obligations and Secured Cash Management Obligations and Letters of Credit Cash Collateralized in accordance with the terms of this Agreement), are paid in full:

9.1 Information Covenants. The Borrower Representative will furnish to the Administrative Agent (which shall promptly ma.kc such information available to the Lenders in accordance with its customary practice):

(a) Annual Financial Statements. As soon as available and in any event within five days after the date on which such financial statements are required to be filed with the SEC (after giving effect to any permitted extensions) (or, if such financial statements are not required to be filed with the SEC, on or before the date that is 90 days after the end of each such fiscal year (120 days in the case of fiscal years 2013 and 2014), the consolidated balance sheets of the Company and the Restricted Subsidiaries as at the end of such fiscal year, and the related consolidated statements of operations and cash flows for such fiscal year, and commencing with fiscal year 2015, setting forth comparative consolidated figures for the preceding fiscal years, all in reasonable detail (together with customary management discussion and analysis) and prepared in accordance with GAAP, and, in each case, certified by independent certified public accountants of recognized national standing whose opinion shall not be qualified as to the scope of audit or as to the status of the Company or any of the Material Subsidiaries (or group of Subsidiaries that together would constitute a Material Subsidiary) as a going concern (other than any exception, explanatory paragraph or qualification, that is expressly solely with respect to, or expressly resulting solely from, (i) an upcoming maturity date under any Indebtedness of the Company and its Subsidiaries occurring within one year from the time such opinion is delivered or (ii) any potential inability to satisfy a financial maintenance covenant on a future date or in a future period); provided, that if at the end of any applicable fiscal year there are any Unrestricted Subsidiaries, Borrower Representative shall also furnish the related consolidating balance sheets of the Company and the Restricted Subsidiaries as at the end of such fiscal year, and the related consolidating statements of operations and cash flows for such fiscal year, in each case, reflecting the adjustments necessary to eliminate such Unrestricted Subsidiaries from the consolidated balance sheets of the Company and the Restricted Subsidiaries as at the end of such fiscal year, and the related consolidated statements of operations and cash flows for such fiscal year; provided further, that no such consolidating financial statements provided hereunder shall be required to be audited.

(b) Quarterly Financial Statements. As soon as available and in any event within five days after the date on which such financial statements are required to be filed with the SEC (after giving effect to any permitted extensions) with respect to each of the first three quarterly accounting periods in each fiscal year of the Company (or, if such financial statements are not required to be filed with the SEC, on or before the date that is 45 days after the end of each such quarterly accounting period (60 days for the first three fiscal quarters ending after the Closing Date)), the consolidated balance sheets of the Company and the Restricted Subsidiaries as at the end of such quarterly period and the related consolidated statements of operations for such quarterly accounting period and for the elapsed portion of the fiscal year ended with the last day of such quarterly period, and the related consolidated statement of cash flows for such quarterly accounting period and for the elapsed portion of the fiscal year ended with the last day of such quarterly period, and commencing with the quarter ending June 30, 2015 setting forth comparative consolidated figures for the related periods in the prior fiscal year or, in the case of such consolidated balance sheet, for the last day of the related period in the prior fiscal year, all of which shall be certified by an Authorized Officer of the Company as fairly presenting in all material respects the financial condition, results of operations and cash flows of the Company

and its Restricted Subsidiaries in accordance with GA.AP (except as noted therein), subject to changes resulting from normal year-end adjustments and the absence of footnotes.

(c) Budgets. Within 90 days (120 days in the case of fiscal year 2015) after the commencement of each fiscal year of the Company beginning with fiscal year 2015, a budget of the Company in reasonable detail on a quarterly basis for such fiscal year as customarily prepared by management of the Company for its internal use consistent in scope with the financial statements provided pursuant to Section 9.1(a), setting forth the principal assumptions upon which such budget is based (collectively, the **"Projections"),** which Projections shall in each case be accompanied by a certificate of an Authorized Officer of the Company stating that such Projections have been prepared in good faith on the basis of the assumptions stated therein, which assumptions were based on good faith estimates and assumptions believed by such Persons to be reasonable at the time of preparation of such Projections, it being recognized by the Lenders that such Projections and assumptions as to future events are not to be viewed as facts or a guarantee of performance, are subject to significant uncertainties and contingencies, many of which are beyond the control of the Company and its Subsidiaries and that actual results during the period or periods covered by any such Projections may differ from the projected results and such differences may be material.

(d) Officer's Certificates. Not later than five days after the delivery of the financial statements provided for in Sections 9.1(a) and (b), a certificate of an Authorized Officer of the Company to the effect that no Event of Default exists or, it any Event at Default does exist, specifying the nature and extent thereof, as the case may be, which certificate shall set forth (i) a specification of any change in the identity of the Restricted Subsidiaries and Unrestricted Subsidiaries as at the end of such fiscal year or period, as the case may be, from the Restricted Subsidiaries and Unrestricted Subsidiaries, respectively, provided to the Lenders on the Closing Date or the most recent fiscal year or period, as the case may be and (ii) a reasonably detailed calculation of the Fixed Charge Coverage Ratio and, to the extent then applicable, compliance with the provisions of Section 10.11. At the time of the delivery of the financial statements provided for in Section 9.l(a), a certificate of an Authorized Officer of the Company setting forth changes to the legal name, jurisdiction of formation, type of entity and organizational number (or equivalent) to the Person organized in a jurisdiction where an organizational identification number is required to be included in a Uniform Commercial Code financing statement, in each case for each Credit Party or confirming that there has been no change in such info1mation since the Closing Date or the date of the most recent certificate delivered pursuant to this clause (d), as the case may be.

(e) Notice of Events of Default or Litigation. Promptly after an Authorized Officer of the Company or any of the Restricted Subsidiaries obtains knowledge thereof, notice of (i) the occurrence of any event that constitutes an Event of Default, which notice shall specify the nature thereof, the period of existence thereof and what action the Company proposes to take with respect thereto, (ii) any litigation or governmental proceeding pending against the Company or any of the Subsidiaries that would reasonably be expected to be determined adversely and, if so determined, to result in a Material Adverse Effect, (iii) any judgment or decree entered against (or judgment lien on the assets at) the Credit Parties involving a liability of $1,000,000 or more and (iv) any litigation or governmental proceeding pending against the Company or any of the Restricted Subsidiaries that would reasonably be expected to be determined adversely and, if so determined, would result in a liability of $1,000,000 or more.

(f) Environmental Matters. Promptly after an Authorized Officer of the Company or any of the Restricted Subsidiaries obtains knowledge of any one or more of the following

environmental matters, unless such environmental matters could not reasonably be expected to result in a Material Adverse Effect, notice of:

(i) any pending or threatened Environmental Claim against any Credit Party or any Real Estate; and

(ii) the conduct of any investigation, or any removal, remedial or other co1Tective action in response to the actual or alleged presence, Release or threatened Release of any Hazardous Material on, at, under or from any Real Estate.

All such notices shall describe in reasonable detail the nature of the claim, investigation or removal, remedial or other co1Tective action in response thereto. The term **"Real Estate"** shall mean land, buildings, facilities and improvements owned or leased by any Credit Party.

(g) Other Information. Promptly upon filing thereof, copies of any filings (including on Form 10-K, 10-Q or 8-K) or registration statements with, and reports to, the SEC or any analogous Governmental Authority in any relevant jurisdiction by the Company or any of the Restricted Subsidiaries (other than amendments to any registration statement (to the extent such registration statement, in the form it becomes effective, is delivered to the Administrative Agent), exhibits to any registration statement and, if applicable, any registration statements on Form S-8) and copies of all financial statements, proxy statements, notices, and reports that the Company or any of the Restricted Subsidiaries shall send to the holders of any publicly issued debt of the Company and/or any of the Restricted Subsidiaries, in their capacity as such holders, lenders or agents (in each case to the extent not theretofore delivered to the Administrative Agent pursuant to this Agreement) and, with reasonable promptness, such other information (financial or otherwise) as the Administrative Agent on its own behalf or on behalf of any Lender (acting through the Administrative Agent) may reasonably request in writing from time to time: provided, that none of the Company nor any Restricted Subsidiary will be required to disclose or permit the inspection or discussion of, any document, information or other matter (i) that constitutes non-financial trade secrets or non-financial proprietary information, (ii) in respect of which disclosure to the Administrative Agent or any Lender (or their respective contractors) is prohibited by law, or any binding agreement or (iii) that is subject to attorney client or similar privilege or constitutes attorney work product.

Notwithstanding the foregoing, the obligations in clauses (a) and (Q) of this Section 9.1 may be satisfied with respect to financial information of the Company and the Restricted Subsidiaries by furnishing (A) the applicable financial statements of the Borrowers or any direct or indirect parent of the Company or (13) the Company's (or any direct or indirect parent thereof), as applicable, Form 10-K or 10-Q, as applicable, filed with the SEC; provided that, with respect to each of subclauses(A) and (B) of this paragraph, to the extent such information relates to a parent of the Company, such infom1ation is accompanied by consolidating or other information that explains in reasonable detail the differences between the information relating to such parent, on the one hand, and the information relating to the Company and the Restricted Subsidiaries on a standalone basis, on the other hand.

(h) Borrowing Base Certificates. The Borrower Representative will furnish to the Administrative Agent a certificate in the form of Exhibit N (a "Borrowing Base Certificate") showing the Borrowing Base, each Borrowing Base Certificate to be certified as complete and correct in all material respects on behalf of the Borrower Representative by a Financial Officer of the Borrower Representative, as follows:

(i) on the 20th day of each month (the "Borrowing Base Delivery Date"), the Borrower Representative shall furnish a Borrowing Base Certificate as of the close of business on the immediately preceding calendar month;

(ii) more frequently (but not more frequently than weekly) as shall be reasonably determined by the Administrative Agent during the Accelerated Borrowing Base Delivery Period, the Borrower Representative shall furnish a Borrowing Base Certificate by a subsequent date reasonably determined by the Administrative Agent;

(iii) at any time any Overadvance Loans are outstanding, Borrower Representative may deliver Borrowing Base Certificates more frequently than monthly (as required by clause (h)(i)), but not more frequently than weekly unless otherwise agreed by the Administrative Agent, and the Borrowing Base shall be computed upon the Administrative Agent's receipt of such Borrowing Base Certificate; provided, that Borrowers shall then be required to maintain the frequency of delivery of such Borrowing Base Certificates for the immediately following thirty (30) day period; and

(iv) upon any Asset Sale of ABL Priority Collateral included in the Borrowing Base, it the Net Cash Proceeds thereof are in excess of $2,500,000, the Lead Borrower shall also furnish an updated Borrowing Base Certificate promptly upon the receipt of such Net Cash Proceeds.

All calculations of Excess Availability in any Borrowing Base Certificate shall originally be made by the Borrowers and certified by a Financial Officer of the Borrower Representative, provided that the Administrative Agent may from time to time review and with notice to the Borrower Representative adjust any such calculation to the extent the calculation is not made in accordance with this Agreement or does not accurately reflect the Borrowing Base Reserve or to adjust the Borrowing Base Reserves in its Credit Judgment.

The Borrower Representative will furnish to the Administrative Agent at the time of delivery of each Borrowing Base Certificate such information as the Administrative Agent may reasonably request with respect to customer deposits, agings, freight/duty payables and gift card balances, a schedule of rent expenses by organized by location and a schedule of inventory organized by location.

Documents required to be delivered pursuant to clauses (a), (b), and (g) of this Section 9.1 (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the earliest date on which (i) the Company posts such documents, or provides a link thereto on the Company's website on the Internet; (ii) such documents are posted on the Company's behalf on IntraLinks/IntraAgency or another website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent), or (iii) such financial statements and/or other documents are posted on the SEC's website on the internet at www.sec.gov; provided, that, (A) the Borrower Representative shall, at the request of the Administrative Agent, continue to deliver copies (which delivery may be by electronic transmission) of such documents to the Administrative Agent and (B) the Borrower Representative shall notify (which notification may be by facsimile or electronic transmission) the Administrative Agent of the posting of any such documents on any website described in this paragraph. Each Lender shall be solely responsible for timely accessing posted documents or requesting delivery of paper copies of such documents from the Administrative Agent and maintaining its copies of such documents.

9.2 Books, Records, Inspections, Audit Rights and Appraisals.

(a) The Company will, and will cause each Restricted Subsidiary to, permit officers and designated representatives of the Administrative Agent to visit and inspect any of the properties or assets of the Company and any such Subsidiary in whomsoever's possession to the extent that it is within such party's control to permit such inspection (and shall use commercially reasonable efforts to cause such inspection to be permitted to the extent that it is not within such party's control to permit such inspection), and to examine the books and records of the Company and any such Subsidiary and discuss the affairs, finances and accounts of the Company and of any such Subsidiary with, and be advised as to the same by, its and their officers and independent accountants, all at such reasonable times and intervals and to such reasonable extent as the Administrative Agent may desire (and subject, in the case of any such meetings or advice from such independent accountants, to such accountants' customary policies and procedures); provided that, subject to clause (b) below and excluding any such visits and inspections during the continuation of an Event of Default, (1) the Administrative Agent shall not exercise such rights more than one time in any calendar year, which such visit will be at the Company's expense and (2) notwithstanding anything to the contrary in this Section 9.2, none of the Company or any of the Restricted Subsidiaries will be required to disclose, permit the inspection, examination or making copies or abstracts of, or discussion of, any document, information or other matter that (x) constitutes non-financial trade secrets or non-financial proprietary information, (y) in respect of which disclosure to the Administrative Agent or any Lender (or their respective representatives or contractors) is prohibited by law or any binding agreement or (z) is subject to attorney-client or similar privilege or constitutes attorney work product; provided, further, that when an Event of Default exists, the Administrative Agent (or any of its respective representatives or independent contractors) may do any of the foregoing at the expense of the Company at any time during normal business hours and upon reasonable advance notice. The Administrative Agent shall give the Company the opportunity to participate in any discussions with the Company's independent public accountants.

(b) The Borrower Representative will from time to time upon the request of the Administrative Agent, permit the Administrative Agent or professionals (including consultants and appraisers) retained by the Administrative Agent, on reasonable prior notice and during normal business hours, to conduct appraisals and commercial finance examinations, including, without limitation, of (i) the Borrowers' practices in the computation of the Borrowing Base, and (ii) the assets included in the Borrowing Base and related financial information such as, but not limited to, gross margins, payables, accruals and reserves. Subject to the following limitations, the Borrowers shall pay the reasonable out-of-pocket fees and expenses of the Administrative Agent and such professionals with respect to such evaluations, examinations and appraisals:

(i) the Administrative Agent may conduct (A) one (1) commercial finance examination in each calendar year for the Credit Parties, at the Credit Parties' expense and (B) one (1) additional commercial finance examination in a calendar year at any time in such year if either (x) any Overadvance Loans are outstanding or (y) Excess Availability for a period of five (5) consecutive Business Days is below 20% of the Line Cap, at the Borrowers' expense. Notwithstanding anything to the contrary contained herein, after the occurrence and during the continuance of any Event of Default, the Administrative Agent may cause such additional commercial finance examinations to be taken for each of the Credit Parties as the Administrative Agent, in its reasonable discretion, determines are necessary or appropriate (each, at the expense of the Credit Parties); and

(ii) the Administrative Agent may conduct (A) one (1) appraisal of the Inventory in each calendar year for the Credit Parties, at the Credit Parties' expense and (B) one (1) additional appraisal of the Inventory in a calendar year at any time in such year if either (x) any

Overadvance Loans are outstanding or (y) Excess Availability for a period of five (5) consecutive Business Days is below 20% of the Line Cap, at the Borrowers' expense. Notwithstanding anything to the contrary contained herein, after the occurrence and during the continuance of any Event of Default, the Administrative Agent may cause such additional appraisals of the Inventory to be taken for each of the Credit Parties as the Administrative Agent, in its reasonable discretion, determines are necessary or appropriate (each, at the expense of the Credit Parties).

9.3 Maintenance of Insurance. (a) The Company will, and will cause each Material Subsidiary to, at all times maintain in full force and effect, pursuant to self-insurance arrangements or with insurance companies that the Company believes (in the good faith judgment of the management of the Company) are financially sound and responsible at the time the relevant coverage is placed or renewed, insurance in at least such amounts (after giving effect to any self-insurance which the Company believes (in the good faith judgment of management of the Company) is reasonable and prudent in light of the size and nature of its business and the availability of insurance on a cost-effective basis) and against at least such risks (and with such risk retentions) as the Company believes (in the good faith judgment of management of the Company) is reasonable and prudent in light of the size and nature of its business and the availability of insurance on a cost-effective basis; and will furnish to the Administrative Agent, promptly following written request from the Administrative Agent, information presented in reasonable detail as to the insurance so carried and (b) with respect to each Mortgaged Property, the Company will obtain flood insurance in such total amount as may reasonably be required by the Collateral Agent, if at any time the area in which any improvements located on any Mortgaged Property is designated a "special flood hazard area" in any flood Insurance Rate Map published by the Federal Emergency Management Agency (or any successor agency), and otherwise comply with the National Flood Insurance Program as set forth in the Flood Disaster Protection Act of 1973, as amended from time to time. Each such policy of insurance shall (i) name the Collateral Agent, on behalf of the Secured Parties as an additional insured thereunder as its interests may appear and (ii) in the case of each casualty insurance policy, contain a loss payable clause or endorsement that names the Collateral Agent, on behalf of the Secured Parties as the loss payee thereunder.

9.4 Payment of Taxes. The Company will pay and discharge, and will cause each of the Restricted Subsidiaries to pay and discharge, all material Taxes imposed upon it (including in its capacity as a withholding agent) or upon its income or profits, or upon any properties belonging to it, prior to the date on which material penalties attach thereto, and all lawful material claims in respect of any Taxes imposed, assessed or levied that, if unpaid, could reasonably be expected to become a material Lien upon any properties of the Company or any of the Restricted Subsidiaries; provided that neither the Company nor any of the Restricted Subsidiaries shall be required to pay any such Tax that is being contested in good faith and by proper proceedings if it has maintained adequate reserves (in the good faith judgment of management of the Company) with respect thereto in accordance with GAAP and the failure to pay could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

9.5 Preservation of Existence; Consolidated Corporate Franchises. The Company will, and will cause each Material Subsidiary to, take all actions necessary (a) to preserve and keep in full force and effect its existence, organizational rights and authority and (b) to maintain its rights, privileges (including its good standing (if applicable)), permits, licenses and franchises necessary in the normal conduct of its business, in each case, except to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect: provided, however, that the Company and its Subsidiaries may consummate any transaction permitted under Permitted Investments and Sections 10.2, 10.3, 10.4, or 10.5.

9.6 Compliance with Statutes, Regulations, Etc. The Company will, and will cause each Restricted Subsidiary to, (a) comply with all applicable laws, rules, regulations, and orders applicable to it or its property, including, without limitation, applicable laws administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury and the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations promulgated thereunder, and all governmental approvals or authorizations required to conduct its business, and to maintain all such governmental approvals or authorizations in full force and effect, (b) comply with, and use commercially reasonable efforts to ensure compliance by all tenants and subtenants, if any, with, all Environmental Laws, and obtain and comply with and maintain, and use commercially reasonable efforts to ensure that all tenants and subtenants obtain and comply with and maintain, any and all licenses, approvals, notifications, registrations or permits required by Environmental Laws, and (c) conduct and complete all investigations, studies, sampling and testing, and all remedial, removal, and other actions required under Environmental Laws and promptly comply with all lawful orders and directives of all Governmental Authorities regarding Environmental Laws, other than such orders and directives which are being timely contested in good faith by proper proceedings, except in each case of (a), (b), and (c) of this Section 9.6, where the failure to do so could not reasonably be expected to result in a Material Adverse Effect.

9.7 ERISA. (a) The Company will furnish to the Administrative Agent promptly following receipt thereof, copies of any documents described in Sections 101(k) or 101(l) of ERISA that any Credit Party may request with respect to any Multiemployer Plan to which a Credit Party is obligated to contribute: provided that it the Credit Parties have not requested such documents or notices from the administrator or sponsor of the applicable Multiemployer Plan, then, upon reasonable request of the Administrative Agent, the Credit Parties shall promptly make a request for such documents or notices from such administrator or sponsor and the Borrower Representative shall provide copies of such documents and notices to the Administrative Agent promptly after receipt thereof; and further provided, that the rights granted to the Administrative Agent in this Section shall be exercised not more than once during a 12-month period, and (b) the Company will notify the Administrative Agent promptly following the occurrence of any ERISA Event that, alone or together with any other ERISA Events that have occurred, would reasonably be expected to result in liability of any Credit Party that could reasonably be expected to have a Material Adverse Effect.

9.8 Maintenance of Properties. The Company will, and will cause each of the Restricted Subsidiaries to, keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear, casualty, and condemnation excepted, except to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect.

9.9 Maintenance of Cash Management Systems.

(a) Annexed hereto as Schedule 9.9(a) is a list all deposit accounts and securities accounts (including any DDAs) that to the best knowledge of the Authorized Officers of the Credit Parties, are maintained by the Credit Parties as of the Closing Date, including with respect to each financial institution at which such account is maintained, (i) the name and address of such financial institution, (ii) the account number(s) maintained with such financial institution, and (iii) a contact person at such financial institution.

(b) Annexed hereto as Schedule 9.9(b) is a list describing, as of the Closing Date, all arrangements to which any Credit Party is a party with respect to the payment to such Credit Party of the proceeds of all credit card and debit card charges for sales by such Credit Party.

(c) On or prior to the date that is 90 days after the Closing Date (or such later date as the Administrative Agent shall reasonably agree), to the extent not previously delivered, each Credit Party shall:

(i) deliver to the Administrative Agent notifications (each, a "Credit Card Notification") substantially in the fo1m attached hereto as Exhibit O which have been executed on behalf of such Credit Party and addressed to such Credit Party's credit card and debit card clearinghouses and processors listed on Schedule 9.9(6);

(ii) enter into a blocked account agreement (each, a "Blocked Account Agreement"), reasonably satisfactory to the Collateral Agent, with any Blocked Account Bank, including, without limitation, with respect to the deposit accounts and securities accounts existing as of the Closing Date listed on Schedule 9.9(a) (but excluding any Excluded Deposit Account) attached hereto (collectively, the "Blocked Accounts"); and

(iii) a Borrower shall have established a concentration account in its name (the "Concentration Account") with a Blocked Account Bank reasonably acceptable to the Administrative Agent, and entered into a Blocked Account Agreement, reasonably satisfactory to the Collateral Agent, with respect to the Concentration Account.

(d) Each Credit Card Notification and Blocked Account Agreement with respect to any DDA's or other deposit accounts shall require, during the continuance of a Cash Dominion Period (and delivery of notice thereof from the Collateral Agent to the Blocked Account Banks), the ACH or wire transfer on each Business Day (and whether or not there is then an outstanding balance in the Loan Account) to the Concentration Account of all available cash receipts (the "Cash Receipts") from:

(i) the sale of Inventory and other Collateral (whether or not constituting an Asset Sale Prepayment Event);

(ii) all proceeds of collections of Accounts (whether or not constituting an Asset Sale Prepayment Event);

(iii) all Net Cash Proceeds on account of any Asset Sale Prepayment Event of ABL Priority Collateral;

(iv) each Blocked Account (including all cash deposited therein from each DDA); and

(v) the cash proceeds of all credit card and debit card charges.

(vi) In addition, the Blocked Account Agreement for the Concentration Account shall provide, among other things, that during the continuation of a Cash Dominion Period, the bank at which such Concentration Account is maintained shall, upon receipt of notice by the Collateral Agent make daily sweeps from the Concentration Account into the Collateral Agent's account for application to the Obligations.

(e) Any cash or Cash Equivalents or Cash Receipts owned by any Credit Party (other than Excluded Deposit Accounts or such other accounts which the Administrative Agent may agree) shall be deposited to a Blocked Account that is subject to a Blocked Account Agreement. In addition to the foregoing, during the continuance of a Cash Dominion Period, at the reasonable request of

the Collateral Agent, the Credit Parties shall provide the Collateral Agent with information and account statements with respect to the Blocked Accounts.

(f) The Credit Parties may close all deposit accounts and securities accounts (including any DDAs or Blocked Accounts) and/or open new deposit accounts and securities accounts (including any DDAs or Blocked Accounts, subject to the execution and delivery to the Collateral Agent of appropriate Blocked Account Agreements (except with respect to any Excluded Deposit Accounts or unless expressly waived by the Administrative Agent) consistent with the provisions of this Section 9.9 and otherwise reasonably satisfactory to the Collateral Agent. The Credit Parties shall furnish the Administrative Agent with prior written notice of their intention (x) to open any deposit accounts (other than any Excluded Deposit Account) and securities accounts (including any DDAs and Blocked Accounts) and the Administrative Agent shall promptly notify the Borrower Representative as to whether the Collateral Agent shall require a Blocked Account Agreement with the Person with whom such account will be maintained. Unless consented to in writing by the Administrative Agent, the Borrowers shall not enter into any agreements with credit card processors other than the ones expressly contemplated herein unless contemporaneously therewith, a Credit Card Notification, is executed and delivered to the Administrative Agent and (y) to close any Blocked Account.

(g) The Credit Parties may also maintain one or more disbursement accounts (the "Disbursement Accounts") to be used by the Credit Parties for disbursements and payments (including payroll) in the ordinary course of business or as otherwise permitted hereunder.

(h) During the continuance of a Cash Dominion Period, the Blocked Accounts and the Concentration Account shall at all times be under the sole dominion and control of the Collateral Agent. Each Credit Party hereby acknowledges and agrees that during the continuance of a Cash Dominion Period, (i) such Credit Party has no right of withdrawal from any Blocked Account or the Concentration Account, (ii) the funds on deposit in any Blocked Account or the Concentration Account shall at all times continue to be collateral security for all of the Obligations, and (iii) the funds on deposit in any Blocked Account or the Concentration Account shall be applied as provided in this Agreement. ln the event that, notwithstanding the provisions of this Section 9.9, during the continuation of a Cash Dominion Period, any Credit Party receives or otherwise has dominion and control of any Cash Receipts, such Cash Receipts shall be held in trust by such Credit Party for the Collateral Agent, shall not be commingled with any of such Credit Party's other funds or deposited in any account of such Credit Party and shall promptly be deposited into the Concentration Account or dealt with in such other fashion as such Credit Party may be instructed by the Collateral Agent.

(i) All amounts received by the Administrative Agent under this Section 9.9 during a Cash Dominion Period shall be applied in the manner set forth in Section 5.2(e) and in the priority set forth in Section 11.14 and such amounts held by Administrative Agent at any time when all of the Obligations then due have been repaid or Cash Collateralized shall be remitted to the operating account of a Credit Party designated by the Borrowers.

(j) The Collateral Agent shall promptly (but in any event within one (1) Business Day) furnish written notice to each Person with whom a Blocked Account is maintained of any termination of a Cash Dominion Period.

9.10 Physical Inventories. The Credit Parties, at their own expense, shall conduct a physical inventory to be undertaken in each twelve (12) month period (or alternatively, periodic cycle counts) consistent with historical practices, conducted following such methodology as is consistent with the methodology used in the immediately preceding inventory (or cycle count) or as otherwise may be reasonably satisfactory to the Administrative Agent. Following the completion of such inventory, the

Borrowers shall promptly post such results to the Credit Parties' stock ledgers and general ledgers, as applicable.

9.11 Additional Guarantors and Grantors. Subject to any applicable limitations set forth in the Security Documents, the Company will cause each direct or indirect Subsidiary (other than any Excluded Subsidiary) formed or otherwise purchased or acquired after the Closing Date (including pursuant to a Permitted Acquisition and upon the formation of any Subsidiary that is a Division Successor), and each other Subsidiary that ceases to constitute an Excluded Subsidiary, within 45 days from the date of such formation, acquisition or cessation, as applicable (or such longer period as the Administrative Agent may agree in its reasonable discretion), and the Company may at its option cause any Subsidiary, to execute a supplement to each of the Guarantee, the Pledge Agreement and the Security Agreement in order to become a Guarantor under the Guarantee and a grantor under such Security Documents or, to the extent reasonably requested by the Collateral Agent, enter into a new Security Document substantially consistent with the analogous existing Security Documents and otherwise in form and substance reasonably satisfactory to such Collateral Agent and take all other action reasonably requested by the Collateral Agent to grant a perfected (with respect to Collateral consisting of Intellectual Property, if and to the extent required under the Security Agreement) security interest in its assets to substantially the same extent as created by the Credit Parties on the Closing Date. For the avoidance of doubt, no Credit Party or any Domestic Restricted Subsidiary shall be required to take any action outside the United States to perfect any security interest in the Collateral (including the execution of any agreement, document or other instrument governed by the law of any jurisdiction other than the United States, any State thereof or the District of Columbia).

9.12 Pledge of Additional Stock and Evidence of Indebtedness. Subject to any applicable limitations set forth in the Security Documents and other than (x) when in the reasonable determination of the Administrative Agent and the Borrower Representative (as agreed to in writing), the cost or other consequences of doing so would be excessive in view of the benefits to be obtained by the Lenders therefrom or (y) to the extent doing so would result in material adverse tax consequences as reasonably determined by the Borrower Representative in consultation with the Administrative Agent, the Company will cause (i) all certificates representing Capital Stock and Stock Equivalents of any Restricted Subsidiary (other than any Excluded Stock and Stock Equivalents) held directly by the Company or any Guarantor, (ii) all evidences of Indebtedness in excess of $2,500,000 received by the Company or any of the Guarantors in connection with any disposition of assets pursuant to Section 10.4(b), and (iii) any promissory notes executed after the Closing Date evidencing Indebtedness in excess of $2,500,000 of the Company or any Subsidiary that is owing to the Company or any Guarantor, in each case, to be delivered to the Collateral Agent as security for the Obligations accompanied by undated instruments of transfer executed in blank pursuant to the terms of the Security Documents. Notwithstanding the foregoing any promissory note among the Company and/or its Subsidiaries need not be delivered to the Collateral Agent so long as (i) a global intercompany note superseding such promissory note has been delivered to the Collateral Agent, (ii) such promissory note is not delivered to any other party other than the Company or its Subsidiaries, in each case, owed money thereunder, and (iii) such promissory note indicates on its face that it is subject to the security interest of the Collateral Agent.

9.13 Use of Proceeds. The Borrowers will use the proceeds of the Loans made and Letters of Credit issued hereunder (a) in an aggregate amount not to exceed $5,500,000 to effect the Transactions (including working capital and/or purchase price adjustments), (b) to replace, backstop or cash collateralize existing letters of credit, (c) to the extent required to account for any "flex" original issue discount and/or upfront fees required pursuant to the Fee Letter, and (d) for working capital purposes. After the Closing Date, the Borrowers will use the proceeds of the Loans to finance working capital of the Borrowers and their Subsidiaries and for general corporate purposes of the Borrowers and their Subsidiaries (including for capital expenditures, acquisitions and other Investments, Restricted Payments and any other transaction not prohibited by the Credit Documents).

9.14 Further Assurances.

(a) Subject to the terms of Sections 9.11 and 9.12, this Section 9.14 and the Security Documents, the Company will, and will cause each other Credit Party to, execute any and all further documents, financing statements, agreements, and instruments, and take all such further actions (including the filing and recording of financing statements, fixture filings, mortgages, deeds of trust, and other documents) that may be required under any applicable law, or that the Collateral Agent or the Required Lenders may reasonably request, in order to grant, preserve, protect, and perfect (with respect to Collateral consisting of Intellectual Property, if and to the extent required under the Security Agreement) the validity and priority of the security interests created or intended to be created by the applicable Security Documents, all at the expense of the Company and the Restricted Subsidiaries. Each Credit Party shall give the Collateral Agent and the Administrative Agent prompt (and in any event within 5 Business Days (or such later period as agreed by the Administrative Agent)) notice of any change to its legal name, jurisdiction of formation, type of entity and organizational number (or equivalent).

(b) Subject to any applicable limitations set forth in the Security Documents and other than (x) when in the reasonable determination of the Administrative Agent and the Company (as agreed to in writing), the cost or other consequences of doing so would be excessive in view of the benefits to be obtained by the Lenders therefrom or (y) to the extent doing so would result in material adverse tax consequences as reasonably determined by the Borrower Representative in consultation with the Administrative Agent, if any assets (other than Excluded Property) (including any real estate or improvements thereto or any interest therein but excluding Capital Stock and Stock Equivalents of any Subsidiary and excluding any real estate which the Borrower or applicable Credit Party intends to dispose of pursuant to a Permitted Sale Leaseback so long as actually disposed of within 270 days of acquisition (or such longer period as the Administrative Agent may reasonably agree)) with a book value in excess of $5,000,000 (at the time of acquisition) are acquired by the Company or any other Credit Party after the Closing Date (other than assets constituting Collateral under a Security Document that become subject to the Lien of the applicable Security Document upon acquisition thereof) that are of a nature secured by a Security Document or that constitute a fee interest in real property in the United States, the Company will notify the Collateral Agent, and, if requested by the Collateral Agent, the Company will cause such assets to be subjected to a Lien securing the Obligations and will take, and cause the other applicable Credit Parties to take, such actions as shall be necessary or reasonably requested by the Collateral Agent, as soon as commercially reasonable but in no event later than 90 days, unless extended by the Administrative Agent in its sole discretion, to grant and perfect such Liens consistent with the applicable requirements of the Security Documents, including actions described in clause (a) of this Section9,14.

(c) Any Mortgage delivered to the Administrative Agent in accordance with the preceding clause (b) shall, if requested by the Collateral Agent, be received as soon as commercially reasonable but in no event later than 90 days (except as set forth in the preceding clause (b)), unless extended by the

Administrative Agent in its sole discretion and accompanied by (x) a policy or policies (or an unconditional binding commitment therefor to be replaced by a final title policy) of title insurance issued by a nationally recognized title insurance company, in such amounts as reasonably acceptable to the Administrative Agent not to exceed the Fair Market Value of the applicable Mortgaged Property, insuring the Lien of each Mortgage as a valid third Lien on the Mortgaged Property described therein, free of any other Liens except as expressly permitted by Section 10.2 or as otherwise permitted by the Administrative Agent and otherwise in form and substance reasonably acceptable to the Administrative Agent and the Borrower Representative, together with such endorsements, coinsurance and reinsurance as the Administrative Agent may reasonably request but only to the extent such endorsements are (i) available in the relevant jurisdiction (provided in no event shall the Administrative Agent request a creditors' rights endorsement) and (ii) available at commercially reasonable rates, (y) an opinion of local counsel to the applicable Credit Party in form and substance reasonably acceptable to the Administrative Agent, (z) a completed "Life-of-Loan" Federal Emergency Management Agency Standard Flood Hazard Determination, and if any improvements on such Mortgaged Property are located in a special flood hazard area, (i) a notice about special flood hazard area status and flood disaster assistance duly executed by the applicable Credit Parties and (ii) certificates of insurance evidencing the insurance required by Section 9.3 in form and substance reasonably satisfactory to the Administrative Agent, and (aa) an ALTA survey in a form and substance reasonably acceptable to the Collateral Agent or such existing survey together with a no-change affidavit sufficient for the title company to remove all standard survey exceptions tram the Title Policy related to such Mortgaged Property and issue the endorsements required in (x) above.

(d) The Company agrees that it will deliver, or will cause to be delivered, to the Administrative Agent, the items described on Schedule 9. l4(d) on the Closing Date by the times specified with respect to such items, or such later time as the Administrative Agent may agree in its sole discretion.

9.15 [Reserved].

9.16 Lines of Business. The Company and the Restricted Subsidiaries, taken as a whole, will not fundamentally and substantively alter the character of their business, taken as a whole, from the business conducted by the Company and the Subsidiaries, taken as a whole, on the Closing Date and other business activities which are extensions thereof or otherwise incidental, synergistic, reasonably related, or ancillary to any of the foregoing (and non-core incidental businesses acquired in connection with any Permitted Acquisition or permitted Investment).

Section 10. Negative Covenants

The Company hereby covenants and agrees that on the Closing Date (immediately after consummation of the Acquisition) and thereafter, until the Commitments, the Swingline Commitment and each Letter of Credit have terminated or been Cash Collateralized in accordance with the terms of this Agreement and the Loans and Unpaid Drawings, together with interest, Fees, and all other Obligations incurred hereunder (other than contingent indemnity obligations, Secured Hedge Obligations and Secured Cash Management Obligations and Letters of Credit, Cash Collateralized in accordance with the terms of this Agreement), are paid in full:

10.1 Limitation on Indebtedness. The Company will not, and will not permit any Restricted Subsidiary to create, incur, issue, assume, guarantee or otherwise become liable, contingently or otherwise (collectively, **"incur"** and collectively, an **"incurrence")** with respect to any Indebtedness (including Acquired Indebtedness) and the Company will not issue any shares of Disqualified Stock and will not permit any Restricted Subsidiary to issue any shares of Disqualified Stock or, in the case of

Restricted Subsidiaries that are not Borrowers or Guarantors, preferred stock; provided that the Company may incur Indebtedness (including Acquired Indebtedness) or issue shares of Disqualified Stock, and any Restricted Subsidiary may incur Indebtedness (including Acquired Indebtedness), issue shares of Disqualified Stock and issue shares of preferred stock, in an aggregate amount equal to $20,000,000 plus unlimited additional amounts if, after giving effect to the incurrence of such amount, the Company would be in compliance on a Pro Forma Basis with the Total Debt Leverage Test; provided further that the amount of Indebtedness (other than Acquired Indebtedness), Disqualified Stock and preferred stock that may be incurred pursuant to the foregoing together with any amounts incurred under Section 10.1(n)(x) by Restricted Subsidiaries that are not Guarantors shall not exceed the greater of (x) $15,000,000 and (y) 30% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at any one time outstanding.

The foregoing limitations will not apply to:

(a) indebtedness arising under the Credit Documents;

(b) (x) Indebtedness represented by the Second Lien Facility, Permitted Second Lien Exchange Notes, and any guarantee thereof in an aggregate principal amount not to exceed $80,000,000 (plus all accrued interest, fees and expenses) and (y) Indebtedness that may be incurred pursuant to Sections 2.14 and 10.1(x)(i) of the Second Lien Credit Agreement (as in effect on the Closing Date), in each case, pursuant to the definition of Maximum incremental Facilities Amount in the Second Lien Credit Agreement (as in effect on the Closing Date);

(c) (i) Indebtedness (including any unused commitment) outstanding on the Closing Date listed on Schedule 10.1 and (ii) intercompany Indebtedness (including any unused commitment) outstanding on the Closing Date listed on Schedule 10.1 (other than intercompany Indebtedness owed by a Credit Party to another Credit Party):

(d) Indebtedness (including Capital Lease Obligations), Disqualified Stock and preferred stock incurred by the Company or any Restricted Subsidiary, to finance the purchase, lease, construction, installation, maintenance, replacement or improvement of property (real or personal) or equipment that is used or useful in a Similar Business, whether through the direct purchase of assets or the Capital Stock of any Person owning such assets and Indebtedness arising from the conversion of the obligations of the Company or any Restricted Subsidiary under or pursuant to any "synthetic lease" transactions to on-balance sheet Indebtedness of the Company or such Restricted Subsidiary, in an aggregate principal amount which, when aggregated with the principal amount of all other Indebtedness, Disqualified Stock and preferred stock then outstanding and incurred pursuant to this clause (d) and all Refinancing Indebtedness incurred to refinance any other Indebtedness, Disqualified Stock and preferred stock incurred pursuant to this clause (d), does not exceed the greater of (x) $15,000,000 and (y) 25% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of incurrence; provided that Capitalized Lease Obligations incurred by the Company or any Restricted Subsidiary pursuant to this clause (d) in connection with a Permitted Sale Leaseback shall not be subject to the foregoing limitation so long as the proceeds of such Permitted Sale Leaseback are used by the Company or such Restricted Subsidiary to permanently repay outstanding Indebtedness secured by a Lien on the assets subject to such Permitted Sale Leaseback;

(c) Indebtedness incurred by the Company or any Restricted Subsidiary (including letter of credit obligations consistent with past practice constituting reimbursement obligations with respect to letters of credit issued in the ordinary course of business), in respect of workers' compensation claims, performance or surety bonds, health, disability or other employee benefits or property, casualty or liability insurance or self-insurance or other Indebtedness with respect to reimbursement or

indemnification type obligations regarding workers' compensation claims, performance or surety bonds, health, disability or other employee benefits or property, casualty or liability insurance or self-insurance;

(t) Indebtedness arising from agreements of the Company or a Restricted Subsidiary providing for indemnification, adjustment of purchase price, earnout or similar obligations, in each case, incurred or assumed in connection with the acquisition or disposition of any business, assets or a Subsidiary or other Person, other than guarantees of Indebtedness incurred by any Person acquiring all or any portion of such business, assets or a Subsidiary for the purpose of financing such acquisition: provided that such Indebtedness is not reflected on the balance sheet of the Company or any Restricted Subsidiary (contingent obligations reflected to in a footnote to financial statements and not otherwise reflected on the balance sheet will not be deemed to be reflected as Indebtedness on such balance sheet for purposes of this clause (f));

(g) Indebtedness of the Company to a Restricted Subsidiary; provided that any such Indebtedness owing to a Restricted Subsidiary that is not a Borrower or a Guarantor is subordinated in right of payment to the Obligations; provided, further, that any subsequent issuance or transfer of any Capital Stock or any other event which results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such Indebtedness (except to another Borrower or another Restricted Subsidiary) shall be deemed, in each case to be an incurrence of such Indebtedness not permitted by this clause;

(h) Indebtedness of a Restricted Subsidiary moving to the Company or another Restricted Subsidiary; provided that (i) if a Borrower or a Guarantor incurs such Indebtedness owing to a Restricted Subsidiary that is not a Borrower or a Guarantor, such Indebtedness is subordinated in right of payment to the Guarantee of such Guarantor and (ii) if a Restricted Subsidiary that is not a Credit Party incurs such Indebtedness owing to a Credit Party, such Investment shall be permitted by Section 10.5; provided, further, that any subsequent transfer of any such Indebtedness (except to the Company or another Restricted Subsidiary) shall be deemed, in each case to be an incurrence of such Indebtedness not permitted by this clause;

(i) shares of preferred stock of a Restricted Subsidiary issued to the Company or another Restricted Subsidiary; provided that any subsequent issuance or transfer of any Capital Stock or any other event which results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such shares of preferred stock (except to the Company or another Restricted Subsidiary) shall be deemed in each case to be an issuance of such shares of preferred stock not permitted by this clause;

(j) Hedging Obligations (excluding Hedging Obligations entered into for speculative purposes);

(k) obligations in respect of self-insurance, performance, bid, appeal, and surety bonds and completion guarantees and similar obligations provided by the Company or any Restricted Subsidiary or obligations in respect of letters of credit, bank guarantees or similar instruments related thereto, in each case, in the ordinary course of business or consistent with past practice;

(l) (i) Indebtedness, Disqualified Stock and preferred stock of the Company or any Restricted Subsidiary in an aggregate principal amount or liquidation preference up to 100% of the net cash proceeds received by the Company since immediately after the Closing Date from the issue or sale of Equity Interests of the Company or cash contributed to the capital of the Company (in each case, other than Excluded Contributions, proceeds of Disqualified Stock or sales of Equity Interests to the Company or any of its Subsidiaries, proceeds of any Cure Amount or the proceeds of the 2022 Equity Contribution)

as determined in accordance with Sections 10.5(a)(iii)(B) and 10.5(a)(iii)(C) of the First Lien Term Loan Agreement (or comparable "builder basket" provision in respect of Refinancing Indebtedness) to the extent such net cash proceeds or cash have not been applied pursuant to such clauses to make Restricted Payments or to make other Investments, payments or exchanges pursuant to Section 10.5(b) or to make permitted Investments (other than permitted Investments specified in clauses (a) and (c) of the definition thereof) and (ii) Indebtedness, Disqualified Stock or preferred stock of the Company or any Restricted Subsidiary not otherwise permitted hereunder in an aggregate principal amount or liquidation preference, which when aggregated with the principal amount and liquidation preference of all other Indebtedness, Disqualified Stock and preferred stock then outstanding and incurred pursuant to this clause(l)(ii), does not at any one time outstanding exceed the greater of (x) $20,000,000 and (y) 40% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of incurrence (it being understood that any Indebtedness, Disqualified Stock or preferred stock incurred pursuant to this clause (l)(ii) shall cease to be deemed incurred or outstanding for purposes of this clause (l)(ii) but shall be deemed incurred for the purposes of the first paragraph of this Section 10.1 from and after the first date on which the Company or such Restricted Subsidiary could have incurred such Indebtedness, Disqualified Stock or preferred stock under the first paragraph of this Section 10.1 without reliance on this clause(l)(ii));

(m) the incurrence or issuance by the Company or any Restricted Subsidiary of Indebtedness, Disqualified Stock or preferred stock which serves to refinance any Indebtedness, Disqualified Stock or preferred stock incurred as permitted under the first paragraph of this Section 10.1 and clauses (b) and (c) above, clause (l)(i), this clause (m), clause (n) and clause (v) below or any Indebtedness, Disqualified Stock or preferred stock issued to so refinance, replace, refund, extend, renew, defease, restructure, amend, restate or otherwise modify (collectively, **"refinance")** such Indebtedness, Disqualified Stock or preferred stock (the **"Refinancing Indebtedness")** prior to its respective maturity; provided, that such Refinancing Indebtedness (1) has a weighted average life to maturity at the time such Refinancing indebtedness is incurred which is not less than the remaining weighted average life to maturity of the Indebtedness, Disqualified Stock or preferred stock being refinanced, (2) to the extent such Refinancing Indebtedness refinances (i) Indebtedness that is unsecured or secured by a Lien ranking junior to the Liens securing the Obligations, such Refinancing indebtedness is unsecured or secured by a Lien ranking junior to the Liens securing the Obligations or (ii) Disqualified Stock or preferred stock, such Refinancing Indebtedness must be Disqualified Stock or preferred stock, respectively, and (3) shall not include Indebtedness, Disqualified Stock or preferred stock of a Subsidiary of the Company that is not a 801Towcr or a Guarantor that refinances Indebtedness, Disqualified Stock or preferred stock of a Borrower or a Guarantor;

(n) Indebtedness, Disqualified Stock or preferred stock of (x) the Company or a Restricted Subsidiary incurred or issued to finance an acquisition, merger, or consolidation; provided that the amount of Indebtedness (other than Acquired Indebtedness), Disqualified Stock and preferred stock that may be incurred pursuant to the foregoing, together with any amounts incurred under the first paragraph of this Section 10.1 by Restricted Subsidiaries that are not Guarantors shall not exceed the greater of (A) $15,000,000 and (B) 30% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at any one time outstanding, or (y) Persons that are acquired by the Company or any Restricted Subsidiary or merged into or consolidated with the Company or a Restricted Subsidiary in accordance with the terms hereof (including designating an Unrestricted Subsidiary a Restricted Subsidiary); provided that after giving effect to any such acquisition, merger, consolidation or designation described in this clause (n), the aggregate amount of Indebtedness, Disqualified Stock or preferred stock incurred pursuant to this clause (n) shall not to exceed the sum of (A) $25,000,000 plus (B) unlimited additional amounts if, after giving effect thereto (calculated on a Pro Forma Basis), the

Interest Coverage Ratio of the Company and the Restricted Subsidiaries is at least 2.00 to 1.00 for the most recently ended Test Period (calculated on a Pro Forma Basis);

(o) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business;

(p) (i) Indebtedness of the Company or any Restricted Subsidiary supported by a letter of credit, in a principal amount not in excess of the stated amount of such letter of credit so long as such letter of credit is otherwise permitted to be incurred pursuant to this Section 10.1 or (ii) obligations in respect of letters of support, guarantees or similar obligations issued, made or incurred tor the benefit of any Subsidiary of the Company to the extent required by law or in connection with any statutory filing or the delivery of audit opinions performed in jurisdictions other than within the United States;

(q) (l) any guarantee by the Company or a Restricted Subsidiary of Indebtedness or other obligations of any Restricted Subsidiary so long as in the case of a guarantee of Indebtedness by a Restricted Subsidiary that is not a Guarantor, such indebtedness could have been incurred directly by the Restricted Subsidiary providing such guarantee or (2) any guarantee by a Restricted Subsidiary of Indebtedness of the Company;

(r) Indebtedness of Restricted Subsidiaries that are not Guarantors in an amount not to exceed, in the aggregate at any one time outstanding, the greater of (x) $5,000,000 and (y) 10% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) (it being understood that any Indebtedness incurred pursuant to this clause (r) shall cease to be deemed incurred or outstanding for purposes of this clause (r) but shall be deemed incurred for the purposes of the first paragraph of this covenant from and after the first date on which such Restricted Subsidiary could have incurred such Indebtedness under the first paragraph of this covenant without reliance on this clause (r));

(s) Indebtedness of the Company or any of the Restricted Subsidiaries consisting of (i) the financing of insurance premiums or (ii) take or pay obligations contained in supply arrangements in each case, incurred in the ordinary course of business or consistent with past practice;

(t) Indebtedness of the Company or any of the Restricted Subsidiaries undertaken in connection with cash management and related activities with respect to any Subsidiary or joint venture in the ordinary course of business, including with respect to financial accommodations of the type described in the definition of Cash Management Services;

(u) Indebtedness consisting of Indebtedness issued by the Company or any of the Restricted Subsidiaries to future, current or former officers, directors, managers and employees thereof, their respective estates, spouses or former spouses, in each case to finance the purchase or redemption of Equity Interests of the Company or any direct or indirect parent company of the Company to the extent described in clause (4) of Section 10.5(b);

(v) (x) Indebtedness represented by the First Lien Term Facility, Permitted First Lien Exchange Notes and any guarantee thereof in an aggregate principal amount not to exceed $180,000,000 (plus all accrued interest, fees and expenses) and (y) Indebtedness that may be incurred pursuant to Section 2.14 and Section 10.l(x)(i) of the First Lien Term Loan Agreement (as in effect on the Amendment No. 1 Effective Date, after giving effect to the Amendment No. 1 to First Lien Term Loan Agreement), in each case, pursuant to the definition of Maximum incremental Facilities Amount in the

First Lien Term Loan Agreement (as in effect on the Amendment No. l Effective Date, after giving effect to the Amendment No. 1 to First Lien Term Loan Agreement);

(w) [Reserved];

(x) [Reserved];

(y) [Reserved];

(z) Indebtedness constituting any part of any Permitted Reorganization; and

(aa) as long as the Payment Conditions are satisfied at the time of incurrence, unsecured Subordinated Indebtedness and other unsecured Indebtedness, in each case, the terms of which do not provide for any scheduled repayment, mandatory repayment, or redemption or sinking fund obligations prior to, at the time of incurrence, the latest Maturity Date (other than, in each case, customary offers or obligations to repurchase upon a change of control, asset sale, or casualty or condemnation event, AHYDO payments and customary acceleration rights after an event of default).

For purposes of determining compliance with this Section 10.1: (i) in the event that an item of Indebtedness, Disqualified Stock or preferred stock (or any portion thereat) meets the criteria of more than one of the categories of permitted Indebtedness, Disqualified Stock or preferred stock described in clauses (a) through (aa) above or is entitled to be incurred pursuant to the first paragraph of this Section 10.1, the Company, in its sole discretion, will classify and may reclassify such item of Indebtedness, Disqualified Stock or preferred stock (or any portion thereof) and will only be required to include the amount and type of such Indebtedness, Disqualified Stock or preferred stock in one of the above clauses or paragraphs; and (ii) at the time of incurrence, the Company will be entitled to divide and classify an item of Indebtedness in more than one of the types of Indebtedness described in this Section 10.1.

Accrual of interest or dividends, the accretion of accreted value, the accretion or amortization of original issue discount and the payment of interest or dividends in the form of additional Indebtedness, Disqualified Stock or preferred stock will not be deemed to be an incurrence of Indebtedness, Disqualified Stock or preferred stock for purposes of this covenant. Any Refinancing Indebtedness and any Indebtedness incurred to refinance Indebtedness incurred pursuant to clauses (a) and (l)(ii) above shall be deemed to include additional Indebtedness, Disqualified Stock or preferred stock incurred to pay premiums (including reasonable tender premiums), defeasance costs, fees, and expenses in connection with such refinancing.

For purposes of determining compliance with any Dollar-denominated restriction on the incurrence of Indebtedness, the principal amount of Indebtedness denominated in another currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term debt, or first committed, in the case of revolving credit debt; provided that if such Indebtedness is incurred to refinance other Indebtedness denominated in another currency, and such refinancing would cause the applicable Dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such Dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed (i) the principal amount of such Indebtedness being refinanced plus (ii) the aggregate amount of fees, underwriting discounts, premiums, and other costs and expenses and accrued and unpaid interest incurred in connection with such refinancing.

The principal amount of any Indebtedness incurred to refinance other Indebtedness, if incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency

exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing.

This Agreement will not treat (1) unsecured Indebtedness as subordinated or junior to secured Indebtedness merely because it is unsecured or (2) senior Indebtedness as subordinated or junior to any other senior Indebtedness merely because it has a junior priority with respect to the same collateral.

10.2 Limitation on Liens.

(a) The Company will not, and will not permit any of the Restricted Subsidiaries to, create, incur, assume or suffer to exist any Lien upon any property or assets of any kind (real or personal, tangible or intangible) of the Company or any Restricted Subsidiary, whether now owned or hereafter acquired (each, a **"Subject Lien")** that secures obligations under any Indebtedness on any asset or property of the Company or any Restricted Subsidiary, except:

(i) in the case of Subject Liens on any Collateral, if such Subject Lien is a Permitted Lien; and

(ii) in the case of any other asset or property, any Subject Lien if (i) the Obligations are equally and ratably secured with (or on a senior basis to, in the case such Subject Lien secures any Junior Debt) the obligations secured by such Subject Lien or (ii) such Subject Lien is a Permitted Lien.

(b) Any Lien created for the benefit of the Secured Parties pursuant to the preceding paragraph shall provide by its terms that such Lien shall be automatically and unconditionally be released and discharged upon the release and discharge of the Subject Lien that gave rise to the obligation to so secure the Obligations.

10.3 Limitation on Fundamental Changes. The Company will not, and will not permit any of the Restricted Subsidiaries to, enter into any merger, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or convey, sell, lease, assign, transfer or otherwise dispose of, all or substantially all its business units, assets or other properties, except that:

(a) so long as no Event of Default has occurred and is continuing or would result therefrom, any Subsidiary of the Company or any other Person may be merged, amalgamated or consolidated with or into the Company; provided that (A) the Company shall be the continuing or surviving corporation or (B) if the Person formed by or surviving any such merger, amalgamation or consolidation is not the Company (such other Person, the **"Successor Borrower"),** (1) the Successor Borrower shall be an entity organized or existing under the laws of the United States, any state thereof, the District of Columbia, (2) the Successor Borrower shall expressly assume all the obligations of the Company under this Agreement and the other Credit Documents in a manner and pursuant to documentation reasonably satisfactory to the Administrative Agent, (3) each Guarantor, unless it is the other party to such merger, amalgamation or consolidation, shall have by a supplement to the Guarantee confirmed that its guarantee thereunder shall apply to any Successor Borrower's obligations under this Agreement, (4) each Subsidiary grantor and each Subsidiary pledgor, unless it is the other party to such merger, amalgamation or consolidation, shall have by a supplement to any applicable Security Document affirmed that its obligations thereunder shall apply to its Guarantee as reaffirmed pursuant to clause (3), (5) each mortgagor of a Mortgaged Property, unless it is the other party to such merger, amalgamation or consolidation, shall have affirmed that its obligations under the applicable Mortgage shall apply to its Guarantee as reaffirmed pursuant to clause (3), (6) the Successor Borrower shall have

delivered to the Administrative Agent (x) an officer's certificate of a Responsible Officer stating that such merger, amalgamation, or consolidation and such supplements preserve the enforceability of the Guarantee and the perfection and priority of the Liens under the applicable Security Documents and with respect to the satisfaction of the conditions set forth in clauses (7)(i) and (8) in this Section 9.3(a) and (y) if reasonably requested by the Administrative Agent, an opinion of counsel as to corporate matters and to the effect that the provisions set forth in the preceding clauses (3) through (5) preserve the enforceability of the Guarantee and the perfection of the Liens created under the applicable Security Documents, (7)(i) such transaction does not result in any material adverse tax consequences to any Credit Party and (ii) such transaction does not result in any adverse tax consequences to any Lender (unless reimbursed hereunder) or to the Administrative Agent (unless reimbursed hereunder), (8) no Change of Control shall occur and (9) the Administrative Agent shall have received at least five (5) Business Days' prior written notice of the proposed transaction and the Borrower Representative shall promptly and in any event at least two (2) Business Days' prior to the consummation of the transaction provide all information any Lender or any Agent may reasonably request to satisfy its "know your customer" and other similar requirements necessary for such Person to comply with its internal compliance and regulatory requirements with respect to the proposed Successor Borrower (it being understood that if the foregoing are satisfied, the Successor Borrower will succeed to, and be substituted for, such Borrower under this Agreement);

(b) so long as no Event of Default has occurred and is continuing or would result therefrom, any Subsidiary of the Company or any other Person (in each case, other than the Company) may be merged, amalgamated or consolidated with or into any one or more Subsidiaries of the Company; provided that (i) in the case of any merger, amalgamation or consolidation involving one or more Restricted Subsidiaries, (A) a Restricted Subsidiary shall be the continuing or surviving Person or (B) the Company shall cause the Person formed by or surviving any such merger, amalgamation or consolidation (if other than a Restricted Subsidiary) to become a Restricted Subsidiary, (ii) in the case of any merger, amalgamation or consolidation involving one or more Guarantors, a Guarantor shall be the continuing or surviving Person or the Person formed by or surviving any such merger, amalgamation or consolidation and if the surviving Person is not already a Guarantor, such Person shall execute a supplement to the Guarantee and the relevant Security Documents in form and substance reasonably satisfactory to the Administrative Agent in order to become a Guarantor and pledgor, mortgagor and grantor, as applicable, thereunder for the benefit of the Secured Parties, and (iii) the Company shall have delivered to the Administrative Agent an officer's certificate stating that such merger, amalgamation or consolidation and any such supplements to any Security Document preserve the enforceability of the Guarantees and the perfection and priority of the Liens under the applicable Security Documents;

(c) the Acquisition may be consummated;

(d) (i) any Restricted Subsidiary that is not a Credit Party may convey, sell, lease, assign, transfer or otherwise dispose of any or all of its assets (upon voluntary liquidation or dissolution or otherwise) to the Company or any other Restricted Subsidiary or (ii) any Credit Party (other than the Company) may convey, sell, lease, assign, transfer or otherwise dispose of any or all of its assets (upon voluntary liquidation or dissolution or otherwise) to any other Credit Party;

(e) any Subsidiary may convey, sell, lease, assign, transfer or otherwise dispose of any or all of its assets (upon voluntary liquidation or dissolution or otherwise) to a Credit Party;

Provided that the consideration for any such disposition by any Person other than a Guarantor shall not exceed the fair value of such assets;

(f) any Restricted Subsidiary may liquidate or dissolve if the Company determines in good faith that such liquidation or dissolution is in the best interests of the Company and is not materially disadvantageous to the Lenders;

(g) the Company and the Restricted Subsidiaries may consummate a merger, dissolution, liquidation, consolidation, investment or conveyance, sale, lease, assignment or disposition, the purpose of which is to effect a disposition not prohibited by Section 10.4 or an investment permitted pursuant to Section 10.5 or an investment that constitutes a Permitted investment;

(h) so long as no Event of Default has occurred and is continuing or would result therefrom, the Company or any Restricted Subsidiary may change its legal form;

(i) the Company and the Restricted Subsidiaries may consummate any Permitted Reorganization; and

(j) the Company, the Restricted Subsidiaries and the Unrestricted Subsidiaries may enter into and consummate an Intercompany License Agreement.

10.4 Limitation on Sale of Assets. the Company will not, and will not permit any Restricted Subsidiary to, consummate an Asset Sale, unless:

(a) the Company or such Restricted Subsidiary, as the case may be, receives consideration at the time of such Asset Sale at least equal to the Fair Market Value (as determined at the time of contractually agreeing to such Asset Sale) of the assets sold or otherwise disposed of; and

(b) except in the case of a Permitted Asset Swap, if the property or assets sold or otherwise disposed of have a Fair Market Value in excess of $10,000,000, at least 75% of the consideration therefor received by the Company or such Restricted Subsidiary, as the case may be, is in the form of cash or Cash Equivalents; provided that the amount of:

(i) any liabilities (as reflected on the Company's most recent consolidated balance sheet or in the footnotes thereto, or it incurred or accrued subsequent to the date of such balance sheet, such liabilities that would have been reflected on the Company's consolidated balance sheet or in the footnotes thereto if such incurrence or accrual had taken place on or prior to the date of such balance sheet, as determined in good faith by the Company) of the Company, other than liabilities that are by their terms subordinated to the Loans, that are assumed by the transferee of any such assets (or are otherwise extinguished in connection with the transactions relating to such Asset Sale) and for which the Company and all such Restricted Subsidiaries have been validly released by all applicable creditors in writing;

(ii) any securities, notes or other obligations or assets received by the Company or such Restricted Subsidiary from such transferee that are converted by the Company or such Restricted Subsidiary into cash or Cash Equivalents, or by their terms are required to be satisfied for cash or Cash Equivalents (to the extent of the cash or

Cash Equivalents received), in each case, within 180 days following the closing of such Asset Sale;

(iii) Indebtedness, other than liabilities that are by their terms subordinated to the Loans, that are of any Restricted Subsidiary that is no longer a Restricted Subsidiary as a result of such Asset Sale, to the extent that the Company and all Restricted Subsidiaries have been validly released from any Guarantee of payment of such Indebtedness in connection with such Asset Sale; and

(iv) any Designated Non-Cash Consideration received by the Company or such Restricted Subsidiary in such Asset Sale having an aggregate Fair Market Value, taken together with all other Designated Non-Cash Consideration received pursuant to this clause (iv) that is at that time outstanding, not to exceed the greater of $4,000,000 or 7.0% of Consolidated EBITDA at the time of the receipt of such Designated Non-Cash Consideration, with the Fair Market Value of each item of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value,

shall be deemed to be cash for purposes of this provision and for no other purpose.

10.5 Limitation on Restricted Payments.

(a) the Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly:

(1) declare or pay any dividend or make any payment or distribution on account of the Company's or any Restricted Subsidiary's Equity Interests, including any dividend or distribution payable in connection with any merger or consolidation, other than:

(A) dividends or distributions by the Company payable in Equity Interests (other than Disqualified Stock) of the Company or in options, warrants or other rights to purchase such Equity Interests, or

(B) dividends or distributions by a Restricted Subsidiary so long as, in the case of any dividend or distribution payable on or in respect of any class or series of securities issued by a Subsidiary other than a Wholly-Owned Subsidiary, the Company or a Restricted Subsidiary receives at least its pro rata share of such dividend or distribution in accordance with its Equity Interests in such class or series of securities;

(2) purchase, redeem, defease or otherwise acquire or retire for value any Equity Interests of the Company or any direct or indirect parent company of the Company, including in connection with any merger or consolidation;

(3) make any principal payment on, or redeem, repurchase, defease or otherwise acquire or retire for value in each case, prior to any scheduled repayment, sinking fund payment or maturity, any Junior Debt of the Company or any Restricted Subsidiary, other than (A) Indebtedness permitted under clauses (g) and (h) of Section 10.1, (B) the purchase, repurchase or other acquisition of Junior Debt purchased in anticipation of satisfying a sinking fund obligation, principal installment or final

maturity, in each case due within one year of the date of purchase, repurchase or acquisition or (C) AHYDO Payments with respect to Indebtedness permitted under Section 10.1; or

(4) make any Restricted Investment;

(all such payments and other actions set forth in clauses (1) through (4) above (other than any exception thereto) being collectively referred to as **"Restricted Payments"**).

(b) The foregoing provisions of Section 10.5(a) will not prohibit:

(1) the payment of any dividend or distribution or the consummation of any irrevocable redemption within 60 days after the date of declaration thereof or the giving of such irrevocable notice, as applicable, if at the date of declaration or the giving of such notice such payment would have complied with the provisions of this Agreement;

(2) (a) the redemption, repurchase, retirement or other acquisition of any Equity Interests (**"Retired Capital Stock"**) or Junior Debt of the Company or any Restricted Subsidiary, or any Equity Interests of any direct or indirect parent company of the Company, in exchange for, or out of the proceeds of the substantially concurrent sale (other than to a Restricted Subsidiary) of, Equity Interests of the Company or any direct or indirect parent company of the Company to the extent contributed to the Company (in each case, other than any Disqualified Stock) (**"Refunding Capital Stock"**) and (b) if immediately prior to the retirement of Retired Capital Stock, the declaration and payment of dividends thereon was permitted under clause (6) of this Section 10.5(b), the declaration and payment of dividends on the Refunding Capital Stock (other than Refunding Capital Stock the proceeds of which were used to redeem, repurchase, retire or otherwise acquire any Equity Interests of any direct or indirect parent company of the Company) in an aggregate amount per year no greater than the aggregate amount of dividends per annum that was declarable and payable on such Retired Capital Stock immediately prior to such retirement;

(3) the prepayment, redemption, defeasance, repurchase or other acquisition or retirement for value of Junior Debt of the Company or a Restricted Subsidiary made by exchange for, or out of the proceeds of the substantially concurrent sale of; new Indebtedness of the Company, or a Restricted Subsidiary, as the case may be, which is incurred in compliance with Section 10.1 so long as: (A) the principal amount (or accreted value, if applicable) of such new indebtedness does not exceed the principal amount of (or accreted value, if applicable), plus any accrued and unpaid interest on the Junior Debt being so redeemed, defeased, repurchased, exchanged, acquired or retired for value, plus the amount of any premium (including reasonable tender premiums), defeasance costs and any reasonable fees and expenses incurred in connection with the issuance of such new Indebtedness, (B) if such Junior Debt is subordinated to the Obligations, such new Indebtedness is subordinated to the Obligations or the applicable Guarantee at least to the same extent as such Junior Debt so purchased, exchanged, redeemed, defeased, repurchased, acquired or retired for value, (C) such new Indebtedness has a final scheduled maturity date equal to or later than the final scheduled maturity date of the Junior Debt being so redeemed, defeased, repurchased, exchanged, acquired or retired, (D) if such Junior Debt so purchased, exchanged, redeemed, repurchased, acquired or retired for value is (i) unsecured then

such new Indebtedness shall be unsecured or (ii) is secured by a Lien ranking junior to the Liens securing the Obligations then such new Indebtedness shall be unsecured or secured by a Lien ranking junior to the Liens securing the Obligations, and (E) such new Indebtedness has a weighted average life to maturity equal to or greater than the remaining weighted average life to maturity of the Junior Debt being so redeemed, defeased, repurchased, exchanged, acquired or retired;

(4) a Restricted Payment to pay for the repurchase, retirement or other acquisition or retirement for value of Equity Interests (other than Disqualified Stock) of the Company or any direct or indirect parent company of the Company held by any future, present or former employee, director, manager or consultant of the Company, any of its Subsidiaries or any direct or indirect parent company of the Company, or their estates, descendants, family, spouse or former spouse pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement, or any stock subscription or shareholder agreement (including, for the avoidance of doubt, any principal and interest payable on any notes issued by the Company or any direct or indirect parent company of the Company in connection with such repurchase, retirement or other acquisition), including any Equity Interests rolled over by management of the Company or any direct or indirect parent company of the Company in connection with the Transactions: provided that, except with respect to non-discretionary purchases, the aggregate Restricted Payments made under this clause (4) subsequent to the Closing Date do not exceed in any calendar year $5,000,000 (with unused amounts in any calendar year being carried over to succeeding calendar years subject to maximum aggregate Restricted Payments under this clause (without giving effect to the following proviso) of $10,000,000 in any calendar year); provided, further, that such amount in any calendar year may be increased by an amount not to exceed: (A) the cash proceeds from the sale of Equity Interests (other than Disqualified Stock) of the Company and, to the extent contributed to the Company, the cash proceeds from the sale of Equity Interests of any direct or indirect parent company of the Company, in each case to any future, present or former employees, directors, managers or consultants of the Company, any of its Subsidiaries or any direct or indirect parent company of the Company that occurs after the Closing Date, to the extent the cash proceeds from the sale of such Equity Interests have not otherwise been applied to the payment of Restricted Payments by virtue of clause (iii) of Section 10.5(a) of the First Lien Term Loan Agreement (or comparable "builder basket" provision in respect of Refinancing Indebtedness) and are not used for any Cure Amount and are used to make such Restricted Payment within ninety (90) days of the receipt of such cash proceeds, plus (B) the cash proceeds of key man life insurance policies received by the Company and the Restricted Subsidiaries after the Closing Date which are used to make such Restricted Payment within ninety (90) days of the receipt of such cash proceeds, less (C) the amount of any Restricted Payments previously made pursuant to clauses (A) and (B) of this clause (4); and provided, further, that cancellation of indebtedness owing to the Company or any Restricted Subsidiary from any future, present or former employees, directors, managers or consultants of the Company, any direct or indirect parent company of the Company or any Restricted Subsidiary, or their estates, descendants, family, spouse or former spouse pursuant in connection with a repurchase of Equity Interests of the Company or any direct or indirect parent company of the Company will not be deemed to constitute a Restricted Payment for purposes of this Section 10.5 or any other provision of this Agreement;

(5) the declaration and payment of dividends to holders of any class or series of Disqualified Stock of the Company or any Restricted Subsidiary or any class or series of preferred stock of any Restricted Subsidiary, in each case, issued in accordance with Section 10.1 to the extent such dividends are included in the definition of Fixed Charges;

(6) [reserved];

(7) [reserved];

(8) payments made or expected to be made by the Company or any Restricted Subsidiary in respect of withholding or similar taxes payable upon exercise of Equity Interests by any future, present or former employee, director, manager, or consultant and repurchases of Equity Interests deemed to occur upon exercise of stock options or warrants if such Equity Interests represent a portion of the exercise price of such options or warrants;

(9) [reserved];

(10) (x) scheduled or mandatory payments (including any premium) as and when due in respect of Indebtedness under the First Lien Term Facility and the Second Lien Facility and (y) prepayments of principal of and any required premium on loans under the First Lien Term Loan Agreement and Second Lien Term Loan Agreement in connection with the removal of a lender pursuant to Section 13.7 of the First Lien Term Loan Agreement or Second Lien Term Loan Agreement (or any comparable provision in respect of Refinancing Indebtedness) or the payment of any fees in connection with amendments thereto;

(11) other Restricted Investments in an aggregate amount taken together with all other Restricted Investments made pursuant to this clause not to exceed the greater of (x) $15,000,000 and (y) 30% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time made, provided that the Payment Conditions have been satisfied with respect thereto;

(12) [reserved];

(13) any Restricted Payment made in connection with the Transactions and the fees and expenses related thereto or used to fund amounts owed to Affiliates (including dividends to any direct or indirect parent company of the Company to permit payment by such parent of such amount), to the extent permitted by Section 10.10 (other than clause (b) thereof), and Restricted Payments in respect of working capital adjustments or purchase price adjustments pursuant to the Acquisition Agreement, any Permitted Acquisition or other Permitted Investment and to satisfy indemnity and other similar obligations under the Acquisition Agreement, any Permitted Acquisitions or other Permitted Investments;

(14) other Restricted Payments to the extent that at the time such Restricted Payment is made, the Payment Conditions have been satisfied with respect thereto;

(15) the declaration and payment of dividends by the Company to, or the making of loans to, any direct or indirect parent company of the Company in amounts required for any direct or indirect parent company to pay: (A) franchise and excise taxes, and other fees and expenses, required to maintain its organizational existence, (B) consolidated, combined or similar foreign, federal, state and local income and similar taxes, to the extent that such income taxes are attributable to the income of the Company and the Restricted Subsidiaries and, to the extent of the amount actually received from its Unrestricted Subsidiaries, in amounts required to pay such taxes to the extent attributable to the income of such Unrestricted Subsidiaries, provided that in each case the amount of such payments with respect to any fiscal year does not exceed the amount that the Company, the Restricted Subsidiaries and the Unrestricted Subsidiaries (to the extent described above) would have been required to pay in respect of such foreign, federal, state and local income taxes for such fiscal year had the Company, the Restricted Subsidiaries and the Unrestricted Subsidiaries (to the extent described above) been a stand-alone taxpayer or stand-alone group (separate from any such direct or indirect parent company of the Company) for all fiscal years ending after the Closing Date, (C) customary salary, bonus, and other benefits payable to officers, employees, directors, and managers of any direct or indirect parent company of the Company to the extent such salaries, bonuses, and other benefits are attributable to the ownership or operation of the Company and the Restricted Subsidiaries, including the Company's proportionate share of such amount relating to such parent company being a public company, (D) general corporate or other operating (including, without limitation, expenses related to auditing or other accounting matters) and overhead costs and expenses of any direct or indirect parent company of the Company to the extent such costs and expenses are attributable to the ownership or operation of the Company and the Restricted Subsidiaries, including the Company's proportionate share of such amount relating to such parent company being a public company, (E) amounts required for any direct or indirect parent company of the Company to pay fees and expenses incurred by any direct or indirect parent company of the Company related to (i) the maintenance by such parent entity of its corporate or other entity existence and (ii) transactions of such parent company of the Company of the type described in clause (xi) of the definition of Consolidated Net Income, (F) cash payments in lieu of issuing fractional shares in connection with the exercise of warrants, options or other securities convertible into or exchangeable for Equity Interests of the Company or any such direct or indirect parent company of the Company, and (G) repurchases deemed to occur upon the cashless exercise of stock options;

(16) the repurchase, redemption or other acquisition for value of Equity Interests of the Company deemed to occur in connection with paying cash in lieu of fractional shares of such Equity Interests in connection with a share dividend, distribution, share split, reverse share split, merger, consolidation, amalgamation or other business combination of the Company, in each case, permitted under this Agreement;

(17) the distribution, by dividend or otherwise, of shares of Capital Stock of, or Indebtedness owed to the Company or a Restricted Subsidiary by, Unrestricted Subsidiaries (other than Unrestricted Subsidiaries, the primary assets of which are cash and/or Cash Equivalents);

(18) [reserved];

(19) [reserved]; and

(20) scheduled payments of principal in respect of any Subordinated Indebtedness (subject to applicable subordination provisions related thereto);

provided that at the time of, and after giving effect to, any Restricted Payment permitted under clauses (11) and (19), no Event of Default shall have occurred and be continuing or would occur as a consequence thereof (or in the case of a Restricted Investment, no Event of Default under Section 11.1 or 11.5 shall have occurred and be continuing or would occur as a consequence thereof).

The Company will not permit any Unrestricted Subsidiary to become a Restricted Subsidiary except pursuant to the last sentence of the definition of Unrestricted Subsidiary. For purposes of designating any Restricted Subsidiary as an Unrestricted Subsidiary, all outstanding Investments by the Company and the Restricted Subsidiaries (except to the extent repaid) in the Subsidiary so designated will be deemed to be Restricted Payments in an amount determined as set forth in the last sentence of the definition of Investment. Such designation will be permitted only if a Restricted Payment in such amount would be permitted at such time, whether pursuant to clauses (7), (11) or (14) of Section 10.5(b), or pursuant to the definition of Permitted Investments, and if such Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. Unrestricted Subsidiaries Will not be subject to any of the restrictive covenants set forth in this Agreement.

For purposes of determining compliance with this covenant, in the event that a proposed Restricted Payment or Investment (or a portion thereof) meets the criteria of clauses (1) through (20) and/or one or more of the exceptions contained in the definition of Permitted Investments, the Company will be entitled to classify or later reclassify (based on circumstances existing on the date of such reclassification) such Restricted Payment (or portion thereof) among such clauses (1) through (20), in a manner that otherwise complies with this covenant.

Notwithstanding anything to the contrary contained herein, until the First Lien Initial Term Loans are repaid in full, the Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly (x) make any Restricted Payment pursuant to clause (3) of Section 10.5(b), (y) make any Restricted Payment pursuant to clause (14) of Section 10.5(b) other than Restricted Investments or (z) make any voluntary principal payment on, or voluntarily redeem, repurchase, defease or otherwise acquire or retire for value in each case, prior to any scheduled repayment, sinking fund payment or maturity, any First Lien Initial Term Loans (other than (i) payments of principal from proceeds of Refinancing Indebtedness in respect thereof or (ii) to the extent that at the time of such payment, redemption, repurchase, defeasance or other acquisition or retirement for value the Payment Conditions are satisfied).

10.6 Limitation on Subsidiary Distributions. The Company will not, and will not permit any of the Restricted Subsidiaries that are not Borrowers or Guarantors to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or consensual restriction on the ability of any such Restricted Subsidiary to:

(a) (i) pay dividends or make any other distributions to the Company or any Restricted Subsidiary on its Capital Stock or with respect to any other interest or participation in, or measured by, its profits or (ii) pay any Indebtedness owed to the Company or any Restricted Subsidiary;

(b) make loans or advances to the Company or any Restricted Subsidiary: or

(c) sell, lease or transfer any of its properties or assets to the Company or any Restricted Subsidiary;

except (in each case) for such encumbrances or restrictions existing under or by reason of:

(i) contractual encumbrances or restrictions in effect on the Closing Date, including pursuant to this Agreement and the related documentation and related Hedging Obligations;

(ii) (x) the Second Lien Credit Documents and the Second Lien Loans and (y) the First Lien Term Loan Credit Documents and the First Lien Term Loans;

(iii) purchase money obligations for property acquired in the ordinary course of business or consistent with past practice and Capitalized Lease Obligations that impose restrictions of the nature discussed in clause (c) above on the property so acquired;

(iv) Requirement of Law or any applicable rule, regulation or order;

(v) any agreement or other instrument of a Person acquired by or merged or consolidated with or into the Company or any Restricted Subsidiary, or of an Unrestricted Subsidiary that is designated a Restricted Subsidiary, or that is assumed in connection with the acquisition of assets from such Person, in each case that is in existence at the time of such transaction (but not created in contemplation thereof), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person and its Subsidiaries, or the property or assets of the Person and its Subsidiaries, so acquired or designated;

(vi) contracts for the sale of assets, including customary restrictions with respect to a Subsidiary of the Company pursuant to an agreement that has been entered into for the sale or disposition of all or substantially all of the Capital Stock or assets of such Subsidiary and restrictions on transfer of assets subject to Permitted Liens;

(vii) (x) secured Indebtedness otherwise permitted to be incurred pursuant to Sections 10.1 and 10.2 that limit the right of the debtor to dispose of the assets securing such Indebtedness and (y) restrictions on transfers of assets subject to Permitted Liens (but, with respect to any such Permitted Lien, only to the extent that such transfer restrictions apply solely to the assets that are the subject of such Permitted Lien);

(viii) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business;

(ix) other Indebtedness, Disqualified Stock or preferred stock of Restricted Subsidiaries permitted to be incurred subsequent to the Closing Date pursuant to the provisions of Section 10.1;

(x) customary provisions in joint venture agreements or arrangements and other similar agreements or arrangements relating solely to such joint venture and the Equity Interests issued thereby;

(xi) customary provisions contained in leases, sub-leases, licenses, sub-licenses or similar agreements, in each case, entered into in the ordinary course of business;

(xii) [reserved]; and

(xiii) any encumbrances or restrictions of the type referred to in clauses (a), (b), and (c) above imposed by any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (i) through (xii) above; provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements, or refinancings (x) are, in the good faith judgment of the Company's board of directors, no more restrictive in any material respect with respect to such encumbrance and other restrictions taken as a whole than those prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing or (y) do not materially impair the Borrowers' ability to pay their respective obligations under the Credit Documents as and when due (as determined in good faith by the Borrower Representative).

10.7 Modifications of Organizational Documents. The Company shall not agree, and shall not permit any of the Restricted Subsidiaries to agree, to any material amendment, restatement, supplement or other modification to, or waiver of, any of its Organizational Documents after the Closing Date in a manner that is materially adverse to the Lenders, except as required by law.

10.8 Permitted Activities. The Company shall not engage in any material operating or business activities; *provided* that the following and any activities incidental thereto shall be permitted in any event: (i) its ownership of the Equity Interests of the Company and activities incidental thereto, including payment of dividends and other amounts in respect of its Equity Interests, (ii) the maintenance of its legal existence (including the ability to incur fees, costs and expenses relating to such maintenance), (iii) the performance of its obligations with respect to the Transactions, the Credit Documents, the First Lien Term Loan Credit Documents, the Second Lien Credit Documents and any other documents governing Indebtedness permitted hereby, (iv) any public offering of its common stock or any other issuance or sale of its Equity Interests, (v) financing activities, including the issuance of securities, incurrence of debt, payment of dividends, making contributions to the capital of the Company and guaranteeing the obligations of the Company, (vi) if applicable, participating in tax, accounting and other administrative matters as a member of the consolidated group of Holding and the Company, (vii) holding any cash or property (but not operate any property), (viii) making of any Restricted Payments or Investments permitted hereunder, (ix) providing indemnification to officers and directors, (x) activities relating to any Permitted Reorganization, (xi) merge, amalgamate or consolidate with or into any direct or indirect parent or subsidiary of Holdings (pursuant to the definition of "Holdings"), (xii) repurchases of Indebtedness through open market purchases and Dutch auctions and (xiii) any activities incidental or reasonably related to the foregoing.

10.9 Fiscal Years. The Company shall not permit, and shall not permit any Restricted Subsidiary to, change its fiscal year to end on dates inconsistent with past practice; provided, however, that the Company may, upon written notice to the Administrative Agent change the financial reporting convention specified above to (x) align the dates of such fiscal year and for any Restricted Subsidiary whose fiscal years end on dates different from those of the Company or (y) any other financial reporting convention reasonably acceptable to the Administrative Agent, in which case the Company and the Administrative Agent will, and are hereby authorized by the Lenders to, make any adjustments to this Agreement that are necessary in order to reflect such change in financial reporting.

10.10 Affiliate Transactions. The Company shall not conduct, and shall not permit the Restricted Subsidiaries to conduct, any transactions with a value in excess of $1,500,000 with any of its

Affiliates (other than the Company and the Restricted Subsidiaries or any entity that becomes a Restricted Subsidiary as a result of such transaction) on terms that are substantially less as favorable to the Company or such Restricted Subsidiary as it would obtain in a comparable arm's-length transaction with a Person that is not an Affiliate, as determined by the board of directors of the Company or such Restricted Subsidiary in good faith: provided that the foregoing restrictions shall not apply to (a)(i) the payment of fees to the Sponsor for management, consulting, and financial services rendered to the Company and the Restricted Subsidiaries pursuant to the Sponsor Management Agreement, (ii) customary investment banking and financial advisory fees paid to the Sponsor for services rendered to the Company and the Subsidiaries in connection with divestitures, acquisitions, financings and other transactions which payments are approved by a majority of the board of directors of the Company in good faith and (iii) indemnification and reimbursement of expenses pursuant to the Sponsor Management Agreement, (b) transactions permitted by Section 10.5, (c) consummation of the Transactions and the payment of the Transaction Expenses, (d) the issuance of Capital Stock or Stock Equivalents of the Company (or any direct or indirect parent thereof) or any of its Subsidiaries not otherwise prohibited by the Credit Documents, (e) loans, advances and other transactions between or among the Company, any Restricted Subsidiary or any joint venture (regardless of the form of legal entity) in which the Company or any Subsidiary has invested (and which Subsidiary or joint venture would not be an Affiliate of the Company but for the Company's or a Subsidiary's ownership of Capital Stock or Stock Equivalents in such joint venture or Subsidiary) to the extent permitted under Section 10, (f) employment and severance arrangements between the Company and the Restricted Subsidiaries and their respective officers, employees or consultants (including management and employee benefit plans or agreements, stock option plans and other compensatory arrangements) in the ordinary course of business (including loans and advances in connection therewith), (g) payments by the Company (and any direct or indirect parent thereof) and the Subsidiaries pursuant to the tax sharing agreements among the Company (and any such parent) and the Subsidiaries that are permitted under Section 10.5(b)(15); provided that in each case the amount of such payments in any fiscal year docs not exceed the amount that the Company, the Restricted Subsidiaries and the Unrestricted Subsidiaries (to the extent of the amount received from Unrestricted Subsidiaries) would have been required to pay in respect of such foreign, federal, state and/or local taxes for such fiscal year had the Company, the Restricted Subsidiaries and the Unrestricted Subsidiaries (to the extent described above) paid such taxes separately from any such direct or indirect parent company of the Company, (h) the payment of customary fees and reasonable out of pocket costs to, and indemnities provided on behalf of, directors, managers, consultants, officers, employees of the Company (or any direct or indirect parent thereof) and the Subsidiaries in the ordinary course of business to the extent attributable to the ownership or operation of the Company and the Subsidiaries, (i) transactions undertaken pursuant to membership in a purchasing consortium, (j) transactions pursuant to any agreement or arrangement as in effect as of the Closing Date, or any amendment, modification, supplement or replacement thereto (so long as any such amendment, modification, supplement or replacement is not disadvantageous in any material respect to the Lenders when taken as a whole as compared to the applicable agreement as in effect on the Closing Date as determined by the Borrower Representative in good faith), (k) [reserved], (l) the existence and performance of agreements and transactions with any Unrestricted Subsidiary that were entered into prior to the designation of a Restricted Subsidiary as such Unrestricted Subsidiary to the extent that the transaction was permitted at the time that it was entered into with such Restricted Subsidiary and transactions entered into by an Unrestricted Subsidiary with an Affiliate prior to the redesignation of any such Unrestricted Subsidiary as a Restricted Subsidiary; provided that such transaction was not entered into in contemplation of such designation or redesignation, as applicable, and (111) Affiliate repurchases of loans and commitments pursuant to the terms of the First Lien Term Facility and Second Lien Facility, and the payments and other transactions contemplated therein in respect thereof.

10.11 Financial Covenant. If either (a) Excess Availability at any time is less than the greater of (x) 10.0% of the Line Cap and (y) $ 10,000,000 or (b) any Overadvance Loans are outstanding at any

time (each of the events in clauses (a) and (b), a "Financial Covenant Trigger Event"), Borrowers shall not permit the Fixed Charge Coverage Ratio to be less than 1.00 to 1.00 as of the last day of any Test Period, commencing with the Test Period ended on or immediately prior to the date that the Financial Covenant Trigger Event occurs and (ii) such requirement to maintain a Fixed Charge Coverage Ratio of at least 1.00 to 1.00 shall no longer apply (a) with respect to any Financial Covenant Trigger Event described in clause (a), if Excess Availability on each day during any period of 30 consecutive calendar days commencing after the date of such Financial Covenant Trigger Event shall be at least the greater of (x) 10.0% of the Line Cap and (y) $ 10,000,000 and/or (b) with respect to any Financial Covenant Trigger Event described in clause (b), no Overadvance Loans are outstanding, after which time the requirement to comply with the Consolidated Fixed Charge Coverage Ratio shall not apply unless a subsequent Financial Covenant Trigger Event occurs.

Section 11. Events of Default

Upon the occurrence of any of the following specified events (each an **"Event of Default"**):

11.1 Payments. Any Borrower shall (a) default in the payment when due of any principal of the Loans, (b) default, and such default shall continue for five or more Business Days, in the payment when due of any interest on the Loans or Unpaid Drawings, or (c) default, and such default shall continue for ten or more Business Days, in the payment when due of any Fees or of any other amounts owing hereunder or under any other Credit Document; or

11.2 Representations, Etc. (a) On the Closing Date, any Specified Representation shall be false or incorrect in any material respect as of the Closing Date and (b) after the Closing Date, any representation, warranty or statement made or deemed made by any Credit Party herein or in any other Credit Document or any certificate delivered or required to be delivered pursuant hereto or thereto shall prove to be untrue in any material respect on the date as of which made or deemed made, and, to the extent capable of being cured, such incorrect representation or warranty shall remain incorrect for a period of 30 days after written notice thereof from the Administrative Agent to the Borrower Representative; or

11.3 Covenants. Any Credit Party shall:

(a) default in the due performance or observance by it of any term, covenant or agreement contained in Section 9.1(c)(i), Section 9.5 (solely with respect to the Company), Section 9.9, Section 9.14(d) or Section 10; provided that any Event of Default under Section 10.11 is subject to the provisions of Section 11.15; or

(b) default in the due performance or observance by it of any term, covenant or agreement contained in Section 9.1(d), Section 9.2(b) or Section 9.1(h) and such default shall continue unremedied for a period of at least five (5) Business Days (or, solely in the case of Section 9.1(h)(ii), 2 Business Days if Borrowing Base Certificates are required to be delivered weekly); or

(c) default in the due performance or observance by it of any term, covenant or agreement (other than those referred to in Section 11.1 or 11.2 or clause(a) or (b) of this Section 11.3) contained in this Agreement or any Security Document and such default shall continue unremedied for a period of at least 30 days after receipt of written notice by the Company from the Administrative Agent or the Required Lenders; or

11.4 Default Under Other Agreements. (a) Holdings, the Company or any of the Restricted Subsidiaries shall (i) default in any payment with respect to any Indebtedness (other than the Obligations)

in excess of $20,000,000 in the aggregate, for Holdings, the Company and such Restricted Subsidiaries, beyond the period of grace and following all required notices, if any, provided in the instrument or agreement under which such Indebtedness was created or (ii) default in the observance or performance of any agreement or condition relating to any such Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist (after giving effect to all applicable grace period and delivery of all required notices) (other than, with respect to Indebtedness consisting of any Hedge Agreements, termination events or equivalent events pursuant to the terms of such Hedge Agreements (it being understood that clause (i) shall apply to any failure to make any payment in excess of $20,000,000 that is required as a result of any such termination or similar event and that is not otherwise being contested in good faith)), the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Indebtedness (or a trustee or agent on behalf of such holder or holders) to cause, any such Indebtedness to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such indebtedness to be made, prior to its stated maturity; or (b) without limiting the provisions of clause (a) above, any such Indebtedness shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment or as a mandatory prepayment (and, with respect to indebtedness consisting of any Hedge Agreements, other than due to a termination event or equivalent event pursuant to the terms of such Hedge Agreements (it being understood that clause (a)(i) above shall apply to any failure to make any payment in excess of $20,000,000 that is required as a result of any such termination or equivalent event and that is not otherwise being contested in good faith)), prior to the stated maturity thereof; provided that clauses (a) and (b) shall not apply to (x) secured indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness, if such sale or transfer is permitted hereunder and under the documents providing for such Indebtedness, (y) Indebtedness which is convertible into Equity Interests and converts to Equity interests in accordance with its terms and such conversion is not prohibited hereunder, or (z) any breach or default that is (I) remedied by Holdings, the Company or the applicable Restricted Subsidiary or (II) waived (including in the form of amendment) by the required holders of the applicable item of Indebtedness, in either case, prior to the acceleration of Loans pursuant to this Section 11; or

11.5 Bankruptcy, Etc. Except as otherwise permitted by Section 10.3, Holdings, the Company or any other Material Subsidiary shall commence a voluntary case, proceeding or action concerning itself under (a) Title II of the United States Code entitled "Bankruptcy," or (b) in the case of any Foreign Subsidiary that is a Material Subsidiary, any domestic or foreign law relating to bankruptcy, judicial management, insolvency, liquidation, receivership, reorganization, administration or relief of debtors in effect in its jurisdiction of incorporation, in each case as now or hereafter in effect, or any successor thereto (collectively, the "**Bankruptcy Code**"); or an involuntary case, proceeding or action is commenced against Holdings, the Company or any other Material Subsidiary and the petition is not controverted within 30 days after commencement of the case, proceeding or action; or an involuntary case, proceeding or action is commenced against Holdings, the Company or any other Material Subsidiary and the petition is not dismissed within 60 days after commencement of the case, proceeding or action; or a custodian (as defined in the Bankruptcy Code), judicial manager, compulsory manager, receiver, receiver manager, trustee, liquidator, administrator, administrative receiver or similar Person is appointed for, or takes charge of all or substantially all of the property of Holdings, the Company or any other Material Subsidiary; or Holdings, the Company or any other Material Subsidiary commences any other voluntary proceeding or action under any reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency, winding-up, administration or liquidation or similar law of any jurisdiction whether now or hereafter in effect relating to Holdings, the Company or any other Material Subsidiary; or there is commenced against Holdings, the Company or any other Material Subsidiary any such proceeding or action that remains undismissed for a period of 60 days; or Holdings, the Company or any other Material Subsidiary is adjudicated bankrupt; or any order of relief or other order approving any such case or proceeding or action is entered; or Holdings, the Company or any other Material Subsidiary

suffers any appointment of any custodian receiver, receiver manager, trustee, administrator or the like for it or any substantial part of its property to continue undischarged or unstayed for a period of 60 days; or Holdings, the Company or any other Material Subsidiary makes a general assignment for the benefit of creditors; or

11.6 ERISA. (a) An ERISA Event shall have occurred, (b) a trustee shall be appointed by a United States district court to administer any Pension Plan(s), (c) the PBGC shall institute proceedings to terminate any Pension Plan(s), (d) any Credit Party or any of their respective ERISA Affiliates shall have been notified by the sponsor of a Multiemployer Plan that it has incurred or will be assessed Withdrawal Liability to such Multiemployer Plan and such entity docs not have reasonable grounds for contesting such Withdrawal Liability or is not contesting such Withdrawal Liability in a timely and appropriate manner or (e) any other event or condition of noncompliance with applicable Legal Requirements shall occur or exist with respect to a Plan; and in each case in clauses (a) through (e) above, such event or condition, together with all other such events or conditions, if any, would reasonably be expected to result in a Material Adverse Effect; or

11.7 Guarantee. Any Guarantee provided by any Credit Party or any material provision thereof shall cease to be in full force or effect (other than pursuant to the terms hereof and thereof) or any such Guarantor thereunder or any other Credit Party shall deny or disaffirm in writing any such Guarantor's obligations under the Guarantee; or

11.8 Security Documents. Any Security Document pursuant to which the Capital Stock or Stock Equivalents of any Borrower or any Subsidiary is pledged or any material provision thereof shall cease to be in full force or effect (other than pursuant to the terms hereof or thereof, as a result of acts or omissions of the Collateral Agent or any Lender or as a result of the Collateral Agent's failure to maintain possession of any Stock or Stock Equivalents that have been previously delivered to it) or any pledgor thereunder or any Credit Party shall deny or disaffirm in writing any pledgor's obligations under any Security Document; or

11.9 Security Agreement. The Security Agreement or any other Security Document pursuant to which the assets of Holdings, the Company or any other Material Subsidiary are pledged as Collateral or any material provision thereof shall cease to be in full force or effect (other than pursuant to the terms hereof or thereof, as a result of acts or omissions of the Collateral Agent in respect of certificates, promissory notes or instruments actually delivered to it or as a result of the Collateral Agent's failure to file a Uniform Commercial Code continuation statement) or any grantor thereunder or any Credit Party shall deny or disaffirm in writing any grantor's obligations under the Security Agreement or any other Security Document; or

11.10 Mortgages. Any Mortgage or any material provision of any Mortgage relating to any material portion of the Collateral shall cease to be in full force or effect (other than pursuant to the terms hereof or thereof or as a result of acts or omissions of the Collateral Agent or any Lender) or any mortgagor thereunder or any Credit Party shall deny or disaffirm in writing any mortgagor's obligations under any Mortgage; or

11.11 Judgments. One or more final judgments or decrees shall be entered against Holdings, the Company or any of the Restricted Subsidiaries involving a liability of $20,000,000 or more in the aggregate for all such judgments and decrees for Holdings, the Company and the Restricted Subsidiaries (to the extent not covered by insurance or indemnities as to which the applicable insurance company or third party has not denied coverage) and any such judgments or decrees shall not have been satisfied,

vacated, discharged or stayed or bonded pending appeal within 60 consecutive days after the entry thereof; or

11.12 Change of Control. A Change of Control shall occur.

11.13 Remedies Upon Event of Default. If an Event of Default occurs and is continuing, the Administrative Agent shall, upon the written request of the Required Lenders, by written notice to the Company, take any or all of the following actions, without prejudice to the rights of the Administrative Agent or any Lender to enforce its claims against Holdings and the Borrowers, except as otherwise specifically provided for in this Agreement (provided that, if an Event of Default specified in Section 11 5 shall occur with respect to any Borrower or Holdings, the result that would occur upon the giving of written notice by the Administrative Agent as specified in clauses (i), (ii), (iii), and (iv) below shall occur automatically without the giving of any such notice): (i) declare the Total Revolving Credit Commitment and Swingline Commitment terminated, whereupon the Revolving Credit Commitment and Swingline Commitment, if any, of each Lender or the Swingline Lender, as the case may be, shall forthwith terminate immediately and any Fees theretofore accrued shall forthwith become due and payable without any other notice of any kind; (ii) declare the principal of and any accrued interest and fees in respect of all Loans and all Obligations to be, whereupon the same shall become, forthwith due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by each Borrower to the extent permitted by applicable law; (iii) terminate any Letter of Credit that may be terminated in accordance with its terms: and/or (iv) direct the Borrowers to pay (and each Borrower agrees that upon receipt of such notice, or upon the occurrence of an Event of Default specified in Section 11.5 with respect to any Borrower, it will pay) to the Administrative Agent at the Administrative Agent's Office such additional amounts of cash as are necessary to Cash Collateralize all Letters of Credit Outstanding, to be held as security for the Borrower's respective reimbursement obligations for Drawings that may subsequently occur thereunder; provided, that in the case of an Event of Default under Section 11 3(a) in respect of a failure to observe or perform the covenant under Section 10.11, such actions will be permitted to occur only following the expiration of the ability to effectuate the Cure Right if such Cure Right has not been so exercised.

11.14 Application of Proceeds. Subject to the terms of the ABL/Term Loan Intercreditor Agreement, any amount received by the Administrative Agent or the Collateral Agent from any Credit Party (or from proceeds of any Collateral) during the continuance of a Cash Dominion Period or following any acceleration of the Obligations under this Agreement or any Event of Default with respect to any Credit Party under Section 11.5 shall be applied:

(i) *first,* to the payment of all reasonable and documented costs and expenses incurred by the Administrative Agent or the Collateral Agent in connection with any collection or sale of the Collateral or otherwise in connection with any Credit Document, including all court costs and the reasonable fees and expenses of its agents and legal counsel, the repayment of all Protective Advances and any other advances made by the Administrative Agent or the Collateral Agent hereunder or under any other Credit Document on behalf of any Credit Party and any other Obligations owing to, and reasonable and documented costs or expenses incurred by, the Administrative Agent or the Collateral Agent in connection with the exercise of any right or remedy hereunder or under any other Credit Document or otherwise to the extent payable or reimbursable hereunder or thereunder;

(ii) *second,* to the payment of reasonable and documented costs or expenses incurred by any Lender to the extent reimbursable hereunder;

(iii) *third,* to payment of all accrued unpaid interest on the Obligations and Fees owed to Agents, Lenders, and Letter of Credit Issuers;

(iv) *fourth,* to payment of principal of the Obligations (other than any Obligations any under Secured Cash Management Agreements and Secured Hedge Agreements) including, without limitation, Unpaid Drawings and amounts necessary to Cash Collateralize all Letters of Credit Outstanding on the date of any payment, and to the payment of any Obligations under any Secured Hedge Agreement solely to the extent of any Secured Hedge Reserve established at the request of the Borrowers in connection with entering into of such Secured Hedge Agreement which the Administrative Agent has acknowledged is subject to this clause (iv);

(v) *fifth,* to payment of any other Obligations, including Obligations any under Secured Cash Management Agreements and Secured Hedge Agreements; and

(vi) *sixth,* any surplus then remaining shall be paid to the applicable Credit Parties or their successors or assigns or to whomsoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

provided that any amount applied to Cash Collateralize any Letters of Credit Outstanding that has not been applied to reimbursement of Unpaid Drawings under the applicable Letters of Credit at the time of expiration of all such Letters of Credit shall be applied by the Administrative Agent in the order specified in clauses (i) through (vi) above. In carrying out the foregoing, (i) amounts received shall be applied in the numerical order provided until exhausted prior to the application to the next succeeding category, (ii) each of the Lenders or other Persons entitled to payment shall receive an amount equal to its pro rata share of amounts available to be applied pursuant to clauses (ii) through (v) above, and (iii) amounts applied to the principal of any Loans shall be applied first, to outstanding Swingline Loans, second to outstanding Overadvance Loans, third, to outstanding Tranche A Loans and fourth, to outstanding Tranche B Loans. Notwithstanding the foregoing, amounts received from any Guarantor that is not an "Eligible Contract Participant" (as defined in the Commodity Exchange Act) shall not be applied to its Obligations that are Excluded Swap Obligations.

11.15 Equity Cure. Notwithstanding anything to the contrary contained in this Section 11, in the event that the Company fails to comply with the requirement of the financial covenant set forth in Section 10.11, after the beginning of the relevant fiscal period for which such financial covenant is being measured until the later of (x) the expiration of the 10th day following the date financial statements referred to in Sections 9.1 (a) or (b) are required to be delivered in respect of such fiscal period for which such financial covenant is being measured and (y) the 10th day after the Financial Covenant Trigger Event that required the Company to comply with the covenant set forth in Section 10.11 (such later date, the **"Cure Expiration Date"**), any holder of Capital Stock or Stock Equivalents of the Company or any direct or indirect parent of the Company shall have the right to cure such failure (the **"Cure Right"**) by causing cash net equity proceeds derived from an issuance of Capital Stock or Stock Equivalents (other than Disqualified Stock, unless reasonably satisfactory to the Administrative Agent) by the Company (or from a contribution to the common equity capital of the Company) to be contributed., directly or indirectly, as cash common equity to the Company, and upon receipt by the Company of such cash contribution (such cash amount being referred to as the **"Cure Amount"**) or, it applicable, the Notice of intent to Cure as set forth below, pursuant to the exercise of such Cure Right, such financial covenant shall be recalculated giving effect to the following pro forma adjustments:

(a) Consolidated EBITDA shall be increased, solely for the purpose of determining the existence of an Event of Default resulting from a breach of the financial covenant set forth in Section 10.11 with respect to any period of four consecutive fiscal quarters that includes the

fiscal quarter for which the Cure Right was exercised and not for any other purpose under this Agreement, by an amount equal to the Cure Amount;

(b) if, after giving effect to the foregoing recalculations, the Company shall then be in compliance with the requirements of the financial covenant set forth in Section 10.11, the Company shall be deemed to have satisfied the requirements of the financial covenant set forth in Section 10.11 as of the relevant date of determination with the same effect as though there had been no failure to comply therewith at such date, and the applicable breach or default of such financial covenant that had occurred shall be deemed cured for the purposes of this Agreement: provided that (i) in each period of four consecutive fiscal quarters there shall be at least two fiscal quarters in which no Cure Right is made, (ii) there shall be a maximum of five Cure Rights made during the term of this Agreement, (iii) each Cure Amount shall be no greater than the amount required to cause the Company to be in compliance with the financial covenant set forth in Section 10.11, (iv) all Cure Amounts shall be disregarded for the purposes of any financial ratio determination under the Credit Documents other than for determining compliance with Section 10.11 and (v) there shall be no pro forma reduction in Indebtedness with the proceeds of any Cure Amount for determining compliance with the financial covenant in respect of the fiscal period for which the Cure Right is exercised; and

(c) neither the Administrative Agent, the Collateral Agent nor any Lender or Secured Party shall exercise any remedy under the Credit Documents or applicable law on the basis of an Event of Default caused by the failure to comply with Section 10.11 until after the Cure Expiration Date and the Company has not exercised the Cure Right (except to the extent that the Borrower Representative has confirmed in writing that it does not intend to exercise the Cure Right).

The Company may provide written notice to the Administrative Agent that it intends to exercise the Cure Right (the **"Notice of Intent to Cure"**) in advance of receipt of the Cure Amount (it being understood that to the extent such notice is provided in advance of delivery of a Compliance Certificate for the applicable fiscal period, the amount of such net equity proceeds that is designated as the Cure Amount may be lower than specified in the Notice of Intent to Cure to the extent the amount necessary to cure such Event of Default is less than the full amount originally designated). Upon receipt by the Administrative Agent of the Notice of Intent to Cure, the Company shall be deemed to satisfied the requirement of the financial covenant as set forth in clause (b) above; provided that if the Cure Expiration Date has occurred without the Cure Amount having been received and designated, any such Default or Event of Default shall be deemed reinstated. Notwithstanding the foregoing, the Lenders and the LC Issuer shall not be obligated to fund any Loans or honor any Letter of Credit Request until receipt by the Administrative Agent of the Cure Amount.

Section 12. The Agents

12.1 Appointment.

(a) Each Lender hereby irrevocably designates and appoints the Administrative Agent as the agent of such Lender under this Agreement and the other Credit Documents and irrevocably authorizes the Administrative Agent, in such capacity, to take such action on its behalf under the provisions of this Agreement and the other Credit Documents and to exercise such powers and perform such duties as are expressly delegated to the Administrative Agent by the terms of this Agreement and the other Credit Documents, together with such other powers as are reasonably incidental thereto. The provisions of this Section 12 (other than Section 12.1(c) with respect to the Joint Lead Arrangers and Bookrunners and Sections 12.1, 12.9, 12.11 and 12.12 with respect to the Company) are solely for the benefit of the Agents

and the Lenders, none of Holdings, the Borrowers or any other Credit Party shall have rights as third party beneficiary of any such provision. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Administrative Agent shall not have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Credit Document or otherwise exist against the Administrative Agent. in performing its functions and duties hereunder, each Agent shall act solely as an agent of Lenders and does not assume and shall not be deemed to have assumed any obligation towards or relationship of agency or trust with or for Holdings, the Borrowers or any of their respective subsidiaries.

(b) The Administrative Agent, each Lender, the Swingline Lender and the Letter of Credit Issuer hereby irrevocably designate and appoint the Collateral Agent as the agent with respect to the Collateral, and each of the Administrative Agent, each Lender, the Swingline Lender and the Letter of Credit Issuer irrevocably authorizes the Collateral Agent, in such capacity, to take such action on its behalf under the provisions of this Agreement and the other Credit Documents and to exercise such powers and perform such duties as are expressly delegated to the Collateral Agent by the terms of this Agreement and the other Credit Documents, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Collateral Agent shall not have any duties or responsibilities except those expressly set forth herein, or any fiduciary relationship with any of the Administrative Agent, the Lenders, the Swingline Lender or the Letter of Credit Issuers, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Credit Document or otherwise exist against the Collateral Agent.

(c) Each of the Syndication Agent, Joint Lead Arrangers and Bookrunners, in its capacity as such, shall not have any obligations, duties or responsibilities under this Agreement but shall be entitled to all benefits of this Section 12.

12.2 Delegation of Duties. The Administrative Agent and the Collateral Agent may each execute any of its duties under this Agreement and the other Credit Documents by or through agents, sub-agents, employees or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. Neither the Administrative Agent nor the Collateral Agent shall be responsible for the negligence or misconduct of any agents, subagents or attorneys-in-fact selected by it in the absence of its gross negligence or willful misconduct (as determined in the final non-appealable judgment of a court of competent jurisdiction).

12.3 Exculpatory Provisions. No Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates shall be (a) liable for any action lawfully taken or omitted to be taken by any of them under or in connection with this Agreement or any other Credit Document (except for its or such Person's own gross negligence or willful misconduct, as determined in the final non-appealable judgment of a court of competent jurisdiction, in connection with its duties expressly set forth herein) or (b) responsible in any manner to any of the Lenders or any participant for any recitals, statements, representations or warranties made by any of Holdings, any Borrower, any other Guarantor, any other Credit Party or any officer thereof contained in this Agreement or any other Credit Document or in any certificate, report, statement or other document referred to or provided for in, or received by such Agent under or in connection with, this Agreement or any other Credit Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Credit Document, or the perfection or priority of any Lien or security interest created or purported to be created under the Security Documents, or for any failure of Holdings, any Borrower, any other Guarantor or any other Credit Party to perform its obligations hereunder or thereunder. No Agent shall be under any obligation to any Lender to ascertain or to inquire as to the observance or performance of any of the

agreements contained in, or conditions of, this Agreement or any other Credit Document, or to inspect the properties, books or records of any Credit Party or any Affiliate thereof. The Collateral Agent shall not be under any obligation to the Administrative Agent or any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Credit Document, or to inspect the properties, books or records of any Credit Party.

12.4 Reliance by Agents. The Administrative Agent and the Collateral Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, resolution, notice, consent, certificate, affidavit, letter, telecopy, telex or teletype message, statement, order or other document or instruction 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 (including counsel to Holdings and the Borrowers), independent accountants and other experts selected by the Administrative Agent or the Collateral Agent. The Administrative Agent may deem and treat the Lender specified in the Register with respect to any amount owing hereunder as the owner thereof for all purposes unless a written notice of assignment, negotiation or transfer thereof shall have been filed with the Administrative Agent. The Administrative Agent and the Collateral Agent shall be fully justified in failing or refusing to take any action under this Agreement or any other Credit Document unless it shall first receive such advice or concurrence of the Required Lenders as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense that may be incurred by it by reason of taking or continuing to take any such action. The Administrative Agent and the Collateral Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement and the other Credit Documents in accordance with a request of the Required Lenders, and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Loans; provided that the Administrative Agent and the Collateral Agent shall not be required to take any action that, in its opinion or in the opinion of its counsel, may expose it to liability or that is contrary to any Credit Document or applicable law.

12.5 Notice of Default. Neither the Administrative Agent nor the Collateral Agent shall be deemed to have knowledge or notice of the occurrence of any Default or Event of Default hereunder unless the Administrative Agent or the Collateral Agent has received written notice from a Lender or the Borrower Representative referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default." in the event that the Administrative Agent receives such a notice, it shall give notice thereof to the Lenders and the Collateral Agent. The Administrative Agent shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Required Lenders; provided that unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable in the best interests of the Lenders except to the extent that this Agreement requires that such action be taken only with the approval of the Required Lenders or each of the Lenders, as applicable.

12.6 Non-Reliance on Administrative Agent, Collateral Agent, and Other Lenders. Each Lender expressly acknowledges that neither the Administrative Agent nor the Collateral Agent nor any of their respective officers, directors, employees, agents, attorneys-in-fact or Affiliates has made any representations or warranties to it and that no act by the Administrative Agent or the Collateral Agent hereinafter taken, including any review of the affairs of Holdings, any Borrower, any other Guarantor or any other Credit Party, shall be deemed to constitute any representation or warranty by the Administrative Agent or the Collateral Agent to any Lender, the Swingline Lender or any Letter of Credit issuer. Each Lender, the Swingline Lender and the Letter of Credit Issuer represents to the Administrative Agent and the Collateral Agent that it has, independently and without reliance upon the Administrative Agent, the Collateral Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business,

operations, property, financial and other condition and creditworthiness of Holdings, any Borrower, any other Guarantor, and other Credit Party and made its own decision to make its Loans hereunder and enter into this Agreement. Each Lender also represents that it will, independently and without reliance upon the Administrative Agent, the Collateral 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 analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Credit Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of Holdings, any Borrower, any other Guarantor and any other Credit Party. Except for notices, reports, and other documents expressly required to be famished to the Lenders by the Administrative Agent hereunder, neither the Administrative Agent nor the Collateral Agent shall have any duty or responsibility to provide any Lender with any credit or other information concerning the business, assets, operations, properties, financial condition, prospects or creditworthiness of Holdings, any Borrower, any other Guarantor or any other Credit Party that may come into the possession of the Administrative Agent or the Collateral Agent any of their respective officers, directors, employees, agents, attorneys-in-fact or Affiliates.

12.7 Indemnification. The Lenders agree to severally indemnify each Agent in its capacity as such (to the extent not reimbursed by the Credit Parties and without limiting the obligation of the Credit Parties to do so), ratably according to their respective portions of the Total Credit Exposure in effect on the date on which indemnification is sought (or, if indemnification is sought after the date upon which the Commitments shall have terminated and the Loans shall have been paid in full, ratably in accordance with their respective portions of the Total Credit Exposure in effect immediately prior to such date), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses, or disbursements of any kind whatsoever that may at any time (including at any time following the payment of the Loans) be imposed on, incurred by or asserted against an Agent in any way relating to or arising out of the Commitments, this Agreement, any of the other Credit Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by the Administrative Agent or the Collateral Agent under or in connection with any of the foregoing; provided that no Lender shall be liable to an Agent for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from such Agent's gross negligence or willful misconduct as determined by a final non-appealable judgment of a court of competent jurisdiction; provided, further, that no action taken by the Administrative Agent in accordance with the directions of the Required Lenders (or such other number or percentage of the Lenders as shall be required by the Credit Documents) shall be deemed to constitute gross negligence or willful misconduct for purposes of this Section 12.7. In the case of any investigation, litigation or proceeding giving rise to any liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever that may at any time occur (including at any time following the payment of the Loans), this Section 12.7 applies whether any such investigation, litigation or proceeding is brought by any Lender or any other Person. Without limitation of the foregoing, each Lender shall reimburse each Agent upon demand for its ratable share of any costs or out-of-pocket expenses (including attorneys' fees) incu1Ted by such Agent in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice rendered in respect of rights or responsibilities under, this Agreement, any other Credit Document, or any document contemplated by or referred to herein, to the extent that such Agent is not reimbursed for such expenses by or on behalf of Holdings or the Borrowers; provided that such reimbursement by the Lenders shall not affect Holdings' or the Borrowers' continuing reimbursement obligations with respect thereto. If any indemnity furnished to any Agent for any purpose shall, in the opinion of such Agent, be insufficient or become impaired, such Agent may call for additional indemnity and cease, or not commence, to do the acts indemnified against until such additional indemnity is furnished; provided, in no event shall this sentence require any Lender to indemnify any Agent against

any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement in excess of such Lender's pro rata portion thereof; and provided, further, this sentence shall not be deemed to require any Lender to indemnify any Agent against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement resulting from such Agent's gross negligence or willful misconduct as dete1mined by a final non-appealable judgment of a court of competent jurisdiction. The agreements in this Section 12.7 shall survive the payment of the Loans and all other amounts payable hereunder. The indemnity provided to each Agent under this Section 12.7 shall also apply to such Agent's respective Affiliates, directors, officers, members, controlling persons, employees, trustees, investment advisors and agents and successors.

12.8 Agents in Their Individual Capacities. The agency hereby created shall in no way impair or affect any of the rights and powers of, or impose any duties or obligations upon, any Agent in its individual capacity as a Lender hereunder. Each Agent and its Affiliates may make loans to, accept deposits from and generally engage in any kind of business with Holdings, any Borrower, any other Guarantor, and any other Credit Party as though such Agent were not an Agent hereunder and under the other Credit Documents. With respect to the Loans made by it, each Agent shall have the same rights and powers under this Agreement and the other Credit Documents as any Lender and may exercise the same as though it were not an Agent, and the te1ms Lender and Lenders shall include each Agent in its individual capacity.

12.9 Successor Agents. (a) Each of the Administrative Agent and the Collateral Agent may at any time give notice of its resignation to the Lenders, the Letter of Credit Issuer and the Borrower Representative. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, subject to the consent of the Borrower Representative (not to be unreasonably withheld or delayed) so long as no Event of Default under Sections 11.1 or 11.5 is continuing, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Agent gives notice of its resignation (the **"Resignation Effective Date"**), then the retiring Agent may on behalf of the Lenders, appoint a successor Agent meeting the qualifications set forth above (including receipt of the Borrower Representative's consent); provided that if the Administrative Agent or the Collateral Agent shall notify the Borrower Representative and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice.

(b) If the Person serving as the Administrative Agent is a Defaulting Lender pursuant to clause (v) of the definition of Lender Default, the Required Lenders may to the extent permitted by applicable law, subject to the consent of the Borrower Representative (not to be unreasonably withheld or delayed), by notice in writing to the Borrower Representative and such Person remove such Person as the Administrative Agent and, in consultation with the Borrower Representative, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days (or such earlier day as shall be agreed by the Required Lenders) (the **"Removal Effective Date"**), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable), (1) the retiring or removed agent shall be discharged from its duties and obligations hereunder and under the other Credit Documents (except that in the case of any collateral security held by the Collateral Agent on behalf of the Lenders or the Letter of Credit Issuer under any of the Credit Documents, the retiring or removed Collateral Agent shall continue to hold such collateral security as nominee until such time as a successor Collateral Agent is appointed) and (2) all payments, communications and determinations provided to be made by, to or through the retiring or removed

Administrative Agent shall instead be made by or to each Lender and the Letter of Credit issuer directly, until such time as the Required Lenders appoint a successor Agent as provided for above in this paragraph. Upon the acceptance of a successor's appointment as the Administrative Agent or the Collateral Agent, as the case may be, hereunder, and upon the execution and filing or recording of such financing statements, or amendments thereto, and such amendments or supplements to the Mortgages, and such other instruments or notices, as may be necessary or desirable, or as the Required Lenders may request, in order to continue the perfection of the Liens granted or purported to be granted by the Security Documents, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) or removed Agent, and the retiring or removed Agent shall be discharged from all of its duties and obligations hereunder or under the other Credit Documents (if not already discharged therefrom as provided above in this Section 12.9). Except as provided above, any resignation or removal of Royal Bank of Canada as the Administrative Agent pursuant to this Section 12.9 shall also constitute the resignation or removal of Royal Hank of Canada as the Collateral Agent. The fees payable by the Borrower Representative (following the effectiveness of such appointment) to such Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower Representative and such successor. After the retiring or removed Agent's resignation or removal hereunder and under the other Credit Documents, the provisions of this Section 12 (including Section 12.7) and Section 13.5 shall continue in effect for the benefit of such retiring or removed Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Agent was acting as an Agent.

(d) Any resignation by or removal of Royal Hank of Canada as the Administrative Agent pursuant to this Section 12.9 shall also constitute its resignation or removal as Swingline Lender and its Affiliate's resignation or removal as the Letter of Credit Issuer. Upon the acceptance of a successor's appointment as the Administrative Agent hereunder, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Letter of Credit issuer and Swingline Lender (but only if all outstanding Swingline Loans have been paid in full in cash), (b) the retiring Letter of Credit Issuer and Swingline Lender shall be discharged from all of their respective duties and obligations hereunder or under the other Credit Documents, and (c) the successor Letter of Credit issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to the retiring Letter of Credit Issuer to effectively assume the obligations of the retiring Letter of Credit Issuer with respect to such Letters of Credit.

12.10 Withholding Tax. To the extent required by any applicable law, the Administrative Agent may withhold from any payment to any Lender under any Credit Document an amount equivalent to any applicable withholding Tax. If the Internal Revenue Service or any authority of the United States or other jurisdiction asserts a claim that the Administrative Agent did not properly withhold Tax from amounts paid to or for the account of any Lender for any reason (including, because the appropriate form was not delivered, was not properly executed, or because such Lender failed to notify the Administrative Agent of a change in circumstances that rendered the exemption from, or reduction of, withholding Tax ineffective) or if the Administrative Agent reasonably detem1ines that a payment was made to a Lender pursuant to this Agreement without deduction of applicable withholding Tax from such payment, such Lender shall indemnify the Administrative Agent (to the extent that the Administrative Agent has not already been reimbursed by any applicable Credit Party and without limiting the obligation of any applicable Credit Party to do so) fully for all amounts paid, directly or indirectly, by the Administrative Agent as Tax or otherwise, including penalties, additions to Tax and interest, together with all expenses incurred, including legal expenses, allocated staff costs and any out of pocket expenses. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under this Agreement or any other Credit Document against any amount due to the Administrative Agent under this Section 12.10. The agreements in Section 12.10 shall survive the

resignation and/or replacement of the Administrative Agent, any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all other Obligations. For the avoidance of doubt, for purposes of this Section 12.10, the term Lender includes the Letter of Credit Issuer and the Swingline Lender.

12.11 Agents Under Security Documents and Guarantee. Each Secured Party hereby further authorizes the Administrative Agent or the Collateral Agent, as applicable, on behalf of and for the benefit of the Secured Parties, to be the agent for and representative of the Secured Parties with respect to the Collateral and the Security Documents. Subject to Section 13.1, without further written consent or authorization from any Secured Party, the Administrative Agent or the Collateral Agent, as applicable, may execute any documents or instruments necessary to (a) release any Lien on any property granted to or held by the Administrative Agent or the Collateral Agent (or any sub-agent thereof) under any Credit Document (i) upon the Maturity Date and the payment in full (or Cash Collateralization) of all Obligations (except for contingent indemnification obligations in respect of which a claim has not yet been made, Secured Hedge Obligations, and Secured Cash Management Obligations), (ii) that is sold or to be sold or transferred as part of or in connection with any sale or other transfer permitted hereunder or under any other Credit Document to a Person that is not a Credit Party or in connection with the designation of any Restricted Subsidiary as an Unrestricted Subsidiary, (iii) if the property subject to such Lien is owned by a Credit Party, upon the release of such Credit Party from its Guarantee otherwise in accordance with the Credit Documents, (iv) as to the extent provided in the Security Documents or (v) if approved, authorized or ratified in writing in accordance with Section 13.1; *provided* that notwithstanding anything to the contrary contained in this Agreement or in any other Credit Document, in no event shall any Guarantor that is a Wholly-Owned Subsidiary as of the Closing Date or as of the date of joinder of such Wholly-Owned Subsidiary as a Guarantor cease to constitute a Guarantor under the Credit Documents solely as a result of such Guarantor ceasing to constitute a Wholly-Owned Subsidiary after the Closing Date (unless either (1) pursuant to a disposition or other asset sale (x) to a Person that is not an Affiliate of the Borrower, (y) for a bona fide business purpose (as determined in good faith by the Borrower) or on terms that are not less favorable to the Borrower than those that would have been obtained in a comparable arm's-length transaction with a Person that is not an Affiliate (as determined in good faith by the Borrower) or (z) in connection with which such Person ceases to constitute a Subsidiary or (11) such Person otherwise constitutes an Excluded Subsidiary other than as a result of clause (ii) of the definition of "Excluded Subsidiary" as such clause relates to non-Wholly-Owned Subsidiaries, the sole purpose of such transaction may not be to release such Guarantor from the Guarantees; (b) release any Guarantor from its obligations under the Guarantee if such Person ceases to be a Restricted Subsidiary (or becomes an Excluded Subsidiary) as a result of a transaction or designation permitted hereunder; (c) subordinate any Lien on any property granted to or held by the Administrative Agent or the Collateral Agent under any Credit Document to the holder of any Lien pc1mittcd under clauses (v), (vi) (solely with respect to Section 10.l(d)), (vii), and (ix) of the definition of Permitted Lien; or (d) enter into subordination or Intercreditor agreements with respect to Indebtedness to the extent the Administrative Agent or the Collateral Agent is otherwise contemplated herein as being a party to such Intercreditor or subordination agreement, including the ABL/Term Loan Intercreditor Agreement.

The Collateral Agent shall have its own independent right to demand payment of the amounts payable by any Borrower under this Section 12.11, irrespective of any discharge of the Borrower's obligations to pay those amounts to the other Lenders resulting from failure by them to take appropriate steps in insolvency proceedings affecting any Borrower to preserve their entitlement to be paid those amounts.

Any amount due and payable by the Borrowers to the Collateral Agent under this Section 12.11 shall be decreased to the extent that the other Lenders have received (and are able to retain) payment in

full of the Corresponding amount under the other provisions of the Credit Documents and any amount due and payable by the Borrowers to the Collateral Agent under those provisions shall be decreased to the extent that the Collateral Agent has received (and is able to retain) payment in full of the corresponding amount under this Section 12.11.

12.12 Right to Realize on Collateral and Enforce Guarantee. Anything contained in any of the Credit Documents to the contrary notwithstanding, the Company, the Agents, and each Secured Party hereby agree that (i) no Secured Party shall have any right individually to realize upon any of the Collateral or to enforce the Guarantee, it being understood and agreed that all powers, rights, and remedies hereunder may be exercised solely by the Administrative Agent, on behalf of the Secured Parties in accordance with the terms hereof and all powers, rights, and remedies under the Security Documents may be exercised solely by the Collateral Agent, and (ii) in the event of a foreclosure by the Collateral Agent on any of the Collateral pursuant to a public or private sale or other disposition, the Collateral Agent or any Lender may be the purchaser or licensor of any or all of such Collateral at any such sale or other disposition and the Collateral Agent, as agent for and representative of the Secured Parties (but not any Lender or Lenders in its or their respective individual capacities unless Required Lenders shall otherwise agree in writing) shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such public sale, to use and apply any of the Obligations as a credit on account of the purchase price for any collateral payable by the Collateral Agent at such sale or other disposition. No holder of Secured Hedge Obligations or Secured Cash Management Obligations shall have any rights in connection with the management or release of any Collateral or of the obligations of any Credit Party under this Agreement. No holder of Secured Hedge Obligations or Secured Cash Management Obligations that obtains the benefits of any Guarantee or any Collateral by virtue of the provisions hereof or of any other Credit Document shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Credit Document or otherwise in respect of the Collateral (including the release or impairment of any Collateral) other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Credit Documents. Notwithstanding any other provision of this Agreement to the contrary, the Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Obligations arising under Secured Hedge Agreements and Secured Cash Management Agreements, unless the Administrative Agent has received written notice of such Obligations, together with such supporting documentation as the Administrative Agent may request, from the applicable Cash Management Rank or Hedge Rank, as the case may be.

12.13 ABL/Term Loan. Intercreditor Agreement Governs. The Administrative Agent, the Collateral Agent, and each Lender (a) hereby agrees that it will be bound by and will take no actions contrary to the provisions of any Intercreditor agreement entered into pursuant to the terms hereof, (b) hereby authorizes and instructs the Administrative Agent and the Collateral Agent to enter into each Intercreditor agreement (including the A BL/Term Loan Intercreditor Agreement) entered into pursuant to the terms hereof and to subject the Liens securing the Secured Obligations to the provisions thereof and (c) hereby consents to the subordination of the Liens on the Collateral other than the ARL Priority Collateral securing the Obligations on the terms set forth in the ABL/Te1m Loan Intercreditor Agreement. The foregoing provisions are intended as an inducement to the lenders under the Second Lien Credit Documents and First Lien Credit Documents to extend credit to the Credit Parties and such lenders are intended third party beneficiaries of such provisions. In the event of any conflict or inconsistency between the provisions of each Intercreditor agreement (including the ABL/Term Loan Intercreditor Agreement) and this Agreement, the provisions of such Intercreditor agreement shall control.

12.14 Erroneous Payments.

(a) If the Administrative Agent notifies a Lender, Letter of Credit Issuer or Secured Party, or any Person who has received funds on behalf of a Lender, Letter of Credit Issuer or Secured Party (any such Lender, Letter of Credit Issuer, Secured Party or other recipient, a **"Payment Recipient"**) that the Administrative Agent has determined in its sole reasonable discretion that any funds received by such Payment Recipient from the Administrative Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Payment Recipient) (any such funds, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an **"Erroneous Payment"**) and demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Administrative Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Administrative Agent, and such Payment Recipient shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent, in same day funds (in the currency so received), the amount of any such Erroneous Payment (or portion thereat), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereat) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent at the greater of the Federal Funds Eftective Rate and a rate determined by the Administrative Agent in accordance with prevailing banking industry rules on interbank compensation from time to time in effect. To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payment received, including without limitation waiver of any defense based on "discharge for value" or any similar doctrine. A notice of the Administrative Agent to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.

(b) Without limiting immediately preceding clause (a), each Payment Recipient hereby further agrees that if it receives an Erroneous Payment from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment sent by the Administrative Agent (or any of its Affiliates) with respect to such Erroneous Payment (the **"Payment Notice"**), or (y) that was not preceded or accompanied by a Payment Notice sent by the Administrative Agent (or any of its Affiliates), then, said Payment Recipient shall be on notice, in each case, that an error has been made with respect to such Erroneous Payment. Each Payment Recipient agrees that, in each such case, or if it otherwise becomes aware an Erroneous Payment (or portion thereof) may have been sent in error, such Payment Recipient shall promptly notify the Administrative Agent of such occurrence and, upon demand from the Administrative Agent, it shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Payment *(*or portion thereat) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent at the greater of the Federal Funds Effective Rate and a rate dete1mined by the Administrative Agent in accordance with prevailing banking industry rules on interbank compensation from time to time in effect.

(c) Each Payment Recipient hereby authorizes the Administrative Agent to set off, net and apply any and all amounts at any time owing to such Payment Recipient under any Credit Document, or otherwise payable or distributable by the Administrative Agent to such Payment Recipient from any source, against any amount due to the Administrative Agent under any of the immediately preceding clauses (a) or (b) or under the indemnification provisions of this Agreement.

(d) ln the event that an Erroneous Payment (or portion thereof) is not recovered by the Administrative Agent for any reason, after demand therefor by the Administrative Agent (such unrecovered amount, an **"Erroneous Payment Return Deficiency"**), the Borrowers and each other Credit Party hereby agrees that (x) the Administrative Agent shall be subrogated to all the rights of such Payment Recipient with respect to such amount (including, without limitation, the right to sell and assign the Loans (or any portion thereof), which were subject to the Erroneous Payment Return Deficiency) and (y) an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower or any other Credit Party, except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, (i) comprised of funds received by the Administrative Agent from the Borrowers or any other Credit Party or (ii) the proceeds of realization from the enforcement of one or more of the Credit Documents against or in respect of the Borrowers or one or more or the Credit Parties, in each case, for the purpose of making such Erroneous Payment For the avoidance of doubt, no assignment of an Erroneous Payment Deficiency will reduce the Commitments of any Payment Recipient and such Commitments shall remain available in accordance with the terms of this Agreement. In addition, each party hereto agrees that, except to the extent that the Administrative Agent has sold a Loan (or portion thereof) acquired pursuant to the assignment of an Erroneous Payment Deficiency, and irrespective of whether the Administrative Agent may be equitably subrogated, the Administrative Agent shall be contractually subrogated to all the rights and interests of the applicable Payment Recipient under the Credit Documents with respect to each Erroneous Payment Return Deficiency.

(e) Each party's obligations, agreements and waivers under this Section 12.14 shall survive the resignation or replacement of the Administrative Agent, any transfer of rights or obligations by, or the replacement of, a Lender or Letter of Credit Issuer, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Credit Document.

(f) Notwithstanding anything to the contrary herein or in any other Credit Document, no Credit Party nor any of their respective Affiliates shall have any obligations or liabilities directly or indirectly arising out of this Section 12.14 in respect of any Erroneous Payment (other than with respect to Section 12.14(d)(y) above).

Section 13. Miscellaneous

13.1 Amendments, Waivers, and Releases. Neither this Agreement nor any other Credit Document, nor any terms hereof or thereof, may be amended, supplemented or modified except in accordance with the provisions of this Section 13.1. Except as provided to the contrary under Section 2. 14, and other than with respect to any amendment, modification or waiver contemplated in the proviso to clause (i) below, which shall only require the consent of the Lenders expressly set forth therein and not Required Lenders, the Required Lenders may, or, with the written consent of the Required Lenders, the Administrative Agent and/or the Collateral Agent may, from time to time, (a) enter into with the relevant Credit Party or Credit Parties written amendments, supplements or modifications hereto and to the other Credit Documents for the purpose of adding any provisions to this Agreement or the other Credit Documents or changing in any manner the rights of the Lenders or of the Credit Parties hereunder or thereunder or (b) waive in writing, on such terms and conditions as the Required Lenders or the Administrative Agent and/or the Collateral Agent, as the case may be, may specify in such instrument, any of the requirements of this Agreement or the other Credit Documents or any Default or Event of Default and its consequences; provided, however, that each such waiver and each such amendment, supplement or modification shall be effective only in the specific instance and for the specific purpose for which given; and provided, further, that no such waiver and no such amendment, supplement or modification shall (x) (i) forgive or reduce any portion of any Loan or extend the final scheduled

maturity date of any Loan or reduce the stated rate (it being understood that only the consent of the Required Lenders shall be necessary to waive any obligation of the Borrowers to pay interest at the "default rate" or amend Section 2.8(c)), or forgive any portion thereof, or extend the date for the payment, of any interest or tee payable hereunder (other than as a result of waiving the applicability of any post-default increase in interest rates), or extend the final expiration date of any Letter of Credit beyond the UC Facility Maturity Date, or amend or modify any provisions of Sections 5.3(a) (with respect to the ratable allocation of any payments only) and 13.8(a) and 13.20. or make any Loan, interest, Fee or other amount payable in any currency other than expressly provided herein, in each case without the written consent of each Lender directly and adversely affected thereby; provided that a waiver of any condition precedent in Section 6 or 7 of this Agreement, the waiver of any Default, Event of Default, default interest, mandatory prepayment or reductions, any modification, waiver or amendment to the financial definitions or financial ratios or any component thereof or the waiver or any other covenant shall not constitute an increase of any Commitment of a Lender, a reduction or forgiveness in the interest rates or the fees or premiums or a postponement of any date scheduled for the payment of principal or interest or an extension of the final maturity of any Loan or the scheduled termination date of any Commitment, in each case for purposes of this clause (i), or (ii) consent to the assignment or transfer by any Borrower of its rights and obligations under any Credit Document to which it is a party (except as permitted pursuant to Section. 10.3), in each case without the written consent of each Lender directly and adversely affected thereby, or (iii) amend, modify or waive any provision of Section 12 without the written consent of the then-current Administrative Agent and Collateral Agent in a manner that directly and adversely affects such. Person, or (iv) amend, modify or waive any provision of Section 3 with respect to any Letter of Credit, or any other provision hereof, without the written consent of the Letter of Credit Issuer to the extent such amendment, modification or waiver directly and adversely affects the Letters of Credit Issuer, or (v) amend, modify or waive any provisions hereof relating to Swingline Loans without the written consent of the Swingline Lender in a manner that directly and adversely affects such Person, or (vi) release all or substantially all of the Guarantors under the Guarantees (except as expressly permitted by the Guarantees, the A BL/Term Loan Intercreditor Agreement or this Agreement) or release all or substantially all of the Collateral under the Security Documents (except as expressly permitted by the Security Documents, the AHL/Term Loan Intercreditor Agreement or this Agreement) without the prior written consent of each Lender, or (vii) reduce the percentages specified in the definitions of the terms "Required Lenders" or "Supermajority Lenders", or amend, modify or waive any provision of this Section 13.1 that has the effect of decreasing the number of Lenders that must approve any amendment, modification or waiver, without the written consent of each Lender, or (viii) amend, modify or waive the definition of the terms "Excess Availability" or "Borrowing Base" or any component definition used therein (including, without limitation, the definitions of "Eligible Credit Card Receivable", "Eligible In-Transit Inventory" and "Eligible Inventory") it, as a result thereof; the amounts available to be bo1Towed by the Borrowers would be increased without the prior written consent of Supermajority Lenders; provided that the foregoing shall not limit the discretion of the Agents to change, establish or eliminate any Borrowers Base Reserves or to add Accounts and Inventory acquired in a Permitted Acquisition to the B01TOwing Base as provided herein, (y) notwithstanding anything to the contrary in clause (x), (i) extend the final expiration date of any Lender's Commitment without the written consent of such Lender, (ii) increase the aggregate amount of the Commitments of any Lender without the written consent of such Lender or (iii) contractually subordinate the Obligations or the Liens securing the Obligations granted under the other Credit Documents, to any other Indebtedness for borrowed money or Lien to secured indebtedness for bo1Towed money (other than any Term Priority Collateral) (including, without limitation, any Indebtedness for borrowed money or Lien to secured Indebtedness for borrowed money issued under this Agreement or any other agreement), as the case may be, of any Credit Party (the "Priming Indebtedness") without the written consent of each Lender directly and adversely affected thereby unless each directly and adversely affected Lender has been offered a bona fide opportunity to fund or otherwise provide its pro rata share (based on the amount of Obligations that are directly and adversely affected thereby held by each Lender) of such Indebtedness on the same terms (other than

bona fide backstop fees and similar fees and reimbursement of counsel fees and other expenses in connection with the negotiation of the terms of such transaction) as offered to all other providers (or their Affiliates) of such Indebtedness (it being understood that this clause (iii) shall not (A) override the permission for transactions otherwise permitted under this Agreement, (B) restrict an amendment to increase the maximum permitted amount of Indebtedness that is secured by Liens on all or a portion of the Collateral on a senior basis to the Liens securing the Obligations or (C) apply to the incurrence of debtor-in-possession financing (or similar financing arrangements in insolvency proceedings in non-U.S. jurisdictions), in each case, solely in connection with an exchange of the Loans for such Priming Indebtedness or the repayment of such Loans with the proceeds of such Priming Indebtedness, or (z) in connection with an amendment that addresses solely a repricing transaction in which any Class of Revolving Credit Commitments and Revolving Loans in respect thereof is refinanced with a replacement Class of Revolving Credit Commitments and Revolving Loans in respect thereof bearing (or is modified in such a manner such that the resulting Revolving Credit Commitments and Revolving Loans in respect thereof bear) a lower "effective yield", only the consent of the Lenders holding Revolving Credit Commitments subject to such permitted repricing transaction that will continue as a Lender in respect of the repriced tranche of Revolving Credit Commitments and Revolving Loans in respect thereof or modified Revolving Credit Commitments and Revolving Loans in respect thereof.

Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except (x) that the Commitment of such Lender may not be increased or extended without the consent of such Lender (it being understood that any Commitments or Loans held or deemed held by any Defaulting Lender shall be excluded for a vote of the Lenders hereunder requiring any consent of the Lenders) and (y) for any such amendment, waiver or consent that treats such Defaulting Lender disproportionately from the other Lender of the same Class (other than because of its status as a Defaulting Lender).

Any such waiver and any such amendment, supplement or modification shall apply equally to each of the affected Lenders and shall be binding upon Holdings, the Borrowers, such Lenders, the Administrative Agent and all future holders of the affected Loans. In the case of any waiver, Holdings, the Borrowers, the Lenders and the Administrative Agent shall be restored to their former positions and rights hereunder and under the other Credit Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing, it being understood that no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon. In connection with the foregoing provisions, the Administrative Agent may, but shall have no obligations to, with the concurrence of any Lender, execute amendments, modifications, waivers or consents on behalf of such Lender.

Notwithstanding the foregoing, in addition to any credit extensions and related Joinder Agreement(s) effectuated without the consent of Lenders in accordance with Section 2,14, this Agreement may be amended (or amended and restated) with the written consent of the Required Lenders, the Administrative Agent, Holdings and the Borrowers (a) to add one or more additional credit facilities to this Agreement and to permit the extensions of credit from time to time outstanding thereunder and the accrued interest and fees in respect thereof to share ratably in the benefits of this Agreement and the other Credit Documents with the Loans and the accrued interest and fees in respect thereof and (b) to include appropriately the Lenders holding such credit facilities in any determination of the Required Lenders and other definitions related to such new Loans.

The Lenders hereby irrevocably agree that the Liens granted to the Collateral Agent by the Credit Parties on any Collateral shall be automatically released (i) in full, upon the termination of this Agreement and the payment of all Obligations hereunder (except for (w) contingent indemnification obligations in respect of which a claim has not yet been made, (x) Secured Hedge Obligations, (y) Cash

Collateralized Letters of Credit pursuant to arrangements reasonably acceptable to the applicable Letter of Credit Issuer, and (z) Secured Cash Management Obligations), (ii) upon the sale or other disposition of such Collateral (including as part of or in connection with any other sale or other disposition permitted hereunder) to any Person other than another Credit Party, to the extent such sale or other disposition is made in compliance with the terms of this Agreement (and the Collateral Agent may rely conclusively on a certificate to that effect provided to it by any Credit Party upon its reasonable request without further inquiry), (iii) to the extent such Collateral is comprised of property leased to a Credit Party, upon termination or expiration of such lease, (iv) if the release of such Lien is approved, authorized or ratified in writing by the Required Lenders (or such other percentage of the Lenders whose consent may be required in accordance with this Section 13.1), (v) to the extent the property constituting such Collateral is owned by any Guarantor, upon the release of such Guarantor from its obligations under the applicable Guarantee (in accordance with the second following sentence), (vi) as required to effect any sale or other disposition of Collateral in connection with any exercise of remedies of the Collateral Agent pursuant to the Security Documents, and (vii) if such assets constitute Excluded Property or Excluded Stock or Stock Equivalents. Any such release shall not in any manner discharge, affect, or impair the Obligations or any Liens (other than those being released) upon (or obligations (other than those being released) of the Credit Parties in respect of) all interests retained by the Credit Parties, including the proceeds of any sale, all of which shall continue to constitute part of the Collateral except to the extent otherwise released in accordance with the provisions of the Credit Documents. Additionally, the Lenders hereby irrevocably agree that any Restricted Subsidiary that is a Guarantor shall be released from the Guarantees upon consummation of any transaction resulting in such Subsidiary ceasing to constitute a Restricted Subsidiary. The Lenders hereby authorize the Administrative Agent and the Collateral Agent, as applicable, to execute and deliver any instruments, documents, and agreements necessary or desirable to evidence and confirm the release of any Guarantor or Collateral pursuant to the foregoing provisions of this paragraph, all without the further consent or joinder of any Lender.

Notwithstanding anything herein to the contrary, the Credit Documents may be amended to (i) add syndication or documentation agents and make customary changes and references related thereto and (ii) if applicable, add or modify "parallel debt" language in any jurisdiction in favor of the Collateral Agent or add Collateral Agents, in each case (i) and (ii) with the consent of only the Borrower Representative and the Administrative Agent, and in the case of (ii), the Collateral Agent

Notwithstanding anything in this Agreement (including, without limitation, this Section 13.1) or any other Credit Document to the contrary, (i) this Agreement and the other Credit Documents may be amended to effect an incremental facility or extension facility pursuant to Section 2.14 (and the Administrative Agent and the Borrower Representative may effect such amendments to this Agreement and the other Credit Documents without the consent of any other party as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Borrower Representative, to effect the terms of any such incremental facility or extension facility); (ii) no Lender consent is required to effect any amendment or supplement to the ABL/Term Loan Intercreditor Agreement or other Intercreditor agreement or arrangement permitted under this Agreement that is for the purpose of adding the holders of any Indebtedness as expressly contemplated by the terms of the ARL/Tcm1 Loan Intercreditor Agreement or such other Intercreditor agreement or arrangement permitted under this Agreement, as applicable (it being understood that any such amendment or supplement may make such other changes to the applicable Intercreditor agreement as, in the good faith determination of the Administrative Agent, are required to effectuate the foregoing; provided that such other changes are not adverse, in any material respect, to the interests of the Lenders taken as a whole); provided, further, that no such agreement shall amend, modify or otherwise directly and adversely affect the rights or duties of the Administrative Agent hereunder or under any other Credit Document without the prior written consent of the Administrative Agent; (iii) any provision of this Agreement or any other Credit Document may be amended by an agreement in writing entered into by the Borrower Representative and the

Administrative Agent to (x) cure any ambiguity, omission, mistake, defect or inconsistency (as reasonably determined by the Administrative Agent and the Borrower Representative) and (y) to effect administrative changes of a technical or immaterial nature (including to effect changes to the terms and conditions applicable solely to the Letter of Credit Issuer in respect of issuances of Letters of Credit) and such amendment shall be deemed approved by the Lenders if the Lenders shall have received at least five Business Days' prior written notice of such change and the Administrative Agent shall not have received, within five Business Days of the date of such notice to the Lenders, a written notice from the Required Lenders stating that the Required Lenders object to such amendment: ~~and~~ (iv) guarantees, collateral documents and related documents executed by Credit Parties in connection with this Agreement may be in a form reasonably determined by the Administrative Agent and may be, together with any other Credit Document, entered into, amended, supplemented or waived, without the consent of any other Person, by the applicable Credit Party or Credit Parties and the Administrative Agent or the Collateral Agent in its or their respective sole discretion, to (A) effect the granting, perfection, protection, expansion or enhancement of any security interest in any Collateral or additional property to become Collateral for the benefit of the Secured Parties, (B) as required by local law or advice of counsel to give effect to, or protect any security interest tor the benefit of the Secured Parties, in any property or so that the security interests therein comply with applicable requirements of law, or (C) to cure ambiguities, omissions, mistakes or defects (as reasonably determined by the Administrative Agent and the Borrower Representative) or to cause such guarantee, collateral security document or other document to be consistent with this Agreement and the other Credit Documents~~.~~; and (v) the Administrative Agent and, as applicable, the Borrower Representative may, without the consent of any Lender, enter into amendments or modifications to this Agreement or any of the other Credit Documents or enter into additional Credit Documents as the Administrative Agent deems appropriate in order to implement any Benchmark Replacement or any Benchmark Replacement Conforming Change or otherwise effectuate the terms of Section 2.20 in accordance with the terms thereof.

Notwithstanding anything in this Agreement or any Security Document to the contrary, the Administrative Agent may, in its sole discretion, grant extensions of time for the satisfaction of any of the requirements under Sections 9.11, 9.12 and 9.14 or any Security Documents in respect of any particular Collateral or any particular Subsidiary if it determines that the satisfaction thereof with respect to such Collateral or such Subsidiary cannot be accomplished without undue expense or unreasonable effort or due to factors beyond the control of Holdings, the Company and the Restricted Subsidiaries by the time or times at which it would otherwise be required to be satisfied under this Agreement or any Security Document.

13.2 Notices. Unless otherwise expressly provided herein, all notices and other communications provided for hereunder or under any other Credit Document shall be in writing (including by facsimile transmission). All such w[r]itten notices shall be mailed, taxed or delivered to the applicable address, facsimile number or electronic mail address, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(a) if to Holdings, any Borrower, the Administrative Agent, the Collateral Agent, the Letter of Credit issuer or the Swingline Lender, to the address, facsimile number, electronic mail address or telephone number specified for such Person on Schedule 13.2 or to such other address, facsimile number, electronic mail address or telephone number as shall be designated by such party in a notice to the other parties; and

(b) if to any other Lender, to the address, facsimile number, electronic mail address or telephone number specified in its Administrative Questionnaire or to such other address., facsimile number, electronic mail address or telephone number as shall be designated by such

party in a notice to Holdings and the Borrower Representative, the Administrative Agent, the Collateral Agent, the Letter of Credit Issuer and the Swingline Lender.

All such notices and other communications shall be deemed to be given or made upon the earlier to occur of (i) actual receipt by the relevant party hereto and (ii) (A) if delivered by hand or by courier, when signed for by or on behalf of the relevant party hereto; (B) if delivered by mail, three Business Days after deposit in the mails, postage prepaid; (C) if delivered by facsimile, when sent and receipt has been confirmed by telephone; and (D) if delivered by electronic mail, when delivered; provided that notices and other communications to the Administrative Agent or the Lenders pursuant to Sections 2.3, 2.6, 2.9, 4.2 and 5.1 shall not be effective until received.

13.3 No Waiver: Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the Administrative Agent, the Collateral Agent or any Lender, any right, remedy, power or privilege hereunder or under the other Credit Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers, and privileges provided by law.

13.4 Survival of Representations and Warranties. All representations and wa1Tanties made hereunder, in the other Credit Documents and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Agreement and the making of the Loans hereunder.

13.5 Payment of Expenses; Indemnification. Holdings and the Borrowers agree (a) to pay or reimburse the Agents for all their reasonable and documented out-of-pocket costs and expenses incurred in connection with the development, preparation and execution and delivery of, and any amendment, supplement, waiver or modification to, this Agreement and the other Credit Documents and any other documents prepared in connection herewith or therewith, and the consummation and administration of the transactions contemplated hereby and thereby, and in the case of legal fees and expenses limited to the reasonable fees, disbursements and other charges of Paul Hastings LLP, as counsel to the Agents and, if reasonably necessary, of a single firm of local counsel in each applicable material jurisdiction, other than allocated costs of in-house counsel, and such other counsel retained with the Company's consent (such consent not to be unreasonably withheld or delayed), (b) to pay or reimburse each Agent for all its reasonable and documented out-of-pocket costs and expenses incurred in connection with the enforcement or preservation of any rights under this Agreement, the other Credit Documents and any such other documents, including, and in the case of (i) legal fees and expenses limited to the reasonable fees, disbursements and other charges of Paul Hastings LLP, as counsel to the Agents and, if reasonably necessary, of a single firm of local counsel in each applicable material jurisdiction, other than allocated costs of in-house counsel, and such other counsel retained with the Company's consent (such consent not to be unreasonably withheld or delayed), (c) to pay, indemnify, and hold harmless each Lender and Agent from, any and all recording and filing fees, and (d) to pay, indemnify, and hold harmless each Lender and Agent and their respective Affiliates (other than Excluded Affiliates), directors, officers, members, controlling persons, employees, trustees, investment advisors, and agents and successors of the foregoing (excluding any Excluded Affiliate, the **"Indemnified Persons"**) from and against any and all other liabilities, obligations, losses, damages, penalties, claims, demands, actions, judgments, suits, costs, expenses, or disbursements of any kind or nature whatsoever regardless of whether any such Indemnified Person is a party thereto, in the case of legal fees and expenses, the reasonable and documented fees, disbursements, and other charges of one primary counsel and one local counsel in each relevant jurisdiction to such Indemnified Persons (unless there is an actual or perceived conflict of interest or the availability of different claims or defenses in which case after obtaining the Borrower Representative's

consent (which consent shall not be unreasonably withheld or delayed), each such Person may retain its own counsel), arising out of or relating to any claim, litigation, investigation or other proceeding (including any investigation or inquiry related to the foregoing) that is related to the Transactions (including, without limitation, the Acquisition) or, with respect to the execution, delivery, enforcement, performance, and administration of this Agreement, the other Credit Documents and any such other documents, including, without limitation, any of the foregoing relating to the violation of noncompliance with or liability under, any Environmental Law, in each case, applicable to Holdings or any of its Subsidiaries or to any actual or alleged presence, Release or threatened Release of Hazardous Materials involving or attributable to Holdings or any of its Subsidiaries (all the foregoing in this clause (d), collectively, the **"Indemnified Liabilities"**); provided that Holdings shall have no obligation hereunder to any Indemnified Person with respect to Indemnified Liabilities (i) resulting from disputes between and among Persons otherwise entitled to indemnification or (ii) to the extent it has been determined by a final non-appealable judgment of a court of competent jurisdiction to have resulted from (x) the gross negligence, bad faith, fraud or willful misconduct of such indemnified Person (or any of such Indemnified Person's affiliates or any of its or their respective officers, directors, employees, agents, controlling persons, members or the successors of any of the foregoing) and (y) a material breach of any Credit Document by such indemnified Person (or any of such indemnified Person's affiliates or any of its or their respective officers, directors, employees, agents, controlling persons, members or the successors of any of the foregoing); provided that the Agents (and their related affiliates, officers, directors, employees, agents, controlling persons, advisors and other representatives), to the extent acting in their capacity as such, shall remain indemnified in respect of such disputes to the extent otherwise entitled to be so indemnified hereunder. No Person entitled to indemnification under clause (d) of this Section 13.5 or any other Person party hereto shall be liable for any damages to any other Indemnified Person or party hereto arising from the use by others of any information or other materials obtained through IntraLinks or other similar information transmission systems in connection with this Agreement except to the extent that such damage resulted from willful misconduct or gross negligence of such indemnified Person, such other Person *(or* any of such Indemnified Person's or such other Person's affiliates or any of its or their respective officers, directors, employees, agents, controlling persons, members or the successors of any of the foregoing), nor shall any such Person have any liability for any special, punitive, indirect or consequential damages relating to this Agreement or any other Credit Document or arising out of its activities in connection herewith or therewith (whether before or after the Closing Date). In the case of an investigation, litigation or other proceeding to which the indemnity in this Section 13.5 applies, such indemnity shall be effective whether or not such investigation, litigation or proceeding is brought by any Credit Party, its directors, stockholders or creditors or any other Person, whether or not any Indemnified Person is otherwise a party thereto. All amounts payable under this Section 13.5 shall be paid within ten Business Days of receipt by Borrower Representative of an invoice relating thereto setting forth such expense in reasonable retail.

Holdings, the Borrowers., and their Subsidiaries shall not be liable for any settlement of any proceeding effected without the Borrower Representative's written consent (which consent shall not be unreasonably withheld or delayed), but if settled with the B01Tower Representative's written consent or if there is a final and non-appealable judgment by a court of competent jurisdiction for the plaintiff in any such proceeding, Holdings, the Borrowers, and the other Guarantors agree to indemnify and hold harmless each Indemnified Person from and against any and all losses, claims, damages, liabilities, and reasonable and documented legal or other out-of-pocket expenses by reason of such settlement or judgment in accordance with and to the extent provided in the other provisions herein.

Holdings, the Borrowers and their Subsidiaries shall not, without the prior written consent of any Indemnified Person (which consent shall not be unreasonably withheld or delayed), effect any settlement of any pending or threatened proceedings in respect of which indemnity could have been sought hereunder by such indemnified Person unless such settlement (i) includes an unconditional release of

such indemnified Person in form and substance reasonably satisfactory to such indemnified Person from all liability or claims that are the subject matter of such proceedings and (ii) docs not include any statement as to or any admission of fault, culpability, wrongdoing or a failure to act by or on behalf of any indemnified Person.

Each indemnified Person, by its acceptance of the benefits of this Section 13.5, agrees to refund and return any and all amounts paid by Holdings and the Borrowers to it if, pursuant to limitations on indemnification set forth in this Section 13.5, such Indemnified Person was not entitled to receipt of such amounts.

The agreements in this Section 13.5 shall survive repayment of the Loans and all other amounts payable hereunder. This Section 13.5 shall not apply with respect to Taxes, other than any Taxes that represent liabilities, obligations, losses, damages, penalties, judgments, costs, expenses, or disbursements, etc., arising from any non-Tax claim.

13.6 Successors and Assigns: Participations and Assignments.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that (i) except as expressly permitted by Section 10.3, the Borrowers may not assign or otherwise transfer any of their rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender (and any attempted assignment or transfer by any Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section 13.6. Nothing in this Agreement, expressed or implied, shall be construed to conform upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants (to the extent provided in clause (c) of this Section 13.6) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the Collateral Agent the Letter of Credit Issuer and the Lenders and each other Person entitled to indemnification under Section 13.5) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) (i) Subject to the conditions set forth in clause (b)(ii) below and Section 13.7, any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans (including participations in L/C Obligations or Swingline Loans) at the time owing to it) with the prior written consent (such consent not be unreasonably withheld or delayed; it being understood that, without limitation, the Borrower Representative shall have the right to withhold or delay its consent to any assignment if, in order for such assignment to comply with applicable law, any Borrower would be required to obtain the consent of, or make any filing or registration with, any Governmental Authority) of:

(A) the Borrower Representative; provided that no consent of the Borrower Representative shall be required for an assignment of Loans or Commitments to any assignee if an Event of Default under Section 11.1 or Section 11.5 (with respect to any Borrower) has occurred and is continuing; provided further that the Borrower Representative shall have been deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received written notice thereof; and

(B) the Administrative Agent, the Swingline Lender and the Letter of Credit issuer (in each case, not to be unreasonably withheld or delayed); provided, that no consent of the Administrative Agent, the Swingline Lender and the Letter of Credit Issuer shall be required for

an assignment of any Revolving Credit Commitments and Revolving Loans to a lender, an Affiliate of a Lender, an Approved Fund or an Affiliated Lender.

Notwithstanding the foregoing, no such assignment shall be made to a natural Person, Excluded Affiliate, Disqualified Lender, Defaulting Lender, Holdings, the Borrowers or any of their Subsidiaries, the Sponsor or any Affiliate of the Sponsor. For the avoidance of doubt, the Administrative Agent shall bear no responsibility or liability for monitoring and enforcing the list of Persons who are Disqualified Lenders at any time.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans of any Class, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Administrative Agent) shall not be less than $5,000,000 in the case of Revolving Credit Commitments, unless each of the Borrower Representative and the Administrative Agent otherwise consents (which consents shall not be unreasonably withheld or delayed): provided that no such consent of the Borrower Representative shall be required if an Event of Default under Section 11.1 or Section 11.5 (with respect to any Borrower) has occurred and is continuing; provided. further. that contemporaneous assignments by a Lender and its Affiliates or Approved Funds shall be aggregated for purposes of meeting the minimum assignment amount requirements stated above (and simultaneous assignments to or by two or more Related Funds shall be treated as one assignment), if any;

(B) each partial assignment shall be made as an assignment of a propo1iionate part of all the assigning Lender's rights and obligations under this Agreement; provided that this clause shall not be construed to prohibit the assignment of a proportionate part of all the assigning Lender's rights and obligations in respect of one Class of Commitments or Loans;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Acceptance via an electronic settlement system or other method reasonably acceptable to the Administrative Agent, together with a processing and recordation fee in the amount of $3,500; provided that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment: provided, further, that such recordation fee shall not be payable in the case of assignments by any Affiliate of the Joint Lead Arrangers and Bookrunners; and

(D) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an administrative questionnaire in a form approved by the Administrative Agent and the Borrower Representative (the **"Administrative Questionnaire"**) and applicable tax forms (as required under Section 5.4(c)).

(iii) Subject to acceptance and recording thereof pursuant to clause (b)(iv) of this Section 13.6, from and after the effective date specified in each Assignment and Acceptance, the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Acceptance, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2,10, 2.11, 3.5, 5.4

and 13.5). Any assignment or transfer by a Lender of rights or obligations under this Agreement that docs not comply with this Section 13.6 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 clause (c) of this Section 13.6. For the avoidance of doubt, in case of an assignment to a new Lender pursuant to this Section 13.6, (i) the Administrative Agent, the new Lender and other Lenders shall acquire the same rights and assume the same obligations between themselves as they would have acquired and assumed had the new Lender been an original Lender signatory to this Agreement with the rights and/or obligations acquired or assumed by it as a result of the assignment and to the extent of the assignment the assigning Lender shall each be released from further obligations under the Credit Documents and (ii) the benefit of each Security Document shall be maintained in favor of the new Lender.

(iv) The Administrative Agent, acting for this purpose as an agent of the Borrowers, shall maintain at the Administrative Agent's Office a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amount of the Loans (and stated interest amounts) and any payment made by the Letter of Credit Issuer under any Letter of Credit owing to each Lender pursuant to the terms hereof from time to time (the **"Register"**). Further, the Register shall contain the name and address of the Administrative Agent and the lending office through which each such Person acts under this Agreement. The entries in the Register shall be conclusive, absent manifest error, and the Borrowers, the Administrative Agent, the Collateral Agent the Letter of Credit Issuer and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder tor all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower Representative, the Collateral Agent, the Letter of Credit issuer, the Administrative Agent and its Affiliates and, with respect to itself, any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of a duly completed Assignment and Acceptance executed by an assigning Lender and an assignee, the assignee's completed Administrative Questionnaire and applicable tax forms (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in clause (b) of this Section 13.6 and any written consent to such assignment required by clause (b) of this Section 13.6, the Administrative Agent shall promptly accept such Assignment and Acceptance and record the information contained therein in the Register. No assignment, whether or not evidenced by a promissory note, shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this clause (b)(v).

(c) (i) Any Lender may, without the consent of the Borrower Representative or the Administrative Agent, the Letter of Credit Issuer or the Swingline Lender sell participations to one or more banks or other entities (other than (x) Holdings and its Subsidiaries, (y) any Disqualified Lender and (z) any Affiliated Lender provided. however, that, notwithstanding clause (y) hereof, pa1ticipations may be sold to Disqualified Lenders unless a list of Disqualified Lenders has been made available to all Lenders who so request) (each, a **"Participant"**) in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans owing to it); provided that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (C) the Borrower Representative, the Administrative Agent, the Letter of Credit Issuer, and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, the Administrative Agent shall bear no responsibility or liability for monitoring and enforcing the list of Disqualified Lenders or the sales of participations thereto at any time. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement or any other

Credit Document; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in clauses (i) and (vi) of the second proviso to Section 13.1 that affects such Participant. Subject to clause (c)(ii) of this Section 13.6, each Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.10, 2.11, 3.5 and 5.4 to the same extent as if it were a Lender (subject to the limitations and requirements of those Sections as though it were a Lender and had acquired its interest by assignment pursuant to clause (b) of this Section 13.6, including the requirements of clause (e) of Section 5.4) (it being agreed that any documentation required under Section 5.4(e) shall be provided to the participating Lender). To the extent pe1mitted by law, each Participant also shall be entitled to the benefits of Section 13.8(b) as though it were a Lender; provided such Participant shall be subject to Section 13.8(a) as though it were a Lender.

(ii) A Participant shall not be entitled to receive any greater payment under Section 2.10, 2.11, 3.5 or 5.4 than the applicable Lender would have been entitled to receive absent the sale of such the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower Representative's prior written consent (which consent shall not be unreasonably withheld). Each Lender that sells a participation shall, acting solely tor this purpose as an agent of the Borrowers, maintain a register on which it enters the name and address of each participant and the principal amounts (and stated interest amounts) of each Participant's interest in the Loans or other obligations under this Agreement (the **"Participant Register"**). The entries in the Participant Register shall be conclusive, absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. No Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Credit Document) except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered fo1m under Section Sf.103-l(c) of the United States Treasury Regulations.

(d) Any Lender may, without the consent of the Borrower Representative or the Administrative Agent, at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section 13.6 shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(e) Subject to Section 13.16, the Borrower Representative authorizes each Lender to disclose to any Participant, secured creditor of such Lender or assignee (each, a **"Transferee"**) and any prospective Transferee any and all financial information in such Lender's possession concerning the Borrowers and their Affiliates that has been delivered to such Lender by or on behalf of the Borrowers and their Affiliates pursuant to this Agreement or that has been delivered to such Lender by or on behalf of the Borrowers and their Affiliates in connection with such Lender's credit evaluation of the Borrowers and their Affiliates prior to becoming a party to this Agreement.

(f) The words "execution," "signed," "signature," and words of like import in any Assignment and Acceptance 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 record.keeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and

National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

(g) SPV Lender. Notwithstanding anything to the contrary contained herein, any Lender (a "**Granting Lender**") may grant to a special purpose funding vehicle (an "**SPV**"), identified as such in writing from time to time by the Granting Lender to the Administrative Agent and the Borrower Representative, the option to provide to the Borrowers all or any part of any Loan that such Granting Lender would otherwise be obligated to make the Borrowers pursuant to this Agreement; provided that (i) nothing herein shall constitute a commitment by any SPY to make any Loan and (ii) if an SPV elects not to exercise such option or otherwise fails to provide all or any part of such Loan, the Granting Lender shall be obligated to make such Loan pursuant to the terms hereof The making of a Loan by an S.PV hereunder shall utilize the Commitment of the Granting Lender to the same extent, and as if, such Loan were made by such Granting Lender. Each party hereto hereby agrees that no SPV shall be liable for any indemnity or similar payment obligation under this Agreement (all liability for which shall remain with the Granting Lender). in furtherance of the foregoing, each party hereto hereby agrees (which agreement shall survive the termination of this Agreement) that, prior to the date that is one year and one day after the payment in full of all outstanding commercial paper or other senior indebtedness of any SPY, it shall not institute against, or join any other Person in instituting against, such SPY any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings under the laws of the United States or any State thereof. In addition, notwithstanding anything to the contrary contained in this Section 13.6, any SPV may (i) with notice to, but without the prior written consent of, the Borrower Representative and the Administrative Agent and without paying any processing fee therefor, assign all or a portion of its interests in any Loans to the Granting Lender or to any financial institutions (consented to by the Borrower Representative and the Administrative Agent) other than a Disqualified Lender providing liquidity and/or credit supp01t to or for the account of such SPV to support the funding or maintenance of Loans and (ii) subject to Section 13.16, disclose on a confidential basis any non-public information relating to its Loans to any rating agency, commercial paper dealer or provider of any surety, guarantee or credit or liquidity enhancement to such SPV. This Section 13.6(g) may not be amended without the written consent of the SPV. Notwithstanding anything to the contrary in this Agreement but subject to the following sentence, each SPY shall be entitled to the benefits of Sections 2.10, 2.11, 3.5 and 5.4 to the same extent as if it were a Lender (subject to the limitations and requirements of those Sections as though it were a Lender and had acquired its interest by assignment pursuant to clause (b) of this Section 13.6, including the requirements of clause (e) of Section 5.4 (it being agreed that any documentation required under Section 5.4(e) shall be provided to the Granting Lender)). Notwithstanding the prior sentence., an SPY shall not be entitled to receive any greater payment under Section 2.10, 2.11, 3.5 or 5.4 than its Granting Lender would have been entitled to receive absent the grant to such SPY, unless such grant to such SPV is made with the Borrower Representative's prior written consent (which consent shall not be unreasonably withheld).

13.7 Replacements of Lenders Under Certain Circumstances.

(a) The Borrowers shall be permitted (x) to replace any Lender or (y) terminate the Commitment of such Lender or Letter of Credit Issuer, as the case may be, and (I) in the case of a Lender (other than the Letter of Credit issuer), repay all Obligations of the Borrowers due and owing to such Lender relating to the Loans and participations held by such Lender as of such termination date and (2) in the case of the Letter of Credit Issuer, repay all Obligations of the Borrowers owing to such Letter of Credit Issuer relating to the Loans and Participations held by the Letter of Credit Issuer as of such termination date and cancel or backstop on terms satisfactory to such Letter of Credit issuer any Letters of Credit issued by it that (a) requests reimbursement for amounts owing pursuant to Sections 2.10 or 5.4, (b) is affected in the manner described in Section 2.10(a)(iii) and as a result thereof any of the actions described in such Section is required to be taken, or (c) becomes a Defaulting Lender, with a replacement

bank or other financial institution; provided that (i) such replacement docs not conflict with any Requirement of Law, (ii) no Event of Default under Sections 11.1 or 11.5 shall have occurred and be continuing at the time of such replacement, (iii) the Borrowers shall repay (or the replacement bank or institution shall purchase, at par) all Loans and other amounts pursuant to Sections 2.10, 2.11, or 5.4, as the case may be, owing to such replaced Lender prior to the date of replacement, (iv) the replacement bank or institution, if not already a Lender, an Affiliate of the Lender, an Affiliated Lender or Approved Fund, and the terms and conditions of such replacement, shall be reasonably satisfactory to the Administrative Agent, (v) the replacement bank or institution, it not already a Lender shall be subject to the provisions of Section 13.6(b), (vi) the replaced Lender shall be obligated to make such replacement in accordance with the provisions of Section 13.6 (provided that unless otherwise agreed the Borrowers shall be obligated to pay the registration and processing fee referred to therein), and (vii) any such replacement shall not be deemed to be a waiver of any rights that the Borrowers, the Administrative Agent or any other Lender shall have against the replaced Lender.

(b) If any Lender (such Lender, a **"Non-Consenting Lender"**) has failed to consent to a proposed amendment, waiver, discharge or termination that pursuant to the terms of Section 13.1 requires the consent of either (i) all of the Lenders directly and adversely affected or (ii) all of the Lenders, and, in each case, with respect to which the Required Lenders (or at least 50.1% of the directly and adversely affected Lenders) shall have granted their consent, then, the Borrowers shall have the right (unless such Non-Consenting Lender grants such consent) to (x) replace such Non-Consenting Lender by requiring such Non-Consenting Lender to assign its Loans, and its Commitments hereunder to one or more assignees reasonably acceptable to the Administrative Agent (to the extent such consent would be required under Section 13.6) or to terminate the Commitment of such Lender or Letter of Credit Issuer, as the case may be, and (1) in the case of a Lender (other than the Letter of Credit Issuer), repay all Obligations of the Borrowers due and owing to such Lender relating to the Loans and participations held by such Lender as of such termination date and (2) in the case of the Letter of Credit issuer, repay all Obligations of the Borrowers owing to such Letter of Credit Issuer relating to the Loans and participations held by the Letter of Credit Issuer as of such termination date and cancel or backstop on terms satisfactory to such Letter of Credit Issuer any Letters of Credit issued by it); provided that (a) all Obligations hereunder of the Borrowers owing to such Non-Consenting Lender being replaced shall be paid in full to such Non-Consenting Lender concurrently with such assignment including any amounts that such Lender may be owed pursuant to Section 2.11, and (b) the replacement Lender shall purchase the foregoing by paying to such Non-Consenting Lender a price equal to the principal amount thereof plus accrued and unpaid interest thereon, and (c) the Borrowers shall pay to such Non-Consenting Lender the amount, if any, owing to such Lender pursuant to Section 5.1(b). In connection with any such assignment, the Borrowers, the Administrative Agent, such Non-Consenting Lender and the replacement Lender shall otherwise comply with Section 13.6.

13.8 Adjustments; Set-off

(a) Except as contemplated in Section 13.6 or elsewhere herein, if any Lender (a **"Benefited Lender"**) shall at any time receive any payment of all or part of its Loans, or interest thereon, or receive any collateral in respect thereof (whether voluntarily or involuntarily, by set-off, pursuant to events or proceedings of the nature referred to in Section 11.5, or otherwise), in a greater proportion than any such payment to or collateral received by any other Lender, if any, in respect of such other Lender's Loans, or interest thereon, such Benefited Lender shall purchase for cash from the other Lenders a participating interest in such portion of each such other Lender's Loan, or shall provide such other Lenders with the benefits of any such collateral, or the proceeds thereof, as shall be necessary to cause such Benefited Lender to share the excess payment or benefits of such collateral or proceeds ratably with each of the Lenders; provided, however, that if all or any portion of such excess payment or benefits is thereafter

recovered from such Benefited Lender, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest.

(b) After the occurrence and during the continuance of an Event of Default, in addition to any rights and remedies of the Lenders provided by la,v, each Lender shall have the right, without prior notice to the Credit Parties but with the prior consent of the Administrative Agent, any such notice being expressly waived by the Credit Parties to the extent permitted by applicable law, upon any amount becoming due and payable by the Credit Parties hereunder (whether at the stated maturity, by acceleration or otherwise) to set-off and appropriate and apply against such amount any and all deposits (general or special, time or demand, provisional or final) (other than payroll, trust, tax, fiduciary, and petty cash accounts), in any cu1Tency, and any other credits, indebtedness or claims, in any cu1Tency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Lender or any branch or agency thereof to or for the credit or the account of the Credit Parties. Each Lender agrees promptly to notify the Credit Parties and the Administrative Agent after any such set-off and application made by such Lender; provided that the failure to give such notice shall not affect the validity of such set-off and application.

13.9 Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by facsimile or other electronic transmission), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. A set of the copies of this Agreement signed by all the parties shall be lodged with the Borrower Representative and the Administrative Agent.

13.10 Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or enforceability without invalidating the remaining provisions hereof, and any such prohibition or unconformability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

13.11 Integration. This Agreement and the other Credit Documents represent the agreement of Holdings, the Borrowers, the Collateral Agent, the Administrative Agent and the Lenders with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by Holdings, the Borrowers, the Administrative Agent, the Collateral Agent nor any Lender relative to subject matter hereof not expressly set forth or referred to herein or in the other Credit Documents.

13.12 GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE W 1TH, THE LAW OF THE STATE O.F NEW YORK. EACH LETTER OF CREDIT SHALL BC GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THC LAWS OF THE STATE OF NEW YORK.

13.13 Submission to Jurisdiction; Waivers. Each party hereto irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Credit Documents to which it is a party to the exclusive general jurisdiction of the courts of the State of New York or the courts of the United States for the Southern District of New York, in each case sitting in New York City in the Borough of Manhattan, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives (to the extent permitted by applicable law) any objection that it may may or hereafter have to the venue

of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same or to commence or support any such action or proceeding in any other courts;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such Person at its address set forth on Schedule 13.2 at such other address of which the Administrative Agent shall have been notified pursuant to Section 13.2;

(d) agrees that nothing herein shall affect the right of the Administrative Agent, any Lender or another Secured Party to effect service of process in any other manner permitted by law or to commence legal proceedings or otherwise proceed against Holdings or any Borrower or any other Credit Party in any other jurisdiction; and

(e) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section 13.13 any special, exemplary, punitive or consequential damages.

13.14 Acknowledgments. Each Borrower hereby acknowledges that:

(a) it has been advised by counsel in tl1e negotiation, execution, and delivery of this Agreement and the other Credit Documents;

(b) (i) the credit facilities provided for hereunder and any related arranging or other services in connection therewith (including in connection with any amendment, waiver or other modification hereof or of any other Credit Document) are an arm's-length commercial transaction between the Borrowers and the other Credit Parties, on the one hand, and the Administrative Agent, the Lenders and the other Agents on the other hand, and the Borrowers and the other Credit Parties are capable of evaluating and understanding and understand and accept the terms, risks and conditions of the transactions contemplated hereby and by the other Credit Documents (including any amendment, waiver or other modification hereof or thereof); (ii) in connection with the process leading to such transaction, each of the Administrative Agent and the other Agents, is and has been acting solely as a principal and is not the financial advisor, agent or fiduciary for the Borrowers, any other Credit Parties or any of their respective Affiliates, stockholders, creditors or employees, or any other Person; (iii) neither the Administrative Agent nor any other Agent has assumed or will assume an advisory, agency or fiduciary responsibility in favor of the Borrowers or any other Credit Party with respect to any of the transactions contemplated hereby or the process leading thereto, including with respect to any amendment, waiver or other modification hereof or of any other Credit Document (irrespective of whether the Administrative Agent or other Agent has advised or is currently advising the Borrowers, the other Credit Parties or their respective Affiliates on other matters) and neither the Administrative Agent or other Agent has any obligation to the Borrowers, the other Credit Parties or their respective Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Credit Documents; (iv) the Administrative Agent, each other Agent and each Affiliate of the foregoing may be engaged in a broad range of transactions that involve interests that differ from those of the Borrowers and their Affiliates, and neither the Administrative Agent nor any other Agent has any obligation to disclose any of such interests by virtue of any advisory, agency or fiduciary relationship; and (v) neither the Administrative Agent nor any other Agent has provided and none will provide any legal, accounting, regulatory or tax advice with respect to any of the transactions contemplated hereby (including any amendment, waiver or other modification hereof or of any other Credit Document) and the Borrowers have consulted their own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate. Each Borrower hereby waives and releases, to the fullest extent permitted by law,

any claims that it may have against the Administrative Agent or any other Agent with respect to any breach or alleged breach of agency or fiduciary duty; and

(c) no joint venture is created hereby or by the other Credit Documents or otherwise exists by virtue of the transactions contemplated hereby among the Lenders or among the Borrowers, on the one hand, and any Lender, on the other hand.

13.15 WAIVERS OF JURY TRIAL. EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVE (TO THE EXTENT PERMITTED BY APPLICABLE LAW) TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER.CREDIT DOCUMENT AND FOR.ANY COUNTERCLAIM THEREIN.

13.16 Confidentiality. The Administrative Agent, each other Agent and each Lender *(*collectively, the **"Restricted Persons"** and, each a **"Restricted Person"**) shall treat confidentially all non-public information provided to any Restricted Person by or on behalf of any Credit Party hereunder in connection with such Restricted Person's evaluation of whether to become a Lender hereunder or obtained by such Restricted Person pursuant to the requirements of this Agreement (**"Confidential Information"**) and shall not publish, disclose or otherwise divulge such Confidential Information; provided that nothing herein shall prevent any Restricted Person from disclosing any such Confidential Information (a) pursuant to the order of any court or administrative agency or in any pending legal, judicial or administrative proceeding, or otherwise as required by applicable law, rule or regulation or compulsory legal process (in which case such Restricted Person agrees (except with respect to any routine or ordinary course audit or examination conducted by bank accountants or any governmental or bank regulato1y authority exercising examination or regulatory authority), to the extent practicable and not prohibited by applicable law, rule or regulation, to inform the Borrower Representative promptly thereof prior to disclosure), (b) upon the request or demand of any regulatory authority having jurisdiction over such Restricted Person or any of its Affiliates (in which case such Restricted Person agrees (except with respect to any routine or ordinary course audit or examination conducted by bank accountants or any governmental or bank regulatory authority exercising examination or regulatory authority) to the extent practicable and not prohibited by applicable law, rule or regulation, to inform the B01TOwcr Representative promptly thereof prior to disclosure), (c) to the extent that such Confidential Information becomes publicly available other than by reason of improper disclosure by such Restricted Person or any of its affiliates or any related parties thereto in violation of any confidentiality obligations Owing under this Section 13.16, (d) to the extent that such Confidential Information is received by such Restricted Person from a third party that is not, to such Restricted Person's knowledge, subject to confidentiality obligations owing to any Credit Party or any of their respective subsidiaries or affiliates, (e) to the extent that such Confidential Information was already in our possession prior to any duty or other undertaking of confidentiality or is independently developed by the Restricted Persons without the use of such Confidential Information, (t) to such Restricted Person's affiliates and to its and their respective officers, directors, partners, employees, legal counsel, independent auditors, and other experts or agents who need to know such Confidential Information in connection with providing the Loans or action as an Agent hereunder and who are informed of the confidential nature of such Confidential Information and who are subject to customary confidentiality obligations of professional practice or who agree to be bound by the terms of this Section 13.16 (or confidentiality provisions at least as restrictive as those set forth in this Section 13.16) (with each such Restricted Person, to the extent within its control, responsible for such person's compliance with this paragraph), (g) to potential or prospective Lenders, hedge providers, participants or assignees, in each case who agree (pursuant to customary syndication practice) to be bound by the terms of this Section 13.16 (or confidentiality provisions at least as restrictive as those set forth in this Section 13.16); provided that (i) the disclosure of any such Confidential Information to any Lenders, hedge providers or prospective Lenders, hedge providers or participants or prospective participants referred to above shall be made subject to the acknowledgment

and acceptance by such Lender, hedge provider or prospective Lender or participant or prospective participant that such Confidential Information is being disseminated on a confidential basis (on substantially the terms set forth in this Section 13.16 or confidentiality provisions at least as restrictive as those set forth in this Section 13.16) in accordance with the standard syndication processes of such Restricted Person or customary market standards for dissemination of such type of information, which shall in any event require "click through" or other affirmative actions on the part of recipient to access such Confidential Information and (ii) no such disclosure shall be made by such Restricted Person to any person that is at such time a Disqualified Lender, (h) for purposes of establishing a "due diligence" defense, or (i) to rating agencies in connection with obtaining ratings for any Borrower and the Credit Facilities to the extent such rating agencies are subject to customary confidentiality obligations of professional practice or agree to be bound by the terms of this Section 13.16 (or confidentiality provisions at least as restrictive as those set forth in this Section 13.16). Notwithstanding the foregoing, (i) Confidential Information shall not include, with respect to any Person, information available to it or its Affiliates on a non-confidential basis from a source other than Holdings, its Subsidiaries or their respective Affiliates, (ii) the Administrative Agent shall not be responsible for compliance with this Section 13.16 by any other Restricted Person (other than its officers, directors or employees), (iii) in no event shall any Lender, the Administrative Agent or any other Agent be obligated or required to return any materials furnished by Holdings or any of its Subsidiaries, and (iv) each Agent and each Lender may disclose the existence of this Agreement and the information about this Agreement to market data collectors, similar services providers to the lending industry, and service providers to the Agents and the Lenders in connection with the administration and management of this Agreement and the other Credit Documents.

13.17 Direct Website Communications. Each of Holdings and the Borrowers may, at its option, provide to the Administrative Agent any information, documents and other materials that it is obligated to furnish to the Administrative Agent pursuant to the Credit Documents, including, without limitation, all notices, requests, financial statements, financial, and other reports, certificates, and other information materials, but excluding any such communication that (A) relates to a request for a new, or a conversion of an existing, bo1Towing or other extension of credit (including any election of an interest rate or interest period relating thereto), (B) relates to the payment of any principal or other amount due under this Agreement prior to the scheduled date therefor, (C) provides notice of any default or event of default under this Agreement or (D) is required to be delivered to satisfy any condition precedent to the effectiveness of this Agreement and/or any hon-owing or other extension of credit thereunder (all such non-excluded communications being referred to herein collectively as **"Communications"**), by transmitting the Communications in an electronic/soft medium in a format reasonably acceptable to the Administrative Agent to the Administrative Agent at an email address provided by the Administrative Agent from time to time; provided that (i) upon written request by the Administrative Agent or the 801Towcr Representative shall deliver paper copies of such documents to the Administrative Agent for further distribution to each Lender until a written request to cease delivering paper copies is given by the Administrative Agent and (ii) the Borrower Representative shall notify (which may be by facsimile or electronic mail) the Administrative Agent of the posting of any such documents and provide to the Administrative Agent by electronic mail electronic versions (i.e., soft copies) of such documents. Each Lender shall be solely responsible for timely accessing posted documents or requesting delivery of paper copies of such documents from the Administrative Agent and maintaining its copies of such documents. Nothing in this Section 13.17 shall prejudice the right of Holdings, the Borrower Representative, the Administrative Agent, any other Agent or any Lender to give any notice or other communication pursuant to any Credit Document in any other manner specified in such Credit Document.

The Administrative Agent agrees that the receipt of the Communications by the Administrative Agent at its e-mail address set forth above shall constitute effective delivery of the Communications to the Administrative Agent for purposes of the Credit Documents. Each Lender agrees that notice to it (as

provided in the next sentence) specifying that the Communications have been posted to the Platform shall constitute effective delivery of the Communications to such Lender for purposes of the Credit Documents. Each Lender agrees (A) to notify the Administrative Agent in writing (including by electronic communication) from time to time of such Lender's e-mail address to which the foregoing notice may be sent by electronic transmission and (B) that the foregoing notice may be sent to such e-mail address.

(a) Each of Holdings and the Borrowers further agrees that any Agent may make the Communications available to the Lenders by posting the Communications on Intralinks or a substantially similar electronic transmission system (the **"Platform"**), so long as the access to such Platform (i) is limited to the Agents, the Lenders and Transferees or prospective Transferees and (ii) remains subject to the confidentiality requirements set forth in Section 13.16.

(b) THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES DO NOT WARRANT THE ACCURACY OR. COMPLETENESS OF ANY MATERIALS OR. INFORMATION PROVIDED BY THE CREDIT PAR.HES (THE "**BORROWER MATERIALS**") OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY K.IN0, EXPRESS, IMPLIED OR. STATUTORY, 1NCLU01NG ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR. PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. 1n no event shall the Administrative Agent or any of its Related Parties (collectively, the "**Agent Parties**" and each an "**Agent Party**") have any liability to any Borrower, any Lender, or any other Person for losses, claims, damages, liabilities, or expenses of any kind (whether in tort, contract or otherwise) arising out of the Borrower Representative's or the Administrative Agent's transmission of Bo1TOwer Materials through the internet, except to the extent the liability of any Agent Party resulted from such Agent Party's (or any of its Related Parties' (other than any trustee or advisor)) gross negligence, bad faith or willful misconduct or material breach of the Credit Documents as determined in the final non-appealable judgment of a court of competent jurisdiction.

(c) Each of Holdings and the B01TOwers and each Lender acknowledge that certain of the Lenders may be "public-side" Lenders (Lenders that do not wish to receive material non-public information with respect to Holdings, the Borrowers, the Subsidiaries or their securities) and, if documents or notices required to be delivered pursuant to the Credit Documents or otherwise are being distributed through the Platform, any document or notice that Holdings or the Bo1Tower Representative has indicated contains only publicly available information with respect to Holdings or the Borrowers may be posted on that portion of the Platform designated for such public-side Lenders. If Holdings or the Borrower Representative has not indicated whether a document or notice delivered contains only publicly available information, the Administrative Agent shall post such document or notice solely on that portion of the Platform designated for Lenders who wish to receive material nonpublic information with respect to Holdings, the Borrowers, the Subsidiaries and their securities. Notwithstanding the foregoing, each of Holdings and the Borrower Representative shall use commercially reasonable efforts to indicate whether any document or notice contains only publicly available information.

13.18 USA PATRIOT Act. Each Lender hereby notifies each Credit Party that pursuant to the requirements of the USA Patriot Act (Title Ill of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act"), it is required to obtain, verify, and record information that identifies each Credit Party, which information includes the name and address of each Credit Party and other information that will allow such Lender to identify each Credit Party in accordance with the Patriot Act.

13.19 Judgment Currency. If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder or any other Credit Document in one currency into another currency, the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the first currency with such other currency on the Business Day preceding that on which final judgment is given. The obligation of the Borrowers in respect of any such sum due from it to the Administrative Agent or the Lenders hereunder or under the other Credit Documents shall, notwithstanding any judgment in a currency (the "**Judgment Currency**)'") other than that in which such sum is denominated in accordance with the applicable provisions of this Agreement (the "**Agreement Currency**"), be discharged only to the extent that on the Business Day following receipt by the Administrative Agent of any sum adjudged to be so due in the Judgment Currency, the Administrative Agent may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency. If the amount of the Agreement Currency so purchased is less than the sum originally due to the Administrative Agent from the Borrowers in the Agreement Currency, the Borrowers agree, as a separate joint and several obligation and notwithstanding any such judgment, to indemnify the Administrative Agent or the Person to whom such obligation was owing against such loss. If the amount of the Agreement Currency so purchased is greater than the sum originally due to the Administrative Agent in such currency, the Administrative Agent agrees to return the amount of any excess to the Borrowers (or to any other Person who may be entitled thereto under applicable law).

13.20 Payments Set Aside. To the extent that any payment by or on behalf of Holdings or the Borrowers is made to any Agent or any Lender, or any Agent or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by such Agent or such Lender in its discretion) to be repaid to a trustee, receiver, or any other party, in connection with any proceeding or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender severally agrees to pay to the Administrative Agent upon demand its applicable share of any amount so recovered from or repaid by any Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the applicable Overnight Rate from time to time in effect.

13.21 No Fiduciary Duty. Each Agent, each Lender and their Affiliates (collectively, solely for purposes of this paragraph, the "**Lenders**"), may have economic interests that conflict with those of the Credit Parties, their stockholders and/or their affiliates. Each Credit Party agrees that nothing in the Credit Documents or otherwise will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between any Lender, on the one hand, and such Credit Party, its stockholders or its affiliates, on the other. The Credit Parties acknowledge and agree that (i) the transactions contemplated by the Credit Documents (including the exercise of rights and remedies hereunder and thereunder) are ann's-length commercial transactions between the Lenders, on the one hand, and the Credit Parties, on the other, and (ii) in connection therewith and with the process leading thereto, (x) no Lender has assumed an advisory or fiduciary responsibility in favor of any Credit Party, its stockholders or its affiliates with respect to the transactions contemplated hereby (or the exercise of rights or remedies with respect thereto) or the process leading thereto (irrespective of whether any Lender has advised, is currently advising or will advise any Credit Party, its stockholders or its Affiliates on other matters) or any other obligation to any Credit Party except the obligations expressly set forth in the Credit Documents and (y) each Lender is acting solely as principal and not as the agent or fiduciary of any Credit Party, its management, stockholders or creditors. Each Credit Party acknowledges and agrees that it has consulted its own legal and financial advisors to the extent it deemed appropriate and that it is responsible for making its own independent judgment with respect to such transactions and the process leading thereto. Each Credit Party agrees that it will not claim that any Lender has rendered

advisory services of any nature or respect, or owes a fiduciary or similar duty to such Credit Party, in connection with such transaction or the process leading thereto.

13.22 [Reserved].

13.23 [Reserved].

13.24 Designation of a Subsidiary Borrower. The designation of a Subsidiary Borrower pursuant to Section 2.17 is subject to the conditions precedent that the Borrower Representative or such proposed Subsidiary Borrower shall have furnished or caused to be furnished to the Administrative Agent (or its counsel):

(a) a certificate of such Subsidiary substantially in the form of Exhibit E, with appropriate insertions, executed by the President or any Vice President and the Secretary or any Assistant Secretary of such Subsidiary and attaching the documents referred to in Section 6.6;

(b) an executed legal opinion, in customary form and consistent with the legal opinion with respect to the Company delivered pursuant to Section 6.3, with respect to such Subsidiary;

(c) subject to Section 9.12 and Section 13.1, if such Subsidiary Borrower is not already a Guarantor, all Security Documents, guarantees and other documents and instruments as such Subsidiary Borrower shall be required to deliver to become a Guarantor; and

(d) all documentation and other information required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations.

13.25 Obligations Joint and Several. The Borrowers shall have joint and several liability in respect of all Obligations hereunder and under any other Credit Document to which any Borrower is a party, without regard to any defense (other than the defense of payment), setoff or counterclaim which may at any time be available to or be asserted by any other Credit Party against the Lenders, or by any other circumstance whatsoever (with or without notice to or knowledge of the Borrowers) which constitutes, or might be construed to constitute, an equitable or legal discharge of the Borrowers' liability hereunder, in bankruptcy or in any other instance, and such Obligations of the Borrowers shall not be conditioned or contingent upon the pursuit by the Lenders or any other person at any time of any right or remedy against the Borrowers or against any other person which may be or become liable in respect of all or any part of the Obligations or against any Collateral or Guarantee therefor or right of offset with respect thereto. The Borrowers hereby acknowledge that this Agreement is the independent and several obligation of each Borrower (regardless of which Borrower shall have delivered a Notice of Borrowing) and may be enforced against each Borrower separately, whether or not enforcement of any right or remedy hereunder has been sought against any other Borrower. Each Borrower hereby expressly waives, with respect to any of the Loans made to any other Borrower hereunder and any of the amounts owing hereunder by such other Credit Parties in respect of such Loans, diligence, presentment, demand of payment, protest and all notices whatsoever, and any requirement that the Administrative Agent or any Lender exhaust any right, power or remedy or proceed against such other Credit Parties under this Agreement or any other agreement or instrument referred to herein or against any other person under any other guarantee of, or security for, any of such amounts owing hereunder. Further, the provisions of the Guarantee set forth in Sections 2, 4 and 5 thereof are hereby incorporated by reference and shall be deemed to apply to the Obligations of the Subsidiary Borrowers mutatis mutandis as if set forth herein.

13.26 Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Credit Document or in any other agreement,

arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Credit Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Credit Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of applicable Resolution Authority.

13.27 Acknowledgement Regarding Any Supported QFCs. To the extent that the Credit Documents provide support, through a guarantee or otherwise, for Hedge Agreements or any other agreement or instrument that is a QFC (such support, "**QFC Credit Support**" and each such QFC a "**Supported QFC**"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the federal Deposit Insurance Act and Title 11 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "**U.S. Special Resolution Regimes**") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Credit Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York or of the United States or any other state of the United States):

(a) In the event a Covered Entity that is party to a Supported QFC (each, a "**Covered Party**") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Credit Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Credit Documents were governed by the laws of the United States or a state of the United States.

(b) As used in this Section 13.27, the following terms have the following meanings:

"**BHC Act Affiliate**" of a party means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

"**Covered Entity**)"' means any of the following:

(i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b)

(ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"**Default Right**" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"**QFC**" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

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AMENDMENT NO. 8 TO REVOLVING CREDIT AGREEMENT

AMENDMENT NO. 8 TO REVOLVING CREDIT AGREEMENT, dated as of July 1, 2024 (this "***Agreement***"), by and among BDF ACQUISITION CORP., a Delaware corporation (the "***Company***" or the "***Borrower Representative***"), the other Credit Parties party hereto, ROYAL BANK OF CANADA, as administrative agent (the "***Administrative Agent***") and the Lenders party hereto.

RECITALS:

WHEREAS, reference is hereby made to the Revolving Credit Agreement, dated as of February 12, 2014 (as amended, restated, supplemented or otherwise modified from time to time immediately prior to the effectiveness of this Agreement, including pursuant to Amendment No. 1 to Revolving Credit Agreement, dated as of June 17, 2016, Amendment No. 2 to Revolving Credit Agreement, dated as of June 18, 2018 and Joinder Agreement and Amendment No. 3 to Revolving Credit Agreement, dated as of September 18, 2019 and Joinder Agreement, Amendment No. 4 to Revolving Credit Agreement, dated as of May 12, 2021, Amendment No. 5 to Revolving Credit Agreement, dated as of July 5, 2022, Amendment No. 6 to Revolving Credit Agreement, dated as of August 24, 2022 and Amendment No. 7 to Revolving Credit Agreement, dated as of June 2, 2024 the "***Existing Credit Agreement***" and, as amended by this Agreement, the "***Credit Agreement***"), among BDF Intermediate, LLC, a Delaware limited liability company, the Company, the Subsidiary Borrowers from time to time party thereto (together with the Company, collectively, the "***Borrowers***"), the lending institutions from time to time party thereto, the Administrative Agent and Royal Bank of Canada, as Collateral Agent and Letter of Credit Issuer (capitalized terms used but not defined herein having the meaning provided in the Credit Agreement);

WHEREAS, the Company has requested that the Administrative Agent and the Lenders make certain amendments to the Existing Credit Agreement as further set forth herein and the Administrative Agent and the Lenders party hereto (which Lenders constitute all of the Lenders under the Existing Credit Agreement) are willing to make such amendments to the Existing Credit Agreement as set forth herein:

NOW, THEREFORE, in consideration of the premises and agreements, provisions and covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. Amendments to Credit Agreement.

(a) Each of the parties hereto agrees that, subject to the occurrence of the Amendment No. 8 Effective Date, the Existing Credit Agreement is hereby amended to (i) delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the pages attached as Exhibit A hereto.

(b) Schedule 1.1(b) of the Credit Agreement is hereby amended and restated in its entirety as set forth on Schedule 1.1(b) attached hereto.

SECTION 2. Conditions to Effectiveness. The effectiveness of this Agreement shall become effective on the first date (the "***Amendment No. 8 Effective Date***") when each of the applicable conditions set forth below have been satisfied (or waived) in accordance with the terms hereof:

(i) the Administrative Agent shall have received counterparts to this Agreement from the Borrower, the other Credit Parties and Lenders constituting all of the Lenders;

(ii) the Administrative Agent shall have received certified copies of resolutions or other corporate action, incumbency certificates and/or other certificates of an Authorized Officer of the Borrower Representative as the Administrative Agent may reasonably require evidencing the identity, authority and capacity of each Authorized Officer thereof authorized to act as an Authorized Officer in connection with this Agreement;

(iii) the representations and warranties set forth in Section 8 of the Credit Agreement shall be true and correct in all material respects on and as of the date of such effectiveness; provided that, to the extent that such representations and warranties specifically refer to an earlier date, they shall be true and correct in all material respects as of such earlier date;

(iv) no Event of Default shall have occurred and be continuing or shall result upon giving effect to the Amendment No. 8 Effective Date;

(v) the Administrative Agent (or its counsel) shall have received the signed legal opinion, in customary form, of Kirkland & Ellis LLP, special New York counsel to the Credit Parties;

(vi) the Administrative Agent shall have received such documentation and information as is reasonably requested in writing at least ten days prior to the Amendment No. 8 Effective Date by the Administrative Agent about Holdings, the Borrowers and the other Guarantors to the extent the Administrative Agent and Holdings in good faith mutually agree is required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the Patriot Act and 31 C.F.R. § 1010.230;

(vii) the Administrative Agent shall have received a certificate of a Responsible Officer of the Borrower certifying as to the matters set forth in clauses (iii) and (iv) of this Section 2; and

(viii) the Administrative Agent shall have received, for the account of each Lender an upfront fee (the "***Upfront Fee***") in an amount equal to 0.25% of such Lender's Revolving Credit Commitments after giving effect to this Agreement (it being understood that the Borrower shall have no obligation to pay the Upfront Fee if the Amendment No. 8 Effective Date does not occur).

SECTION 3. Expenses. Each of the Credit Parties hereby reconfirms its respective obligations pursuant to Section 13.5 of the Credit Agreement to pay all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent in connection with this Agreement.

SECTION 4. Reaffirmation of the Credit Parties. Each Credit Party hereby consents to the amendment of the Existing Credit Agreement effected hereby and confirms and agrees that, notwithstanding the effectiveness of this Agreement, each Credit Document to which such Credit Party is a party is, and the obligations of such Credit Party contained in the Existing Credit Agreement, this Agreement or in any other Credit Document to which it is a party are, and shall continue to be, in full force and effect and are hereby ratified and confirmed in all respects, in each case as amended by this Agreement. For greater certainty and without limiting the foregoing, each Credit Party hereby confirms that the existing security interests granted by such Credit Party in favor of the Secured Parties pursuant to the Credit Documents in the Collateral described therein shall continue to secure the obligations of the Credit Parties under the Credit Agreement and the other Credit Documents as and to the extent provided in the Credit Documents.

SECTION 5. Amendment, Modification and Waiver. This Agreement may not be amended, modified or waived except in accordance with Section 13.1 of the Credit Agreement.

SECTION 6. Entire Agreement. This Agreement, the Credit Agreement and the other Credit Documents constitute the entire agreement among the parties with respect to the subject matter hereof and thereof and supersede all other prior agreements and understandings, both written and verbal, among the parties or any of them with respect to the subject matter hereof. Except as expressly set forth herein, this Agreement shall not by implication or otherwise limit, impair, constitute a waiver of, or otherwise affect the rights and remedies of any party under, the Existing Credit Agreement, nor alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement, all of which are ratified and affirmed in all respects and shall continue in full force and effect. It is understood and agreed that each reference in each Credit Document to the Credit Agreement, whether direct or indirect, shall hereafter be deemed to be a reference to the Existing Credit Agreement as amended hereby and that this Agreement is a Credit Document and a Joinder Agreement. This Agreement shall not constitute a novation of any amount owing under the Existing Credit Agreement and all amounts owing in respect of principal, interest, fees and other amounts pursuant to the Existing Credit Agreement and the other Credit Documents continue to be owing under the Credit Agreement or such other Credit Documents until paid in accordance therewith.

SECTION 7. **GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

SECTION 8. Severability. Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or enforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction. If any provision of this Agreement is so broad as to be unenforceable, the provision shall be interpreted to be only so broad as would be enforceable.

SECTION 9. Counterparts. This Agreement may be executed in counterparts (including by facsimile or other electronic transmission), each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement. The words "execution," "signed," "signature," and words of like import shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. For the avoidance of doubt, the foregoing also applies to any amendment, extension or renewal of this Agreement. Each of the parties represents and warrants to the other party/ies that it has the corporate capacity and authority to execute this Agreement through electronic means and there are no restrictions for doing so in that party's constitutive documents.

[*Remainder of Page Intentionally Blank*]

IN WITNESS WHEREOF, each of the undersigned has caused its duly authorized officer to execute and deliver this Agreement as of the date first written above.

BDF ACQUISITION CORP., as Borrower and Borrower Representative

By: /s/ Carl Lukach
Name: Carl Lukach
Title: Chief Financial Officer

BDF INTERMEDIATE, LLC, as Holdings

By: /s/ Carl Lukach
Name: Carl Lukach
Title: Chief Financial Officer

BOB'S DISCOUNT FURNITURE, LLC, as a Guarantor

By: /s/ Carl Lukach
Name: Carl Lukach
Title: Chief Financial Officer

ROYAL BANK OF CANADA,
as a Lender

By: /s/ Guido Borrelli
Name: Guido Borrelli
Title: Authorized Signatory

ROYAL BANK OF CANAD,
as Administrative Agent

By: /s/ Drake Guo
Name: Drake Guo
Title: Deal Manager

UBS AG, STAMFORD BRANCH,
as a Lender and an Incremental Revolving Loan Lender

By: /s/ Danielle Calo
Name: Danielle Calo
Title: Associate Director

By: /s/ Peter Hazoglou
Name: Peter Hazoglou
Title: Authorized Signatory

Schedule 1.1(b)

Commitments of Lenders

Exhibit A

Conformed Credit Agreement

Conformed through Amendment No. ~~7~~8, dated ~~June 2~~July 1, ~~2023~~2024

REVOLVING CREDIT AGREEMENT

dated as of February 12, 2014

among

BDF INTERMEDIATE, LLC,
as Holdings,

BDF ACQUISITION CORP.,
as a Borrower and as the Borrower Representative,

The Subsidiary Borrowers
from Time to Time Parties Hereto,

The Several Lenders
from Time to Time Parties Hereto,

ROYAL BANK OE CANADA,
as the Administrative Agent, the Collateral Agent and Letter of Credit Issuer,

RBC CAPITAL MARKETS[1] and
UBS SECURITIES LLC,
as Joint Lead Arrangers and Bookrunners,

and

UBS SECURITIES LLC,
as Syndication Agent

[1] RBC Capital Markets is a brand name for the capital markets activities of Royal Bank of Canada and its affiliates.

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CREDIT AGREEMENT

CREDIT AGREEMENT, dated as of February 12, 2014, among BDF INTERMEDIATE, LLC, a Delaware limited liability company **("Holdings"),** BDF ACQUISITION CORP., a Delaware corporation (the **"Company"),** the Subsidiary Borrowers from time to time parties hereto, the lending institutions from time to time parties hereto (each a **"Lender"** and, collectively, the **"Lenders"),** ROYAL BANK OF CANADA, as the Administrative Agent and the Collateral Agent (such terms and each other capitalized term used but not defined in this preamble having the meaning provided in Section 1).

WHEREAS, pursuant to that certain Securities Purchase Agreement, dated as of December 23, 2013 (as amended, restated, supplemented, or otherwise modified from time to time in accordance with the terms thereof and including all annexes and schedules thereto, the **"Acquisition Agreement"),** among the sellers party thereto (the **"Seller"),** Bob's Discount Furniture Holdings I, LLC, a Delaware limited liability company **("Bob's I"),** Bob's Discount Furniture Holdings II, LLC, a Delaware limited liability company **("Bob's II"),** SKM BDF Acquisition Corp., a Delaware corporation, KarpReilly, LLC, a Delaware limited liability company, as representative of the Seller and the Company (as successor to the obligations of BDF Holding Corp., a Delaware corporation, under the Acquisition Agreement), pursuant to which the Company will acquire, directly or indirectly, the equity interests of the Acquired Companies as described in the Acquisition Agreement;

WHEREAS, to fund, in part, the Acquisition, it is intended that the Sponsor and the other Initial Investors will contribute an amount in cash to Holdings and/or a direct or indirect parent thereof in exchange for Capital Stock (such contribution, the **"Equity Investments")** together with the investment of equity rolled over or invested in connection with the Acquisition by the existing management and other existing shareholders, which shall be no less than 37.5% of the sum of (i) the aggregate gross proceeds of the First Lien Term Loans, the Second Lien Facility and the Revolving Credit Facility borrowed on the Closing Date (excluding (A) the effects of any exercise of the Flex Provisions (as defined in the Fee Letter) of the Fee Letter and (B) amounts drawn under the Revolving Credit Facility for working capital purposes, to fund Transaction Expenses or to replace, backstop or cash collateralize existing letters of credit), plus (ii) the amount of any existing Capitalized Lease Obligations outstanding on the Closing Date, plus (iii) the Equity Investments, minus (iv) the aggregate amount of cash on hand of Holdings and its Subsidiaries on the Closing Date (the **"Minimum Equity Amount");**

WHEREAS, to consummate the Acquisition, it is intended that the Borrowers will incur (i) First Lien Tenn Loans under a term loan facility established pursuant to the First Lien Term Loan Credit Documents (the **"First Lien Term Facility")** generating aggregate gross proceeds of $180,000,000 and (ii) Second Lien Loans under a term loan facility established pursuant to the Second Lien Credit Documents (the **"Second Lien Facility")** generating aggregate gross proceeds of $80,000,000;

WHEREAS, in connection with the foregoing, the Company has requested (a) that the Lenders extend credit in the form of Revolving Credit Loans made available to the Borrowers at any time and from time to time prior to the Revolving Credit Maturity Date in Dollars in an aggregate principal amount at any time outstanding not in excess of $40,000,000 (as such amount may be increased pursuant to Section 2.14) less the sum of (1) the aggregate Letters of Credit Outstanding at such time and (2) the aggregate principal amount of all Swingline Loans outstanding at such time, (b) the Letter of Credit Issuer to issue Letters of Credit at any time and front time to time prior to the L/C Facility Maturity Date, in an aggregate Stated Amount at any time outstanding not in excess of $10,000,000, and (c) the Swingline Lender to extend credit to the Borrowers in the form of Swingline Loans at any time and from time to time prior to the Swingline Maturity Date, in an aggregate principal amount at any time outstanding not in excess of $7,500,000;

WHEREAS, the proceeds of Revolving Credit Loans (to the extent permitted under Section 9.13) will be used, together with (i) the net proceeds of the Second Lien Facility, (ii) a portion of the net proceeds of the First Lien Term Facility, and (iii) the net proceeds of the Equity Investments on the Closing Date will be applied to fund the Acquisition and the Refinancing and to pay the Transaction Expenses; and

WHEREAS, the Lenders and Letter Credit Issuer are willing to make available to the applicable Borrowers such revolving credit and letter of credit facilities upon the terms and subject to the conditions set forth herein;

NOW, THEREFORE, in consideration of the premises and the covenants and agreements contained herein, the parties hereto hereby agree as follows:

Section 1. Definitions

1.1 Defined Terms. As used herein, the following terms shall have the meanings specified in this Section 1.1 unless the context otherwise requires (it being understood that defined terms in this Agreement shall include in the singular number the plural and in the plural the singular):

~~**"2022 First Lien Extended Term Loans"** shall have the meaning provided to the term "Amendment No. 3 Extended Term Loans" in the First Lien Term Loan Agreement and any Permitted Refinancing thereof. As of the Amendment No. 6 Effective Date 2022 First Lien Extended Term Loans in an aggregate principal amount of $150,188,975.26 are outstanding with a stated final maturity date of February 12, 2026.~~

"2022 Equity Contribution" shall have the meaning provided to the term "Amendment No. 3 Equity Contribution" in the First Lien Term Loan Agreement.

"ABL Priority Collateral" shall mean the **"**ABL Priority Collateral" as defined in the ABL/Term Loan Intercreditor Agreement.

"ABL/Term Loan Intercreditor Agreement" shall mean an Intercreditor Agreement substantially in the form of Exhibit H (with such changes to such form as may be reasonably acceptable to the Administrative Agent and the Borrower Representative) among the Administrative Agent, the Collateral Agent, the First Lien Term Loan Administrative Agent, the First Lien Term Loan Collateral Agent, the Second Lien Administrative Agent, the Second Lien Collateral Agent and the representatives for purposes thereof for holders of one or more classes of Indebtedness.

"ABR" shall mean for any day a fluctuating rate per annum equal to the highest of (i) the Federal Funds Effective Rate *plus* 1/2 of 1%, (ii) the rate of interest in effect for such day as announced from time to time by the Administrative Agent as its "prime rate" at its principal office in New York City, and (iii) Term SOFR for a one-month Interest Period *plus* 1%. Any change in the ABR due to a change in such rate announced by the Administrative Agent, in the Federal Funds Effective Rate or in Term SOFR shall take effect at the opening of business on the day specified in the announcement of such change.

"ABR Loan" shall mean each Loan bearing interest based on the ABR.

"Accelerated Borrowing Base Delivery Period" shall mean when any of the following have occurred and are continuing: (a) any Cash Dominion Period~~, (b) any period commencing on the date Excess Availability was less than 20% of the Line Cap for five (5) consecutive Business Days~~[2] has occurred and ending on the date thereafter that Excess Availability on each day during any period of ~~30~~20

consecutive calendar days shall be at least ~~20~~10% of the Line Cap, (~~c~~b) any period commencing on the day that any Specified Default occurs and is continuing for so long as such Specified Default has not been cured or waived, or (~~d~~c) if any Overadvance Loans are outstanding.

"Account(s)" means "accounts" as defined in the UCC, and includes without limitation a right to payment of a monetary obligation, whether or not earned by performance, (a) for property that has been or is to be sold, leased, licensed, assigned, or otherwise disposed of, (b) for services rendered or to be rendered or (c) arising out of the use of a credit or charge card or information contained on or for use with the card. The term "Account" does not include (a) rights to payment evidenced by chattel paper or an instrument, (b) commercial tort claims, (c) deposit accounts, (d) investment property, (c) letter-of-credit rights or letters of credit or (f) rights to payment for money or funds advanced other than rights arising out of the use of a credit or charge card or information contained on or for use with the card.

"Account Debtor" means a Person who is obligated under an Account, Chattel Paper or General Intangible.

"ACH" means automated clearing house transfers.

"Acquired Company" shall mean any "Acquired Company" under and as defined in the Acquisition Agreement, and **"Acquired Companies"** means the "Acquired Companies" under and as defined in the Acquisition Agreement.

"Acquired Company Representations" shall mean the representations and warranties made by an Acquired Company with respect to itself and its subsidiaries in the Acquisition Agreement as are material to the interests of the Lenders, but only to the extent that the Company (or one of the Company's Affiliates) has the right (taking into account any applicable cure provisions) to terminate its obligations under the Acquisition Agreement or decline to consummate the Acquisition as a result of a breach of such representations and warranties in the Acquisition Agreement.

"Acquired EBITDA" shall mean, with respect to any Acquired Entity or Business or any Converted Restricted Subsidiary (any of the foregoing, a **"Pro Forma Entity")** for any period, the amount for such period of Consolidated EBITDA of such Pro Forma Entity (determined using such definitions as it references to the Company and the Restricted Subsidiaries therein were to such Pro Forma Entity and its Restricted Subsidiaries), all as determined on a consolidated basis for such Pro Forma Entity in accordance with GAAP.

"Acquired Entity or Business" shall have the meaning provided in the definition of the term Consolidated EBITDA.

"Acquired Indebtedness" shall mean, with respect to any specified Person, (i) Indebtedness of any other Person existing at the time such other Person is merged, consolidated, or amalgamated with or into or became a Restricted Subsidiary of such specified Person, including Indebtedness incurred in connection with, or in contemplation of, such other Person merging, consolidating, or amalgamating with or into or becoming a Restricted Subsidiary of such specified Person, and (ii) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"Acquisition" shall mean the transactions contemplated by the Acquisition Agreement.

"Acquisition Agreement" shall have the meaning provided in the preamble to this Agreement.

"Adjusted Term SOFR" means, for purposes of any calculation, the rate per annum equal to (a) Term SOFR for such calculation plus (b) the Term SOFR Adjustment.

"Adjusted Total Revolving Credit Commitment" shall mean at any time the Total Revolving Credit Commitment less the aggregate Revolving Credit Commitments of all Defaulting Lenders.

"Administrative Agent" shall mean Royal Bank of Canada, as the administrative agent for the Lenders under this Agreement and the other Credit Documents, or any successor administrative agent pursuant to Section 12.9.

"Administrative Agent's Office" shall mean the Administrative Agent's address and, as appropriate, account as set forth on Schedule 13.2 or such other address or account as the Administrative Agent may from time to time notify the Borrower Representative and the Lenders.

"Administrative Questionnaire" shall have the meaning provided in Section 13.6(b)(ii)(D).

"Affiliate" shall mean, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with such Person. A Person shall be deemed to control another Person it such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise.

"Agent Parties" shall have the meaning provided in Section 13.17(b).

"Agents" shall mean the Administrative Agent, the Collateral Agent, the Syndication Agent and each Joint Lead Arranger and Bookrunner.

"Agreement" shall mean this Credit Agreement.

"Agreement Currency" shall have the meaning provided in Section 13.19.

"AHYDO Payment" means any mandatory prepayment pursuant to the terms of any Indebtedness that is intended or designed to cause such Indebtedness not to be treated as an "applicable high yield discount obligation" within the meaning of Code Section 163(i).

"Amendment No. 1" means Amendment No. 1 to this Agreement, dated as of June 17, 2016, among the Borrower, the other Credit Parties party thereto, the Administrative Agent and the Lenders party thereto.

"Amendment No. 1 Effective Date" has the meaning assigned to such term in Amendment No. 1.

"Amendment No. 1 to First Lien Term Loan Agreement" means that certain Amendment No. 1 to Credit Agreement, dated as of the Amendment No. 1 Effective Date, among Holdings, the Borrower, the other Credit Parties party thereto, the First Lien Administrative Agent and the lenders party thereto.

"Amendment No. 2" means Amendment No. 2 to this Agreement, dated as of June 18, 2018, among the Borrower, the other Credit Parties party thereto, the Administrative Agent and the Lenders party thereto.

"Amendment No. 2 Effective Date" has the meaning assigned to such term in Amendment No. 2.

"Amendment No. 3" means that certain Joinder Agreement and Amendment No. 3 to this Agreement, dated as of September 18, 2019, among the Borrower, the other Credit Parties party thereto, the Administrative Agent, the Lenders party thereto and the Incremental Revolving Loan Lenders party thereto.

"Amendment No. 3 Effective Date" has the meaning assigned to such term in Amendment No. 3.

"Amendment No. 4" means that certain Joinder Agreement and Amendment No. 4 to this Agreement, dated as of May 12, 2021, among the Borrower, the other Credit Parties party thereto, the Administrative Agent, the Lenders party thereto and the Incremental Revolving Loan Lenders party thereto.

"Amendment No. 4 Effective Date" has the meaning assigned to such term in Amendment No. 4.

"Amendment No. 5" means that certain Amendment No 5 to this Agreement, dated as of July 5, 2022, among the Borrower, the other Credit Parties party thereto, the Administrative Agent and the Lenders party thereto.

"Amendment No. 5 Effective Date" has the meaning assigned to such term in Amendment No. 5.

"Amendment No. 6" means that certain Amendment No. 6 to Revolving Credit Agreement, dated as of August 24, 2022, among the Borrower, the other Credit Parties party thereto, the Administrative Agent and the Lenders party thereto.

"Amendment No. 6 Effective Date" has the meaning assigned to such term in Amendment No. 6.

"Amendment No. 7" means that certain Amendment No. 7 to Revolving Credit Agreement, dated as of June 2, 2023, among the Borrower, the other Credit Parties party thereto and the Administrative Agent.

"Amendment No. 7 **Effective Date"** has the meaning assigned to such term in Amendment No. 7.

"Amendment No. 8" means that certain Amendment No. 8 to Revolving Credit Agreement, dated as of July 1, 2024, among the Borrower, the other Credit Parties party thereto and the Administrative Agent.

"Amendment No. 8 Effective Date" has the meaning assigned to such term in Amendment No. 8.

"Applicable Margin" shall mean a percentage per annum equal to:

(i) with respect to Tranche A Loans:

(A) until the first Adjustment Date, the percentages per annum set forth in Pricing Level 11 in the table below;

(B) on the first day of each fiscal quarter thereafter (each, an **"Adjustment Date")**, commencing with the fiscal quarter beginning on or about July 1, 2014. the Applicable Margin shall be determined from the pricing grid below based upon average daily Excess Availability for the most recently ended three month period immediately preceding such Adjustment Date, as calculated by the Administrative Agent as of the last day of such three month period; provided that if any Borrowing Base Certificates are at any time restated or otherwise revised (including as a result of an audit) or if the information set forth in any Borrowing Base Certificate otherwise proves to be false or incorrect such that the Applicable Margin would have been higher than was otherwise in effect during any period, interest due under this Agreement shall be recalculated at such higher rate for any applicable periods and so long as an Event of Default described in Section 11.5 has not occurred with respect to any Borrower, such shortfall shall be due and payable within five Business Days following the written demand thereof by the Administrative Agent and no Default shall be deemed to have occurred as a result of such non-payment until the expiration of such five Business Day period.

Pricing Level	Average Excess Availability	ABR Rate Tranche A Loans	SOFR Tranche A Loans
I	Greater than 66% of the Line Cap	0.50%	1.50%
II	Greater than or equal to 33% of the Line Cap but less than or equal to 66% of the Line Cap	0.75%	1.75%
III	Less than 33% of the Line Cap	1.00%	2.00%

(ii) with respect to Tranche B Loans, 3.25% for ABR Loans and 4.25% for SOFR Loans; and

(iii) with respect to Overadvance Loans, 4.00% for ABR Loans and 5.00% for SOFR Loans.

Notwithstanding the foregoing, the Applicable Margin in respect of any Class of Extended Revolving Credit Commitments or Revolving Credit Loans made pursuant to any Extended Revolving Credit Commitments shall be the applicable percentages per annum set forth in the relevant Extension Amendment.

"Approved Fund" shall mean any Fund that is administered or managed by (i) a Lender, (ii) an Affiliate of a Lender, or (iii) an entity or an Affiliate of an entity that administers, advises or manages a Lender.

"Asset Sale" shall mean:

(i) the sale, conveyance, transfer, or other disposition, whether in a single transaction or a series of related transactions, of property or assets (including by way of' a Sale Leaseback) (each a **"disposition'')** of the Company or any Restricted Subsidiary, or

(ii) the issuance or sale of Equity Interests of any Restricted Subsidiary (other than preferred stock of Restricted Subsidiaries issued in compliance with Section 10.1), whether in a single transaction or a series of related transactions, in each case, other than:

(a) any disposition of Cash Equivalents or Investment Grade Securities or obsolete, worn out or surplus property or property that is no longer economically practical in its business or commercially desirable to maintain or used or useful equipment in the ordinary course of business or any disposition of inventory, immaterial assets, or goods (or other assets) in the ordinary course of business;

(b) [reserved];

(c) the incurrence of Liens that are permitted to be incurred pursuant to Section 10.2, sales, transfers and other dispositions permitted by Section 10.3 or the making of any Restricted Payment or Permitted Investment (other than pursuant to clause (i) of the definition thereof), that is permitted to be made, and is made, pursuant to Section 10.5;

(d) any disposition of assets or issuance or sale of Equity Interests of any Restricted Subsidiary in any transaction or series of transactions with an aggregate Fair Market Value of less than $2,500,000;

(c) any disposition of property or assets or issuance of securities by (1) a Restricted Subsidiary to the Company or (2) by the Company or a Restricted Subsidiary to another Restricted Subsidiary;

(f) to the extent allowable under Section 1031 of the Code, or any comparable or successor provision, any exchange of like property (excluding any boot thereon) for use in a Similar Business;

(g) any disposition in connection with a Permitted Reorganization;

(h) any issuance, sale or pledge of Equity Interests in, or Indebtedness, or other securities of, an Unrestricted Subsidiary;

(i) foreclosures, condemnation, or any similar action on assets or casualty or insured damage to assets;

(j) [reserved];

(k) any financing transaction with respect to property built or acquired by the Company or any Restricted Subsidiary after the Closing Date, including Sale Leasebacks and asset securitizations permitted by this Agreement;

(l) the Company and any Restricted Subsidiary may (i) terminate or otherwise collapse its cost sharing agreements with the Company or any Subsidiary and settle any crossing payments in connection therewith, (ii) convert any intercompany Indebtedness to Equity Interests, (iii) transfer any intercompany Indebtedness to the Company or any Restricted Subsidiary, (iv) settle, discount, write off, forgive or cancel any intercompany Indebtedness or other obligation owing by Company or any Restricted Subsidiary, (v) settle, discount, write off, forgive or cancel any Indebtedness owing by any present or former consultants, directors, officers or employees of

any Parent Entity, Holdings, the Company or any Subsidiary or any of their successors or assigns or (vi) surrender or waive contractual rights and settle or waive contractual or litigation claims;

(m) the sale or discount of accounts receivable or notes receivable or the conversion of accounts receivable to notes receivable, in each case, in the ordinary course of business and relating only to accounts receivable which, if included in the Borrowing Base, the Credit Parties receive not less than the amounts borrowed or available to be borrowed under the Borrowing Base;

(n) (i) the sale, licensing, sub-licensing or other disposition of Intellectual Property or other general intangibles in the ordinary course of business, (ii) the sale, licensing, sub-licensing or other disposition of Intellectual Property or other general intangibles pursuant to Intercompany License Agreements, (iii) the expiration of any patent or copyright in accordance with its statutory term;

(o) the unwinding of any Hedging Obligations or obligations in respect of Cash Management Services;

(p) sales, transfers, and other dispositions of Investments in joint ventures to the extent required by, or made pursuant to, customary buy/sell arrangements between the joint venture parties set forth in joint venture arrangements and similar binding arrangements;

(q) the lapse or abandonment of Intellectual Property rights in the ordinary course of business, which in the reasonable business judgment of the Borrower Representative are not material to the conduct of the business of the Company and the Restricted Subsidiaries taken as a whole;

(r) the issuance of directors' qualifying shares and shares issued to foreign nationals as required by applicable law;

(s) dispositions of property (other than ABL Priority Collateral) to the extent that (1) such property is exchanged for credit against the purchase price of similar replacement property that is promptly purchased or (2) the proceeds of such Asset Sale are promptly applied to the purchase price of such replacement property (which replacement property is actually promptly purchased);

(t) (i) leases, subleases, licenses, or sublicenses (and terminations thereof), in each case in the ordinary course of business and which do not materially interfere with the business of the Company and the Restricted Subsidiaries, taken as a whole and (ii) Intercompany License Agreements;

(u) dispositions of non-core assets acquired in connection with any Permitted Acquisition or Investment permitted hereunder;

(v) dispositions set forth on Schedule 1.1(a);

(w) any disposition of assets that do not constitute Collateral in any transaction or series of transactions with an aggregate Fair Market Value of less than $2,500,000;

(x) (i) bulk sales or other dispositions of Inventory of the Company or a Restricted Subsidiary not in the ordinary course of business in connection with Store closings, at arm's

length so long as either (A) Excess Availability is greater than 50% of the Line Cap or (B) Borrower Representative has delivered to the Administrative Agent an updated Borrowing Base Certificate excluding such Inventory and (ii) sales or other dispositions by the Company or any Restricted Subsidiary of assets in connection with the closing or sale of a Store in the ordinary course of business of the Borrower and its Subsidiaries which consist of leasehold interests in the premises of such Store, the equipment and fixtures located at such premises and the books and records relating directly to the operations of such Store; provided that as to each and all such sales and closings, each such sale shall be on commercially reasonable prices and terms in a bona fide arm's length transaction; provided, that in each case of clauses (i) and (ii), all Net Cash Proceeds received in connection therewith are applied to the Obligations if then required in accordance with Section 5.2; and

(y) licenses for the conduct of licensed departments within the Stores of the Company or any Restricted Subsidiary in the ordinary course of business.

"Asset Sale Prepayment Event" shall mean any Asset Sale of ABL Priority Collateral; provided, further, that with respect to any Asset Sale Prepayment Event, the Borrowers shall not be obligated to make any prepayment otherwise required by Section 5.2 unless and until the aggregate amount of Net Cash Proceeds from all such Asset Sale Prepayment Events, after giving effect to the reinvestment rights set forth herein, exceeds $1,000,000 (the **"Prepayment Trigger")** in any fiscal year of the Company, but then from all such Net Cash Proceeds (excluding amounts below the Prepayment Trigger).

"Assignment and Acceptance" shall mean an assignment and acceptance substantially in the form of Exhibit F, or such other form as may be approved by the Administrative Agent.

"Authorized Officer" shall mean, with respect to any Person, any individual holding the position of chairman of the board (if an officer), the Chief Executive Officer, President, the Chief Financial Officer, the Treasurer, the Controller, the Vice President-Finance, a Director, a Manager, or any other senior officer or agent with express authority to act on behalf of such Person designated as such by the board of directors or other managing authority of such Person.

"Auto-Extension Letter of Credit" shall have the meaning provided in Section 3.2(d).

"Available Commitment" shall mean an amount equal to the excess, if any, of (i) the amount of the Total Revolving Credit Commitment over (ii) the sum of the aggregate principal amount of (a) all Revolving Credit Loans (but not Swingline Loans) then outstanding and (b) the aggregate Letters of Credit Outstanding at such time.

"Available Tenor" means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an Interest Period pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to clause (d) of Section 2.20.

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"Bail-In Legislation" means, (i) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (ii) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"Bankruptcy Code" shall have the meaning provided in Section 11.5.

"Benchmark" means, initially, Adjusted term SOFR, provided that if a Benchmark Transition Event has occurred with respect to Adjusted Term SOFR or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to clause (a) of Section 2.20.

"Benchmark Replacement" means, in the case of any Benchmark Transition Event, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

(1) Daily Simple SOFR; or

(2) the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower Representative giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for Dollar-denominated syndicated credit facilities and (b) the related Benchmark Replacement Adjustment;

If the Benchmark Replacement as determined pursuant to clause (1) or (2) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Credit Documents.

"Benchmark Replacement Adjustment" means, with respect to any replacement of the then- current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower Representative giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body and/or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated syndicated credit facilities at such time.

"Benchmark Replacement Conforming Changes" means, with respect to either the use or administration of Adjusted Term SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "ABR," the definition of "Business Day," the definition of "U.S. Government Securities Business Day", the definition of "Interest Period" or any similar or analogous definition (or the addition of a concept of "interest period"), timing and frequency of determining rates and making payments of

interest, timing of borrowing requests or prepayment, conversion or continuation notices, applicability and length of lookback periods, the applicability of breakage provisions, applicability of Section 2.20 and other technical, administrative or operational matters) that the Administrative Agent and the Borrower Representative decide may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent reasonably determines that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent and the Borrower Representative decide is reasonably necessary in connection with the administration of this Agreement and the other Credit Documents).

"Benchmark Replacement Date" means, with respect to any Benchmark, the earliest to occur of the following events with respect to the then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(2) in the case of clause (3) of the definition of "Benchmark Transition Event," the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided, that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (3) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date;

For the avoidance of doubt, the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Transition Event" means the occurrence of one or more of the following events with respect to the then current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, the Term SOFR Administrator, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such

component), in each case, which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Unavailability Period" means, the period (if any) (x) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Credit Document in accordance with Section 2.20 and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Credit Document in accordance with Section 2.20.

"Benefited Lender" shall have the meaning provided in Section 13.8(a).

"Blocked Account" has the meaning provided in Section 9.9(c).

"Blocked Account Agreement" has the meaning provided in Section 9.9(c).

"Blocked Account Banks" means the banks with whom deposit accounts or securities accounts are maintained and with whom a Blocked Account Agreement has been, or is required to be, executed in accordance with the terms hereof.

"Board" shall mean the Board of Governors of the Federal Reserve System of the United States (or any successor).

"Bob's I" shall have the meaning provided in the preamble to this Agreement.

"Bob's II" shall have the meaning provided in the preamble to this Agreement.

"Borrower" or **"Borrowers"** shall mean, individually or collectively, the Company and/or any Subsidiary Borrower as the context requires.

"Borrower Representative" shall have the meaning provided in Section 2.18.

"Borrowing" shall mean (i) Loans of the same Tranche, Class and Type, made, converted, or continued on the same date and, in the case of Term SOFR Rate Loans, as to which a single Interest Period is in effect, (ii) a Swingline Loan or (iii) a Protective Advance.

"Borrowing Base" shall mean the sum of (i) Tranche A Borrowing Base, plus (ii) the Overadvance Borrowing Base, plus (iii) the Tranche B Borrowing Base. The Borrowing Base at any time shall be determined by reference to the most recent Borrowing Base Certificate delivered to the

Administrative Agent pursuant to Section 9.1(h), as adjusted to give effect to Borrowing Base Reserves (in accordance with and subject to the limitations of Section 2.19) following such delivery. Notwithstanding the foregoing, for purposes of this definition and the definition of "Pro Forma Availability Condition", no Accounts or Inventory being acquired pursuant to a Permitted Acquisition or permitted Investment or otherwise created, purchased, completed or owned by a business unit acquired pursuant to a Permitted Acquisition or permitted Investment will be included in the Borrowing Base unless (i) the Administrative Agent, in its Credit Judgment, confirms that such Accounts or Inventory conform to standards of eligibility as fixed and revised from time to time by the Administrative Agent pursuant to this Agreement, and (ii) to the extent required by the Administrative Agent, an audit of such Accounts and an appraisal of such Inventory is conducted and then only so long as such Accounts or Inventory, as the case may be, would otherwise satisfy the applicable eligibility criteria; provided, that until the earlier of (x) 90 days following the date on which a Permitted Acquisition or other permitted Investment is consummated (or such longer period as agreed to by the Administrative Agent in its discretion) and (y) the date on which the requirements of clauses (i) and (ii) above are satisfied with respect to Accounts and Inventory being acquired in such Permitted Acquisition or other permitted Investment, or otherwise created, purchased, completed or owned by a business unit acquired pursuant to such Permitted Acquisition or permitted Investment, an amount of such Accounts and Inventory that would otherwise constitute Eligible Credit Card Receivables or Eligible Inventory as shall be agreed upon between the Borrower Representative and the Administrative Agent in its discretion shall be included in the Borrowing Base (including, with respect to the definition of "Pro Forma Availability Condition" for purposes of computing aggregate Excess Availability on a Pro Forma Basis as provided therein).

"Borrowing Base Certificate" has the meaning provided in Section 9.1 (h).

"Borrowing Base Reserve" means the sum (without duplication of any other reserve or items that are otherwise addressed or excluded through eligibility criteria, and without duplication of any of the factors taken into account in determining "value") of (a) the Rent and Charges Reserve; (b) the Inventory Reserves (including, without limitation, reserves for Shrink); (c) the Cash Management Services Reserve; (d) the Secured Hedge Reserve; (c) the aggregate amount of liabilities secured by Liens on Collateral included in the Borrowing Base, which Liens are senior in priority to Collateral Agent's Liens; and (c) such additional reserves, in such amounts and with respect to such matters, as the Administrative Agent in its Credit Judgment may elect to establish from time to time (including, without limitation, reserves relating to gift cards, customer deposits, freight/duty charges and in-transit inventory errors).

"Borrowing Subsidiary Agreement" shall mean a Borrowing Subsidiary Agreement substantially in the form of Exhibit M.

"Business Day" shall mean any day excluding Saturday, Sunday, and any other day on which banking institutions in New York City are authorized by law or other governmental actions to close; provided that, when used in connection with a SOFR Loan, or any other calculation or determination involving SOFR. the term "Business Day" means any day that is only a U.S. Government Securities Business Day.

"Canadian Dollars" shall mean the lawful currency of Canada.

"Capital Expenditures" shall mean, for any period, the aggregate of all expenditures (whether paid in cash or accrued as liabilities and including in all events all amounts expended or capitalized under Capital Leases) by the Company and the Restricted Subsidiaries during such period that, in conformity with GAAP, are or are required to be included as additions during such period to property, plant, or equipment reflected in the consolidated balance sheet of the Company and the Restricted Subsidiaries

(including capitalized software expenditures, customer acquisition costs and incentive payments, conversion costs, and contract acquisition costs).

"Capital Lease" shall mean, as applied to any Person, any lease of any property (whether real, personal, or mixed) by that Person as lessee that, in conformity with GAAP, is, or is required to be, accounted for as a capital lease on the balance sheet of that Person; provided that all leases of any Person that are or would be characterized as operating leases in accordance with GAAP immediately prior to the Closing Date (whether or not such operating leases were in effect on such date) shall continue to be accounted for as operating leases (and not as Capital Leases) for purposes of this Agreement regardless of any change in GAAP following the date that would otherwise require such leases to be recharacterized as Capital Leases.

"Capital Stock" shall mean (i) in the case of a corporation, corporate stock, (ii) in the case of an association or business entity, any and all shares, interests, participations, rights, or other equivalents (however designated) of corporate stock, (iii) in the case of a partnership or limited liability company, partnership or membership 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 (it being understood and agreed, for the avoidance of doubt, that "cash-settled phantom appreciation programs" in connection with employee benefits that do not require a dividend or distribution shall not constitute Capital Stock).

"Capitalized Lease Obligation" shall mean, at the time any determination thereof is to be made, the amount of the liability in respect of a Capital Lease that would at such time be required to be capitalized and reflected as a liability on a balance sheet (excluding the footnotes thereto) prepared in accordance with GAAP; provided that all obligations of any Person that are or would he characterized as operating lease obligations in accordance with GAAP immediately prior to the Closing Date (whether or not such operating lease obligations were in effect on such date) shall continue to be accounted for as operating lease obligations (and not as Capitalized Lease Obligations) for purposes of this Agreement regardless of any change in GAAP following the date that would otherwise require such obligations to be recharacterized as Capitalized Lease Obligations.

"Cash Collateralize" shall mean to pledge and deposit with or deliver to the Administrative Agent, for the benefit of one or more of the Letter of Credit Issuer or the Lenders, as collateral for L/C Obligations or obligations of the Lenders to fund participations in respect of L/C Obligations, cash or deposit account balances or, if the Administrative Agent and the Letter of Credit issuer shall agree in their sole discretion, other credit support. **"Cash Collateral"** shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

"Cash Dominion Period" means any period (a) commencing on the day that any Cash Dominion Trigger Default occurs and is continuing for so long as such Cash Dominion Trigger Default has not been cured or waived; or (b) commencing on a day in respect of which, Excess Availability for the previous five (5) consecutive Business Days was less than the greater of (i) 10.0% of the Line Cap and (ii) $10,000,000 and continuing until the first day thereafter to occur in respect of which Excess Availability for the previous thirty (30) consecutive days has been at least the greater of (i) 10.0% of the Line Cap and (ii) $10,000,000.

"Cash Dominion Trigger Default" means the occurrence of any Event of Default specified in Section 11.1, Section 11.2 (solely as it relates to a material inaccuracy of any representation contained in any Borrowing Base Certificate, Section 11.3(a) (solely as it relates to the Borrowers' failure to comply

with the covenants set forth in Section 9.9 and Section 10.11), Section 11.3(b), Section 11.4(a)(i) or (b) and Section 11.5.

"Cash Equivalents" shall mean:

(i) Dollars,

(ii) (a) Euro, Pounds Sterling, Canadian Dollars, or any national currency of any Participating Member State in the European Union or (b) local currencies held from time to time in the ordinary course of business,

(iii) securities issued or directly and fully and unconditionally guaranteed or insured by the United States government or any country that is a member state of the European Union or any agency or instrumentality thereof the securities of which are unconditionally guaranteed as a full faith and credit obligation of such government with maturities of 24 months or less from the date of acquisition,

(iv) certificates of deposit, time deposits, and eurodollar time deposits with maturities of one year or less from the date of acquisition, bankers' acceptances with maturities not exceeding one year, and overnight bank deposits, in each case with any commercial bank having capital and surplus of not less than $250,000,000 in the case of U.S. banks and $100,000,000 in the case of foreign banks,

(v) repurchase obligations for underlying securities of the types described in clauses (iii), (iv), and (ix) entered into with any financial institution meeting the qualifications specified in clause (iv) above,

(vi) commercial paper rated at least P-2 by Moody's or at least A-2 by S&P and in each case maturing within 24 months after the date of creation thereof,

(vii) marketable short-term money market and similar securities having a rating of at least P-2 or A-2 from either Moody's or S&P, respectively (or. if at any time neither Moody's nor S&P shall be rating such obligations, an equivalent rating from another nationally recognized ratings agency) and in each case maturing within 24 months after the date of creation or acquisition thereof,

(viii) readily marketable direct obligations issued by any state, commonwealth, or territory of the United States or any political subdivision or taxing authority thereof having one of the two highest rating categories obtainable from either Moody's or S&P with maturities of 24 months or less from the date of acquisition,

(ix) Indebtedness or preferred stock issued by Persons with a rating of "A" or higher from S&P or "A2" or higher from Moody's with maturities of 24 months or less from the date of acquisition,

(x) solely with respect to any Foreign Subsidiary: (a) obligations of the national government of the country in which such Foreign Subsidiary maintains its chief executive office and principal place of business provided such country is a member of the Organization for Economic Cooperation and Development, in each case maturing within one year after the date of investment therein, (b) certificates of deposit of, bankers acceptances of, or time deposits with, any commercial bank which is organized and existing under the laws of the country in which

such Foreign Subsidiary maintains its chief executive office and principal place of business provided such country is a member of the Organization for Economic Cooperation and Development, and whose short-term commercial paper rating from S&P is at least "A-2" or the equivalent thereof or from Moody's is at least "P-2" or the equivalent thereof (any such bank being an **"Approved Foreign Bank"**), and in each case with maturities of not more than 24 months from the date of acquisition, and (c) the equivalent of demand deposit accounts which are maintained with an Approved Foreign Bank, in each case, customarily used by corporations for cash management purposes in any jurisdiction outside the United States to the extent reasonably required in connection with any business conducted by such Foreign Subsidiary organized in such jurisdiction,

(xi) in the case of investments by any Foreign Subsidiary or investments made in a country outside the United States, Cash Equivalents shall also include investments of the type and maturity described in clauses (i) through (ix) above of foreign obligors, which investments have ratings, described in such clauses or equivalent ratings from comparable foreign rating agencies, and

(xii) investment funds investing 90% of their assets in securities of the types described in clauses (i) through (ix) above.

Notwithstanding the foregoing, Cash Equivalents shall include amounts denominated in currencies other than those set forth in clauses (i) and (ii) above; provided that such amounts are converted into any currency listed in clauses (i) and (ii) as promptly as practicable and in any event within ten Business Days following the receipt of such amounts.

"Cash Management Agreement" shall mean any agreement or arrangement to provide Cash Management Services.

"Cash Management Bank" shall mean (i) any Person that, at the time it enters into a Cash Management Agreement, is an Agent or a Lender or an Affiliate of an Agent or a Lender or (ii) with respect to any Cash Management Agreement entered into prior to the Closing Date, any Person that is a Lender or an Affiliate of a Lender on the Closing Date.

"Cash Management Services Reserve" means the aggregate amount of reserves established by the Administrative Agent from time to time during the continuance of a Cash Dominion Period in respect of Secured Cash Management Obligations, including reserves which the Administrative Agent shall establish in the amounts set forth in written notices from any Cash Management Bank party to a Secured Cash Management Agreement. The amount of any Cash Management Services Reserve established by the Administrative Agent (x) shall have a reasonable relationship to the Secured Cash Management Obligation that is the basis for such Reserve as determined by the Administrative Agent in its Credit Judgment as being appropriate to reflect the reasonably anticipated liabilities and obligations of the Credit Parties with respect to Cash Management Services then provided or outstanding and (y) shall not be duplicative of other Borrowing Base Reserves then in effect.

"Cash Management Services" shall mean any one or more of the following types of services or facilities (i) commercial credit cards, merchant card services, purchase or debit cards, including non-card e-payables services, or electronic funds transfer services, (ii) treasury management services (including controlled disbursement, overdraft automatic clearing house fund transfer services, return items, and interstate depository network services) and (iii) any other demand deposit or operating account

relationships or other cash management services, including pursuant to any Cash Management Agreements.

"Cash Receipts" shall have the meaning provided in Section 2.18(d).

"CFC" shall mean a Subsidiary of the Company that is a "controlled foreign corporation" within the meaning of Section 957 of the Code.

"CFC Holding Company" shall mean a Domestic Subsidiary of the Company that has no material assets other than the equity or debt of one or more Foreign Subsidiaries that are CFCs.

"Change in Law" shall mean (i) the adoption of any law, treaty, order, policy, rule, or regulation after the Closing Date, (ii) any change in any Law, treaty, order, policy, rule, or regulation or in the interpretation or application thereof by any Governmental Authority after the Closing Date or (iii) compliance by any Lender with any guideline, request, directive, or order issued or made alter the Closing Date by any central bank or other governmental or quasi-governmental authority (whether or not having the force of law). For purposes of this definition, (a) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, regulations, guidelines, or directives thereunder or issued in connection therewith and (b) all requests, rules, guidelines, requirements, or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority), or the United States or foreign regulatory authorities pursuant to Basel III, shall in each case described in clauses (a) and (b) above be deemed to be a Change in Law and have gone into effect after the date hereof, regardless of the date enacted, adopted, issued, or implemented.

"Change of Control" shall mean and be deemed to have occurred if (i) the Permitted Holders shall at any time not own, in the aggregate, directly or indirectly, beneficially and of record, at least 35% of the voting power of the outstanding Voting Stock of the Company; (ii) any Person, entity, or "group" (within the meaning of Section 13(d) or 14(d) of the Securities Exchange Act of 1934, as amended), other than the Permitted Holders, shall at any time have acquired direct or indirect beneficial ownership of a percentage of the voting power of the outstanding Voting Stock of the Company that exceeds 35% thereof, unless, in case of clause (i) or clause (ii) above, the Permitted Holders have, at such time, the right or the ability by voting power, contract, or otherwise to elect or designate for election at least a majority of the board of directors of the Company; (iii) at any time, a Change of Control (as defined in the First Lien Term Loan Agreement or the Secund Lien Credit Agreement) shall have occurred; or (iv) at any time prior to a Qualifying IPO of the Company, Holdings shall cease to beneficially own, directly or indirectly, 100% of the issued and outstanding equity interests of the Company.

"Class" (i) when used in reference to any Loan or Borrowing, shall refer to whether such Loan, or the Loans comprising such Borrowing, are Revolving Credit Loans, Incremental Revolving Credit Loans, Extended Revolving Credit Loans (of the same Extension Series), or Swingline Loans and (ii) when used in reference to any Commitment, refers to whether such Commitment is a Revolving Credit Commitment, an Incremental Revolving Credit Commitment or an Extended Revolving Credit Commitment (of the same Extension Series).

"Closing Date" shall mean February 12. 2014.

"Code" shall mean the Internal Revenue Code of 1986.

"Collateral" shall mean all property pledged or mortgaged or purported to be pledged or mortgaged pursuant to the Security Documents, excluding in all events Excluded Property.

"Collateral Agent" shall mean Royal Bank of Canada, as collateral agent under the Security Documents, or any successor collateral agent pursuant to Section 12.9; any Affiliate or designee of Royal Bank of Canada may act as the Collateral Agent under any Credit Document.

"Commitment Fee" shall have the meaning provided in Section 4.1(a).

"Commitment Fee Rate" shall mean a rate per annum equal to 0.375%; provided that the rate per annum applicable to the unused portion of the Overadvance Borrowing Base (it any) shall be 0.750% per annum.

"Commitments" shall mean, with respect to each Lender (to the extent applicable), such Lender's Initial Revolving Credit Commitment, Incremental Revolving Credit Commitment or Extended Revolving Credit Commitment.

"Commodity Exchange Act" shall mean the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

"Communications" shall have the meaning provided in Section 13.17(a).

"Company" shall have the meaning provided in the preamble to this Agreement.

"Company Material Adverse Effect" shall have the meaning provided to the term "Material Adverse Effect" in the Acquisition Agreement.

"Compliance Certificate" shall mean a certificate of a Financial Officer of the Borrower Representative delivered pursuant to Section 9.1(d) for the applicable Test Period.

"Concentration Account" shall have the meaning provided in Section 9.9(d).

"Confidential Information" shall have the meaning provided in Section 13.16.

"Confidential Information Memorandum" shall mean the Confidential Information Memorandum of the Company dated January 2014.

"Consolidated Depreciation and Amortization Expense" shall mean with respect to any Person for any period, the total amount of depreciation and amortization expense, including the amortization of deferred financing fees or costs, debt issuance costs, commissions, fees, and expenses, capitalized expenditures, customer acquisition costs, the amortization of original issue discount resulting from the issuance of Indebtedness at less than par and incentive payments, conversion costs, and contract acquisition costs of such Person and its Restricted Subsidiaries for such period on a consolidated basis and otherwise determined in accordance with GAAP.

"Consolidated EBITDA" shall mean, with respect to any Person for any period, the Consolidated Net Income of such Person for such period:

(i) increased (without duplication) by:

(a) provision for taxes based on income or profits or capital, including, without limitation, U.S. federal, state, non-U.S., franchise, excise, value added, and similar taxes and foreign withholding taxes of such Person paid or accrued during such period deducted, including

any penalties and interest related to such taxes or arising from any tax examinations (and not added back) in computing Consolidated Net Income, *plus*

(b) Fixed Charges of such Person for such period (including (1) net losses on Hedging Obligations or other derivative instruments entered into for the purpose of hedging interest rate risk and (2) costs of surety bonds in connection with financing activities, in each case, to the extent included in Fixed Charges), together with items excluded from the definition of Consolidated Interest Expense and any non cash interest expense, to the extent the same were deducted (and not added back) in calculating such Consolidated Net Income, *plus*

(c) Consolidated Depreciation and Amortization Expense of such Person for such period to the extent the same were deducted in computing Consolidated Net Income, *plus*

(d) any expenses, fees, charges, or losses (other than depreciation or amortization expense) related to any Equity Offering, Permitted Investment, Restricted Payment, acquisition, disposition, recapitalization, or the incurrence of Indebtedness permitted to be incurred by this Agreement (including a refinancing thereof) (whether or not successful and including any such transaction consummated prior to the Closing Date), including (1) such fees, expenses, or charges related to the incurrence of the Second Lien Loans, the First Lien Tenn Loans and the Loans hereunder and all Transaction Expenses, (2) such fees, expenses, or charges related to the offering of the Credit Documents and any other credit facilities, and (3) any amendment or other modification of the Second Lien Facility, the First Lien Term Facility, the Loans hereunder or thereunder, or other Indebtedness, and, in each case, deducted (and not added back) in computing Consolidated Net Income, *plus*

(e) any other non-cash charges, expenses or losses, including any non-cash expense relating to the vesting of warrants and any write offs, write downs, expenses, losses, or items to the extent the same were deducted (and not added back) in computing Consolidated Net Income (provided that if any such non cash charges represent an accrual or reserve for potential cash items in any future period, the cash payment in respect thereof in such future period shall be deducted from Consolidated EBITDA to such extent, and excluding amortization of a prepaid cash item that was paid in a prior period), *plus*

(f) the amount of any minority interest expense consisting of Subsidiary income attributable to minority equity interests of third parties in any non-Wholly Owned Subsidiary deducted (and not added back) in such period in calculating Consolidated Net Income, *plus*

(g) the amount of management, monitoring, consulting, and advisory fees (including termination fees) and related indemnities and expenses paid or accrued in such period to the Initial Investors or any of their respective Affiliates, *plus*

(h) costs of surety bonds incurred in such period in connection with financing activities, *plus*

(i) the amount of "run-rate" cost savings, operating expense reductions, and synergies that are projected by the Borrower Representative in good faith to result from actions either taken or expected to be taken within 18 months of the determination to take such action, net of the amount of actual benefits realized prior to or during such period from such actions (which cost savings, operating expense reductions, and synergies shall be calculated on a Pro Forma Basis as though such cost savings, operating expense reductions, or synergies had been realized on the first day of such period); provided that an Authorized Officer of the Borrower

Representative shall have certified to the Administrative Agent that such cost savings are reasonably identifiable and factually supportable; provided further that amounts added back to Consolidated EBITDA pursuant to this clause (i)(i), when taken together with amounts described in clause (b) of proviso to the definition of "Pro Forma Adjustment" and clause (xvi) of the definition of "Consolidated Net Income" shall not exceed 25% of Consolidated EBITDA for any Test Period, *plus*

(j) [reserved], *plus*

(k) any costs or expense incurred by the Company or a Restricted Subsidiary pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement or any stock subscription or shareholder agreement, to the extent that such cost or expenses are funded with cash proceeds contributed to the capital of the Company or net cash proceeds of an issuance of Equity Interests of the Company (other than Disqualified Stock) solely to the extent that such net cash proceeds are excluded from the calculation set forth in clause (iii) of Section 10.5(a) and have not been relied on for purposes of any incurrence of Indebtedness pursuant to clause (l)(i) of Section 10.1. *plus*

(l) the amount of expenses relating to payments made to option holders of any direct or indirect parent company of the Company or any of its direct or indirect parent companies in connection with, or as a result of, any distribution being made to shareholders of such Person or its direct or indirect parent companies, which payments are being made to compensate such option holders as though they were shareholders at the time of, and entitled to share in, such distribution, in each case to the extent permitted under this Agreement, *plus*

(m) with respect to any joint venture that is not a Restricted Subsidiary, an amount equal to the proportion of those items described in clauses (a) and (c) above relating to such joint venture corresponding to the Company's and the Restricted Subsidiaries' proportionate share of such joint venture's Consolidated Net Income (determined as if such joint venture were a Restricted Subsidiary), *plus*

(n) costs associated with, or in anticipation of. or preparation for, compliance with the requirements of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith or other enhanced accounting functions and Public Company Costs, *plus*

(o) cash receipts (or any netting arrangements resulting in reduced cash expenses) not included in Consolidated EBITDA in any period solely to the extent that the corresponding non-cash gains relating to such receipts were deducted in the calculation of Consolidated EBITDA pursuant to paragraph (2) below for any previous period and not added back, *plus*

(p) to the extent not already included in the Consolidated Net income, (1) any expenses and charges that are reimbursed by indemnification or other similar provisions in connection with any investment or any sale, conveyance, transfer, or other Asset Sale of assets permitted hereunder and (2) to the extent covered by insurance and actually reimbursed, or, so long as the Borrower Representative has made a determination that there exists reasonable evidence that such amount will in fact be reimbursed by the insurer and only to the extent that such amount is (A) not denied by the applicable carrier in writing within 180 days and (B) in fact reimbursed within 365 days of the date of such evidence (with a deduction for any amount so added back to the extent not so reimbursed within such 365 days), expenses with respect to liability or casualty events or business interruption, *plus*

(q) [reserved], *plus*

(r) charges, expenses, and other items described in the Confidential Information Memorandum or the Sponsor Model, *plus*

(s) costs related to implementation of operational and reporting systems and technology initiatives, *plus*

(t) any non-cash increase in expenses resulting from the revaluation of inventory (including any impact of changes to inventory valuation policy methods including changes in capitalization of variances) or other inventory adjustments, *plus*

(u) letter of credit fees

(ii) decreased by (without duplication):

(a) non-cash gains increasing Consolidated Net Income of such Person for such period, excluding any non-cash gains which represent the reversal of any accrual of, or cash reserve for, anticipated cash charges that reduced Consolidated EBITDA in any prior period; provided that, to the extent non cash gains are deducted pursuant to this clause (ii)(a) for any previous period and not otherwise added back to Consolidated EBITDA, Consolidated EBITDA shall be increased by the amount of any cash receipts (or any netting arrangements resulting in reduced cash expenses) in respect of such non cash gains received in subsequent periods to the extent not already included therein,

(iii) increased or decreased by (without duplication):

(a) any net gain or loss resulting in such period from currency gains or losses related to Indebtedness, intercompany balances, and other balance sheet items, plus or minus, as the case may be, and

(b) any net gain or loss resulting in such period from Hedging Obligations, and the application of Financial Accounting Standards Codification No. 815 Derivatives and Hedging (ASC 815) (formerly Financing Accounting Standards Board Statement No. 133), and its related pronouncements and interpretations, or the equivalent accounting standard under GAAP or an alternative basis of accounting applied in lieu of GAAP.

For the avoidance of doubt:

(i) to the extent included in Consolidated Net Income, there shall be excluded in determining Consolidated EBITDA for any period any adjustments resulting from the application of ASC 815 and its related pronouncements and interpretations, or the equivalent accounting standard under GAAP or an alternative basis of accounting applied in lieu of GAAP,

(ii) there shall be included in determining Consolidated EBITDA for any period, without duplication, (1) the Acquired EBITDA of any Person or business, or attributable to any property or asset acquired by the Company or any Restricted Subsidiary during such period (but not the Acquired EBITDA of any related Person or business or any Acquired EBI TDA attributable to any assets or property, in each case to the extent not so acquired) to the extent not subsequently sold, transferred, abandoned, or otherwise disposed by the Company or such Restricted Subsidiary (each such Person, business, property, or asset acquired and not subsequently so disposed of, an **"Acquired Entity or Business")** and the

Acquired EBITDA of any Unrestricted Subsidiary that is converted into a Restricted Subsidiary during such period (each, a **"Converted Restricted Subsidiary"),** based on the actual Acquired EBITDA of such Acquired Entity or Business or Converted Restricted Subsidiary for such period (including the portion thereof occurring prior to such acquisition or conversion) and (2) an adjustment in respect of each Acquired Entity or Business equal to the amount of the Pro Forma Adjustment with respect to such Acquired Entity or Business for such period (including the portion thereof occurring prior to such acquisition); and

(iii) to the extent included in Consolidated Net Income, there shall be excluded in determining Consolidated EBITDA for any period the Disposed EBITDA of any Person, property, business, or asset sold, transferred, abandoned, or otherwise disposed of, closed or classified as discontinued operations by the Company or any Restricted Subsidiary during such period (each such Person, property, business, or asset so sold or disposed of, a **"Sold Entity or Business"**), and the Disposed EBITDA of any Restricted Subsidiary that is converted into an Unrestricted Subsidiary during such period (each, a **"Converted Unrestricted Subsidiary"**) based on the actual Disposed EBITDA of such Sold Entity or Business or Converted Unrestricted Subsidiary for such period (including the portion thereof occurring prior to such sale, transfer, or disposition or conversion); provided that for the avoidance of doubt, notwithstanding any classification under GAAP of any Person or business in respect of which a definitive agreement for the disposition thereof has been entered into as discontinued operations, the Disposed EBITDA of such Person or business shall not be excluded pursuant to this paragraph until such disposition shall have been consummated.

Notwithstanding the foregoing, for purposes of determining Consolidated EBITDA for any four-fiscal quarter period that includes any of the fiscal quarters ending March 31, 2013, June 30, 2013, September 30, 2013 or December 31, 2013, Consolidated EBITDA for such fiscal quarters shall equal $16,362,681, $11,559,929, $11,333,843 and $12,575,274, respectively (which amounts, for the avoidance of doubt shall be subject to addbacks and adjustments pursuant to clause (i) above and shall give effect to calculations on a Pro Forma Basis in accordance with this Agreement in respect of Specified Transactions (including the cost savings and "run rate" adjustments described above or in the definition of "Consolidated Net Income" subject in each case to the applicable limitations set forth therein and that in each case may become applicable due to actions taken on or alter the Closing Date)

"Consolidated First Lien Secured Debt" shall mean Consolidated Total Debt as of such date that is not Subordinated Indebtedness and is secured by a Lien on the Collateral on an equal priority basis (but without regard to the control of remedies) with liens on the Collateral securing the Obligations and the First Lien Obligations.

"Consolidated First Lien Secured Debt to Consolidated EBITDA Ratio" shall mean, as of any date of determination, the ratio of (i) Consolidated First Lien Secured Debt as of such date of determination, *minus* cash and Cash Equivalents (in each case, free and clear of all Liens other than Permitted Liens) of the Company and the Restricted Subsidiaries (other than the proceeds of any Indebtedness being incurred and giving rise to the need to calculate the Consolidated First Lien Secured Debt to Consolidated EBITDA Ratio) to (ii) Consolidated EBITDA of the Company for the Test Period then last ended, in each case with such pro forma adjustments to Consolidated First Lien Secured Debt and Consolidated EBITDA as are appropriate and consistent with the pro forma adjustment provisions set forth in the definition of Interest Coverage Ratio.

"Consolidated Interest Expense" shall mean, with respect to any Person for any period, the sum, without duplication, of:

(i) consolidated cash interest expense of such Person and its Restricted Subsidiaries for such period, to the extent such expense was deducted (and not added back) in computing Consolidated Net Income (including (a) all commissions, discounts, and other fees and charges owed with respect to letters of credit or bankers acceptances, (b) capitalized interest to the extent paid in cash, and (c) net payments, if any, pursuant to interest rate Hedging Obligations with respect to Indebtedness, and excluding (1) any one-time cash costs associated with breakage in respect of hedging agreements for interest rates, (2) all non recurring cash interest expense consisting of liquidated damages for failure to timely comply with registration rights obligations, all as calculated on a consolidated basis in accordance with GAAP, (3) any ''additional interest'' owing pursuant to a registration rights agreement, (4) non-cash interest expense attributable to a parent entity resulting from push-down accounting, but solely to the extent not reducing consolidated cash interest expense in any prior period and (5) any non-cash expensing of bridge, commitment, and other financing fees that have been previously paid in cash, but solely to the extent not reducing consolidated cash interest expense in any prior period; less

(ii) cash interest income for such period.

For purposes of this definition, interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by such Person to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP.

"Consolidated Net Income" shall mean, with respect to any Person for any period, the aggregate of the Net Income, of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, and otherwise determined in accordance with GAAP; provided that, without duplication,

(i) any after-tax effect of extraordinary, non-recurring, or unusual gains or losses (less all fees and expenses relating thereto) or expenses (including relating to the Transactions), severance, relocation costs, curtailments, or modifications to pension and post-retirement employee benefits plans, start-up, transition, integration, and other restructuring and business optimization costs, charges, reserves, or expenses (including related to acquisitions after the Closing Date and to the start up, opening, closure, and/or consolidation of stores, distribution centers, offices and facilities), new product introductions, and one-time compensation charges shall be excluded,

(ii) the Net Income for such period shall not include the cumulative effect of a change in accounting principles and changes as a result of the adoption or modification of accounting policies during such period,

(iii) any net after-tax gains or losses on disposal of disposed, abandoned, transferred, closed, or discontinued operations shall be excluded,

(iv) any after-tax effect of gains or losses (less all fees and expenses relating thereto) attributable to asset dispositions or abandonments other than in the ordinary course of business, as determined in good faith by the board of directors of the Company, shall be excluded,

(v) the Net Income for such period of any Person that is not a Subsidiary, or is an Unrestricted Subsidiary, or that is accounted for by the equity method of accounting, shall be excluded; provided that Consolidated Net Income of the Company shall be increased by the amount of dividends or distributions or other payments that are actually paid in cash (or to the extent converted into cash or Cash Equivalents) to the referent Person or a Restricted Subsidiary thereof in respect of such period,

(vi) [reserved],

(vii) effects of adjustments (including the effects of such adjustments pushed down to the Company and the Restricted Subsidiaries) in any line item in such Person's consolidated financial statements required or permitted by Financial Accounting Standards Codification No. 805 Business Combinations and No. 350 Intangibles-Goodwill and Other (ASC 805 and ASC 350) (formerly Financial Accounting Standards Board Statement Nos. 141 and 142, respectively) resulting from the application of purchase accounting, including in relation to the Transactions and any acquisition that is consummated after the Closing Date or the amortization or write-off of any amounts thereof, net of taxes, shall be excluded,

(viii) (a) any after-tax effect of income (loss) from the early extinguishment of Indebtedness or Hedging Obligations or other derivative instruments (including deferred financing costs written off and premiums paid), (b) any non-cash income (or loss) related to currency gains or losses related to Indebtedness, intercompany balances, and other balance sheet items and to Hedging Obligations pursuant to ASC 815 (or such successor provision), and (c) any non-cash expense, income, or loss attributable to the movement in mark to market valuation of foreign currencies, Indebtedness, or derivative instruments pursuant to GAAP, shall be excluded,

(ix) any impairment charge, asset write-off, or write-down pursuant to ASC 350 and Financial Accounting Standards Codification No. 360 - Impairment and Disposal of Long-lived Assets (ASC 360) (formerly Financial Accounting Standards Board Statement Nos. 142 and 144, respectively) and the amortization of intangibles arising pursuant to ASC 805 shall be excluded,

(x) (a) any non-cash compensation expense recorded from grants of stock appreciation or similar rights, phantom equity, stock options units, restricted stock, or other rights to officers, directors, managers, or employees and (b) non-cash income (loss) attributable to deferred compensation plans or trusts, shall be excluded,

(xi) any fees and expenses incurred during such period, or any amortization thereof for such period, in connection with any acquisition, Investment, recapitalization. Asset Sale, issuance, or repayment of Indebtedness, issuance of Equity Interests, refinancing transaction or amendment or modification of any debt instrument (in each case, including any such transaction consummated prior to the Closing Date, the Transactions and any such transaction undertaken but not completed) and any charges or non-recurring merger costs incurred during such period as a result of any such transaction shall be excluded,

(xii) accruals and reserves (including contingent liabilities) that are established or adjusted within twelve months after the Closing Date that are so required to be established as a result of the Transactions in accordance with GAAP, or changes as a result of adoption or modification of accounting policies, shall be excluded,

(xiii) to the extent covered by insurance or indemnification and actually reimbursed, or, so long as the Borrower Representative has made a determination that there exists reasonable evidence that such amount will in fact be reimbursed by the insurer or indemnifying party and only to the extent that such amount is (a) not denied by the applicable carrier or indemnifying party in writing within 180 days and (b) in fact reimbursed within 365 days of the date of such evidence (with a deduction for any amount so added back to the extent not so reimbursed within 365 days), losses and expenses with respect to liability or casualty events or business interruption shall be excluded,

(xiv) any deferred tax expense associated with tax deductions or net operating losses arising as a result of the Transactions, or the release of any valuation allowance related to such items, shall be excluded,

(xv) any costs or expenses incurred during such period relating to environmental remediation, litigation, or other disputes in respect of events and exposures that occurred prior to the Closing Date shall be excluded, and

(xvi) Consolidated Net Income for any Test Period shall be increased by the aggregate amount of "run-rate" Consolidated Net Income projected by the Borrower Representative in good faith to be attributable to New Stores open during such Test Period (or following such Test Period but prior to the date for the delivery of the financial statements for such Test Period pursuant to Section 9.1(a) or (b)) (which amount shall be calculated on a Pro Forma Basis as though the full annual amount of such Consolidated Net Income attributable to such New Stores had been realized during such Test Period (without duplication of any amounts attributable to such New Stores already received in such Test Period), subject to adjustment in a manner consistent with the methodology used in determining the pro forma New Stores adjustment set forth in the Public Lender Presentation and subject to the applicable limitation set forth in clause (i)(i) of the definition of "Consolidated EBITDA" for such Test Period).

"Consolidated Senior Secured Debt" shall mean Consolidated Total Debt as of such date that is not Subordinated Indebtedness and is secured by a Lien on the Collateral.

"Consolidated Senior Secured Debt to Consolidated EBITDA Ratio" shall mean, as of any date of determination, the ratio of (i) Consolidated Senior Secured Debt as of such date of determination, *minus* cash and Cash Equivalents (in each case, free and clear of all Liens other than Permitted Liens) of the Company and the Restricted Subsidiaries (other than the proceeds of any Indebtedness being incurred and giving rise to the need to calculate the Consolidated Senior Secured Debt to Consolidated EBITDA Ratio) to (ii) Consolidated EBITDA of the Company for the Test Period then last ended, in each case with such pro forma adjustments to Consolidated Senior Secured Debt and Consolidated EBITDA as are appropriate and consistent with the pro forma adjustment provisions set forth in the definition of Interest Coverage Ratio.

"Consolidated Total Assets" shall mean, as of any date of determination, the amount that would, in conformity with GAAP, be set forth opposite the caption "total assets" (or any like caption) on the most recent consolidated balance sheet of the Company and the Restricted Subsidiaries at such date.

"Consolidated Total Debt" shall mean, as at any date of determination, an amount equal to the sum of the aggregate amount of all outstanding Indebtedness of the Company and the Restricted Subsidiaries on a consolidated basis consisting of Indebtedness for borrowed money, Capitalized Lease Obligations and debt obligations evidenced by promissory notes and similar instruments (and excluding, for the avoidance of doubt, Hedging Obligations); provided that Consolidated Total Debt shall not include Letters of Credit, except to the extent of Unpaid Drawings thereunder.

"Consolidated Total Debt to Consolidated EBITDA Ratio" shall mean, as of any date of determination, the ratio of (i) Consolidated Total Debt as of such date of determination, *minus* cash and Cash Equivalents (in each case, free and clear of all Liens other than Permitted Liens) of the Company and the Restricted Subsidiaries (other than the proceeds of any Indebtedness being incurred and giving rise to the need to calculate the Consolidated Total Debt to Consolidated EBITDA Ratio) to (ii) Consolidated EBITDA of the Company for the Test Period then last ended, in each case with such pro

forma adjustments to Consolidated Total Debt and Consolidated EBITDA as are appropriate and consistent with the pro forma adjustment provisions set forth in the definition of Interest Coverage Ratio.

"Contingent Obligations" shall mean, with respect to any Person, any obligation of such Person guaranteeing any leases, dividends, or other obligations that do not constitute Indebtedness **("primary obligations")** of any other Person (the **"primary obligor")** in any manner, whether directly or indirectly, including, without limitation, any obligation of such Person, whether or not contingent, (i) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (a) for the purchase or payment of any such primary obligation or (b) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, or (iii) to purchase property, securities, or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation against loss in respect thereof.

"Contractual Requirement" shall have the meaning provided in Section 8.3.

"Converted Restricted Subsidiary" shall have the meaning provided in the definition of the term Consolidated EBITDA.

"Converted Unrestricted Subsidiary" shall have the meaning provided in the definition of the term Consolidated EBITDA.

"Cost" means the cost of the Credit Parties' Inventory as determined in accordance with the Borrowers' accounting policies as in effect on the Closing Date and as reported on the Credit Parties' stock ledger, as such policy may be modified with the consent of the Administrative Agent, whose consent will not be unreasonably withheld.

"Credit Card Notifications" shall have the meaning provided in Section 9.9(c).

"Credit Documents" shall mean this Agreement, each Joinder Agreement, each Borrower Subsidiary Agreement, the Guarantees, the Security Documents, and any promissory notes issued by a Borrower pursuant hereto.

"Credit Event" shall mean and include the making (but not the conversion or continuation) of a Loan and the issuance of a Letter of Credit.

"Credit Facilities" shall mean, collectively, each category of Commitments and each extension of credit hereunder.

"Credit Facility" shall mean a category of Commitments and extensions of credit thereunder.

"Credit Judgment" means the Administrative Agent's reasonable judgment exercised in good faith, (i) to reflect events, conditions, contingencies or risks in each case, which, as reasonably determined by the Administrative Agent in good faith, materially adversely affect either (a) the Collateral, its value or the amount that might be received by the Agents from the sale or other disposition or realization upon such Collateral, or (b) the assets or business of any Credit Party or (c) the security interests and liens and other rights of any Agent or any Lender in the Collateral (including the enforceability, perfection and priority thereof), (ii) to reflect claims and liabilities that the Administrative Agent reasonably determines will be required to be satisfied in connection with the realization upon such Collateral, (iii) to reflect the Administrative Agent's good faith belief that any collateral report or financial information furnished by or on behalf of any Credit Party to any of the Agents is or may have been incomplete, inaccurate, misleading

or not in accordance with the terms hereof, to the extent thereof, (iv) to reflect criteria, events, conditions, contingencies or risks that, in each case, as reasonably determined by the Administrative Agent in good faith, materially adversely affect any component of the Borrowing Base or the validity or enforceability of this Agreement or the other Credit Documents or any of the material rights or remedies of the Secured Parties hereunder or thereunder or (v) in respect of any Default or an Event of Default.

"Credit Party" shall mean Holdings, the Borrowers, and the other Guarantors.

"Cure Amount" shall have the meaning provided in Section 11.15.

"Customs Broker Agreement" means an agreement in such form as may be reasonably satisfactory to the Administrative Agent and the Borrower Representative among a Borrower, a customs broker, freight forwarder, shipping company or other carrier, and the Collateral Agent, in which the customs broker or other carrier acknowledges that it has control over and holds the documents evidencing ownership of the subject Inventory or other property for the benefit of the Collateral Agent, and agrees, upon notice from the Collateral Agent (which notice shall be delivered only upon the occurrence and during the continuance of an Event of Default), to hold and dispose of the subject Inventory and other property solely as directed by the Collateral Agent.

"Daily Simple SOFR" means, for any day (a **"SOFR Rate Day"**), a rate per annum equal to SOFR for the day (such day, the **"SOFR Determination Day"**), with the conventions for this rate (which will include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining "Daily Simple SOFR" for syndicated business loans; provided that, if the Administrative Agent reasonably determines that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion.

"DDAs" means any checking or other demand deposit account maintained by the Credit Parties. All funds in such DDAs shall be conclusively presumed to be Collateral and proceeds of Collateral and the Agents, and the Lenders shall have no duty to inquire as to the source of the amounts on deposit in the DDAs.

"Debt Service Charges" means, for any period, the sum of (a) Consolidated Interest Expense paid or required to be paid in cash, plus (b), scheduled amortization payments of principal made or required to be made (after giving effect to any prepayments paid in cash that reduce the amount of such required payments) on account of Indebtedness for borrowed money (excluding the Obligations, payments to reimburse any drawings under any commercial letters of credit, and any payments on Indebtedness required to be made on the final maturity date thereof, but including Capital Lease Obligations).

"Declined Proceeds" shall have the meaning provided in Section 5.2(f).

"Default" shall mean any event, act, or condition set forth in Section 11 that with notice or lapse of time, or both, as set forth in such Section 11 would constitute an Event of Default; provided that any Default that results solely from the taking of an action that would have been permitted but for the continuation of a previous Default will be deemed to be cured if such previous Default is cured prior to becoming an Event of Default.

"Default Rate" shall have the meaning provided in Section 2.8(c).

"Defaulting Lender" shall mean any Lender whose acts or failure to act, whether directly or indirectly, cause it to meet any part of the definition of Lender Default.

"Designated Non-Cash Consideration" shall mean the Fair Market Value of non-cash consideration received by the Company or a Restricted Subsidiary in connection with an Asset Sale that is so designated as Designated Non-Cash Consideration pursuant to a certificate of an Authorized Officer of the Borrower Representative, setting forth the basis of such valuation, executed by either a senior vice president or the principal financial officer of the Borrower Representative, less the amount of cash or Cash Equivalents received in connection with a subsequent sale of or collection on or other disposition of such Designated Non-Cash Consideration. A particular item of Designated Non-Cash Consideration will no longer be considered to be outstanding when and to the extent it has been paid, redeemed or otherwise retired or sold or otherwise disposed of in compliance with Section 10.4.

"Disbursement Accounts" shall have the meaning provided in Section 9.9(g).

"Disposed EBITDA" shall mean, with respect to any Sold Entity or Business or any Converted Unrestricted Subsidiary for any period, the amount for such period of Consolidated EBITDA of such Sold Entity or Business or Converted Unrestricted Subsidiary (determined as if references to the Company and the Restricted Subsidiaries in the definition of Consolidated EBITDA were references to such Sold Entity or Business or Converted Unrestricted Subsidiary and its respective Subsidiaries), all as determined on a consolidated basis for such Sold Entity or Business or Converted Unrestricted Subsidiary, as the case may be.

"disposition" shall have the meaning assigned such term in clause (i) of the definition of Asset Sale.

"Disqualified Lenders" shall mean such Persons (i) that have been specified in writing to the Administrative Agent and the Lead Arrangers prior to the commencement of "primary syndication" as being Disqualified Lenders or as otherwise agreed by the Borrower Representative and the Administrative Agent, (ii) who are competitors of the Company and its Subsidiaries that are separately identified in writing by the Borrower Representative to the Administrative Agent from time to time, (iii) in the case of each of clauses (i) and (ii), any of their Affiliates (other than any such Affiliate that is affiliated with a financial investor in such Person and that is not itself an operating company or otherwise an Affiliate of an operating company so long as such Affiliate is a bona fide Fund) that are either (a) identified in writing by the Borrower Representative to the Administrative Agent from time to time or (b) clearly identifiable on the basis of such Affiliate's name and (iv) Excluded Affiliates.

"Disqualified Stock" shall mean, with respect to any Person, any Capital Stock of such Person which, by its terms, or by the terms of any security into which it is convertible or for which it is putable or exchangeable, or upon the happening of any event, matures or is mandatorily redeemable (other than solely for Qualified Stock), other than as a result of a change of control, asset sale, or similar event, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof (other than solely for Qualified Stock), other than as a result of a change of control, asset sale, or similar event, in whole or in part, in each case, prior to the date that is 91 days after the Revolving Credit Maturity Date hereunder; provided that if such Capital Stock is issued to any plan for the benefit of employees of the Company or its Subsidiaries or by any such plan to such employees, such Capital Stock shall not constitute Disqualified Stock solely because it may be required to be repurchased by the Company or its Subsidiaries in order to satisfy applicable statutory or regulatory obligations or as a result of such employee's termination, death, or disability.

"Dividing Person" has the meaning assigned to it in the definition of "Division."

"Division" means the division of the assets, liabilities and/or obligations of a Person (the **"Dividing Person"**) among two or more Persons (whether pursuant to a "plan of division" or similar arrangement), which may or may not include the Dividing Person and pursuant to which the Dividing Person may or may not survive.

"Division Successor" means any Person that, upon the consummation of a Division of a Dividing Person, holds all or any portion of the assets, liabilities and/or obligations previously held by such Dividing Person immediately prior to the consummation of such Division. A Dividing Person which retains any of its assets, liabilities and/or obligations after a Division shall be deemed a Division Successor upon the occurrence of such Division.

"Dollars" and "$" shall mean dollars in lawful currency of the United States.

"Domestic Subsidiary" shall mean each Subsidiary of the Company that is organized under the laws of the United States, any state thereof, or the District of Columbia.

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"Eligible Credit Card Receivables" means, as of any date of determination, Accounts due to a Credit Party from major credit card and debit card issuers and processors (including, but not limited to, VISA, Mastercard, American Express, Diners Club, AcceptanceNow, Wells Fargo and DiscoverCard) as arise in the ordinary course of business and which have been earned by performance, that are not excluded as ineligible by virtue of one or more of the criteria set forth below. Except as otherwise agreed by the Administrative Agent in its Credit Judgment, none of the following shall be deemed to be Eligible Credit Card Receivables:

(a) Accounts due from (i) major credit card and debit card processors (other than Wells Fargo and AcceptanceNow) that have been outstanding for more than five (5) Business Days from the date of sale, or (ii) from Wells Fargo and AcceptanceNow that have been outstanding for more than seven (7) Business Days or, in each case, for such longer period(s) as may be approved by the Administrative Agent in its Credit Judgment;

(b) Accounts due from major credit card and debit card processors with respect to which a Credit Party does not have good, valid and marketable title thereto, free and clear of any Lien (other than (i) Liens granted to the Collateral Agent for its own benefit and the benefit of the other Secured Parties pursuant to the Security Documents, (ii) a Permitted Lien which does not have priority over such Liens in favor of the Collateral Agent, and (iii) those Liens specified in

clause (xvii) of the definition of Permitted Liens and Permitted Liens having priority by operation of applicable Law over the Lien of the Collateral Agent) (the foregoing not being intended to limit the ability of the Administrative Agent to change, establish or eliminate any Reserves in its Credit Judgment on account of any such Liens);

(c) Accounts due from major credit card and debit card processors that are not subject to a first priority (except as to priority as provided in clause (b)(iii), above) security interest in favor of the Collateral Agent for its own benefit and the benefit of the other Secured Parties;

(d) Accounts due from major credit card and debit card processors which are disputed, or with respect to which a claim, counterclaim, offset or chargeback (other than chargebacks in the ordinary course by the credit card and debit card processors) has been asserted, by the related credit card and debit card processor (but only to the extent of such dispute, counterclaim, offset or chargeback);

(e) Accounts due from major credit card and debit card processors as to which the credit card and debit card processor has the right under certain circumstances to require a Credit Party to repurchase the Accounts from such credit card or debit card processor;

(f) From and after the date that is thirty (30) days after the Closing Date (or such longer period of time as the Administrative Agent may agree in its discretion), except as otherwise approved by the Administrative Agent, Accounts due from any credit card and debit card processor which has not received a Credit Card Notification;

(g) Except as otherwise approved by the Administrative Agent in its Credit Judgment, Accounts arising from any private label credit card program of a Credit Party or Accounts due from AcceptanceNow; and

(h) Accounts due from major credit card and debit card processors (other than VISA, Mastercard, American Express, Diners Club, AcceptanceNow, Wells Fargo and) which the Administrative Agent determines in its Credit Judgment and upon notice to the Borrower Representative to be unlikely to be collected.

"Eligible In-Transit Inventory" means, as of any date of determination, without duplication of other Eligible Inventory, Inventory (a) which has been shipped from (i) any location within the United States for receipt by a Credit Party within fifteen (15) days of the date of determination or (ii) any location outside of the United States for receipt by a Credit Party within sixty (60) days of the date of determination, but which, in either case, has not yet been received by a Credit Party, (b) for which the purchase order is in the name of a Credit Party and title has passed to a Credit Party, (c) from and after the date that is thirty (30) days after the Closing Date (or such longer period of time as the Administrative Agent may agree in its discretion), except as otherwise agreed by the Administrative Agent, either (i) such Inventory is subject to a negotiable document of title in form reasonably satisfactory to the Administrative Agent which shall, except as otherwise agreed by the Administrative Agent in its Credit Judgment, have been endorsed to the Administrative Agent or an agent acting on its behalf or (ii) such Inventory is subject to a waybill or other non-negotiable document of title which designates a Credit Party or its freight forwarder or other agent as "shipper" and/or the consignor and reflects a Credit Party as consignee (along with delivery to a Credit Party or its customs broker or other agent of such non-negotiable documents of title, to the extent applicable, with respect thereto), (d) from and after the date that is thirty (30) days after the Closing Date (or such longer period of time as the Administrative Agent may agree in its discretion), if reasonably requested by the Administrative Agent, (i) as to which

the Collateral Agent has control over the documents of title, to the extent applicable, which evidence ownership of the subject Inventory (such as by the delivery of a Customs Broker Agreement and a control agreement with a carrier or freight forwarder), and (ii) as to which each relevant freight carrier, freight forwarder, customs broker, shipping company or other Person in possession of such Inventory and/or the documents relating to such Inventory shall have entered into a Customs Broker Agreement, (e) which is insured in accordance with the provisions of this Agreement and the other Credit Documents including, without limitation marine cargo insurance; (f) such Inventory is subject, to the reasonable satisfaction of the Administrative Agent, to a first priority perfected security interest in and lien upon such Inventory in favor of the Administrative Agent (subject to Permitted Liens having priority by operation of Applicable Law, and except for any possessory lien upon such goods in the possession of a freight carrier or shipping company securing only the freight charges for the transportation of such goods to such Credit Party) (the foregoing not being intended to limit the ability of the Administrative Agent to change, establish or eliminate any Reserves in its Credit Judgment on account of any such Liens) and (g) which otherwise is not excluded from the definition of Eligible Inventory; provided that the Administrative Agent may, in its reasonable discretion and upon prior notice to the Borrower Representative, exclude any particular Inventory from the definition of "Eligible In-Transit Inventory" in the event that the Administrative Agent reasonably determines that such Inventory is subject to any Person's right or claim which is senior to, or pari passu with, the Lien of the Administrative Agent (such as, without limitation, a right of stoppage in transit), as applicable.

Notwithstanding anything to the contrary herein, Eligible In-Transit Inventory shall not be accounted for as "*in transit*" by a Credit Party by virtue of such Inventory's being in transit between the Credit Parties' locations or in storage trailers at the Credit Parties' locations; rather, such Inventory shall be treated as "Eligible Inventory" if it satisfies the conditions therefor.

"Eligible Inventory means, as of any date of determination, without duplication, (a) Eligible In-Transit Inventory, and (b) items of Inventory of a Credit Party that are finished goods, merchantable and readily saleable to the public in the ordinary course that are not excluded as ineligible by virtue of the one or more of the criteria set forth below. Except as otherwise agreed by the Administrative Agent in its Credit Judgment, none of the following shall be deemed to be Eligible Inventory:

(a) Inventory that is not solely owned by a Credit Party, or is leased by or is on consignment to a Credit Party, or as to which the Credit Parties do not have title thereto;

(b) Inventory (other than any Eligible In-Transit Inventory) that is not located in the United States of America (or Canada, as long as the Administrative Agent shall have received or conducted appraisals of such Canadian Inventory from appraisers reasonably satisfactory to the Administrative Agent) at a location that is owned or leased by the Credit Parties except to the extent that the Credit Parties have furnished the Collateral Agent with any UCC financing statements or PPSA registration statement or other filings that the Collateral Agent may reasonably determine to be necessary to perfect its security interest in such Inventory at such location;

(d) Inventory that represents goods which (i) are damaged, defective, "seconds," "blocked" inventory, or otherwise unmerchantable, in each case, other than Pit Inventory which is saleable in the ordinary course of business, (ii) are to be returned to the vendor and which is no longer reflected in a Credit Party's stock ledger, (iii) are obsolete, custom items, work in process, raw materials, or that constitute spare parts, shipping materials or supplies used or consumed in a Borrower's business, or (iv) are bill and hold goods;

(c) Inventory that represents goods that do not conform in a material respects to the representations and warranties contained in this Agreement or the Security Agreement;

(f) Inventory that is not subject to a perfected first priority security interest in favor of the Collateral Agent for its own benefit and the benefit of the other Secured Parties (subject as to priority to Permitted Liens having priority by operation of applicable Law over the Lien of the Collateral Agent);

(g) Inventory which consists of samples, labels, bags, packaging materials, and other similar non-merchandise categories;

(h) Inventory as to which casualty insurance in compliance with the provisions of Section 9.3 hereof is not in effect;

(i) Inventory at any single location with an aggregate value at such location of less than $100,000; and

(j) Inventory which has been sold but not yet delivered or Inventory to the extent that any Credit Party has accepted a deposit therefor and which is no longer reflected in a Credit Party's stock ledger.

"Environmental Claims" shall mean any and all actions, suits, orders, decrees, demand letters, claims, notices of noncompliance or potential responsibility or violation, or proceedings pursuant to any Environmental Law or any permit issued, or any approval given, under any such Environmental Law (hereinafter, **"Claims"**), including, without limitation, (i) any and all Claims by governmental or regulatory authorities for enforcement, cleanup, removal, response, remedial, or other actions or damages pursuant to any Environmental Law and (ii) any and all Claims by any third party seeking damages, contribution, indemnification, cost recovery, compensation, or injunctive relief relating to the presence Release or threatened Release of Hazardous Materials or arising from alleged injury or threat of injury to health or safety (to the extent relating to human exposure to Hazardous Materials), or the environment including, without limitation, ambient air, indoor air, surface water, groundwater, soil, land surface and subsurface strata, and natural resources such as wetlands.

"Environmental Law" shall mean any applicable federal, state, foreign, or local statute, law, rule, regulation, ordinance, code, and rule of common law now or hereafter in effect and in each case as amended, and any binding judicial or administrative interpretation thereof, including any binding judicial or administrative order, consent decree, or judgment, relating to pollution or protection of the environment, including, without limitation, ambient air, indoor air, surface water, groundwater, soil, land surface and subsurface strata and natural resources such as flora, fauna, or wetlands, or protection of human health or safety (to the extent relating to human exposure to Hazardous Materials) and including those relating to the generation, storage, treatment, transport, Release, or threat of Release of Hazardous Materials.

"Equity Interest" shall mean Capital Stock and all warrants, options, or other rights to acquire Capital Stock, but excluding any debt security that is convertible into, or exchangeable for, Capital Stock.

"Equity Investments" shall have the meaning provided in the preamble to this Agreement.

"Equity Offering" shall mean any public or private sale of common stock or preferred stock of the Company or any direct or indirect parent company of the Company (excluding Disqualified Stock), other than: (i) public offerings with respect to the Company or any of its direct or indirect parent

company's (including the Company's) common stock registered on Form S-8, (ii) issuances to any Subsidiary of Holdings, (iii) any such public or private sale that constitutes an Excluded Contribution, and (iv) any Cure Amount.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974.

"ERISA Affiliate" shall mean any trade or business (whether or not incorporated) that, together with any Credit Party, is treated as a single employer under Section 414 (b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code).

"ERISA Event" shall mean (i) the failure of any Plan to comply with any provisions of ERISA and/or the Code or with the terms of such Plan; (ii) the existence with respect to any Plan of a non-exempt Prohibited Transaction; (iii) any Reportable Event; (iv) the failure of any Credit Party or ERISA Affiliate to make by its due date a required installment under Section 430(j) of the Code with respect to any Pension Plan or any failure by any Pension Plan to satisfy the minimum funding standards (within the meaning of Section 412 of the Code or Section 302 of ERISA) applicable to such Pension Plan, whether or not waived; (v) a determination that any Pension Plan is in "at risk" status (within the meaning of Section 430 of the Code or Section 303 of ERISA); (vi) the filing pursuant to Section 412(c) of the Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Pension Plan; (vii) the occurrence of any event or condition which would reasonably be expected to constitute grounds under ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan or the incurrence by any Credit Party or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Pension Plan, including but not limited to the imposition of any Lien in favor of the PBGC or any Pension Plan; (viii) the receipt by any Credit Party or any of its ERISA Affiliates from the PBGC or a plan administrator of any notice to terminate any Pension Plan or to appoint a trustee to administer any Pension Plan under Section 4042 of ERISA; (ix) the failure by any Credit Party or any of its ERISA Affiliates to make any required contribution to a Multiemployer Plan; (x) the incurrence by any Credit Party or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Pension Plan (or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA) or Multiemployer Plan; (xi) the receipt by any Credit Party or any of its ERISA Affiliates of any notice concerning the imposition on it of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, Insolvent or in Reorganization, in "endangered" or "critical" status (within the meaning of Section 432 of the Code or Section 305 of ERISA), or terminated (within the meaning of Section 4041A of ERISA); or (xii) the failure by any Credit Party or any of its ERISA Affiliates to pay when due (after expiration of any applicable grace period) any installment payment with respect to Withdrawal Liability under Section 4201 of ERISA.

"Erroneous Payment" has the meaning assigned to it in Section 12.14(a).

"Erroneous Payment Return Deficiency" has the meaning assigned to it in Section 12.14(d).

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"Euro" or "**€**" shall mean the single currency of the Participating Member States.

"Event of Default" shall have the meaning provided in Section 11.

"Excess Availability" means an amount equal to (a) the Line Cap plus (b) cash and Cash Equivalents subject to a Blocked Account Agreement in favor of the Collateral Agent minus (c) the aggregate amount of the Lenders' Revolving Credit Exposure.

"Excluded Affiliate" shall mean any Affiliate of any Agent that is engaged (i) as a principal primarily in private equity, mezzanine financing or venture capital or (ii) directly or indirectly in a sale of the Acquired Companies and their Subsidiaries as sell-side representative (other than any "above the wall" individuals).

"Excluded Contribution" shall mean net cash proceeds, the Fair Market Value of marketable securities, or the Fair Market Value of Qualified Proceeds received by the Company from (i) contributions to its common equity capital, and (ii) the sale (other than to a Subsidiary of the Company or to any management equity plan or stock option plan or any other management or employee benefit plan or agreement of the Company) of Capital Stock (other than Disqualified Stock of the Company, in each case designated as Excluded Contributions pursuant to an officer's certificate executed by either a senior vice president or the principal financial officer of the Borrower Representative on the date such capital contributions are made or the date such Equity Interests are sold, as the case may be; provided that any non-cash assets shall qualify only if acquired by a parent of the Company in an arm's-length transaction within the six months prior to such contribution.

"Excluded Deposit Account" means any deposit account (i) Listed on Schedule 1.1(e) hereto or any other deposit account that is similar in function to the accounts described on Schedule 1.1(e) established after the Closing Date consistent with past practices, (ii) used for payroll, taxes, fiduciary and trust purposes, and employee benefits, pension accounts and 401(k) accounts, (iii) the daily balance in which does not at any time exceed $500,000 in the aggregate for all such deposit or securities accounts for a period of five (5) consecutive Business Days, (iv) any Tenn Loan Priority Account, and (v) zero balance disbursement accounts.

"Excluded Property" shall have the meaning set forth in the Security Agreement.

"Excluded Stock and Stock Equivalents" shall mean (i) any Capital Stock or Stock Equivalents with respect to which, in the reasonable judgment of the Administrative Agent and the Borrower Representative (as agreed to in writing), the cost or other consequences of pledging such Capital Stock or Stock Equivalents in favor of the Secured Parties under the Security Documents shall be excessive in view of the benefits to be obtained by the Lenders therefrom, (ii) solely in the case of any pledge of Capital Stock and Stock Equivalents of any Foreign Subsidiary of a Domestic Subsidiary or any CEC Holding Company, any Voting Stock or Stock Equivalents of any class of such Foreign Subsidiary or such CFC Holding Company in excess of 66% of the outstanding Voting Stock of such class, (iii) any Capital Stock or Stock Equivalents to the extent the pledge thereof would violate any applicable Requirement of Law (including any legally effective requirement to obtain the consent of any Governmental Authority unless such consent has been obtained), (iv) in the case of (A) any Capital Stock or Stock Equivalents of any Subsidiary to the extent such Capital Stock or Stock Equivalents are subject to a Lien permitted by clause (ix) of the definition of Permitted Lien or (B) any Capital Stock or Stock Equivalents of any Subsidiary that is not Wholly-Owned by the Company and its Subsidiaries at the time such Subsidiary becomes a Subsidiary, any Capital Stock or Stock Equivalents of each such Subsidiary described in clause (A) or (B) to the extent (I) that a pledge thereof to secure the Obligations is prohibited by any applicable Contractual Requirement (other than customary non-assignment provisions which are ineffective under the Uniform Commercial Code or other applicable law), (II) any Contractual Requirement prohibits such a pledge without the consent of any other party; provided that this clause (11) shall not apply if (x) such other party is a Credit Party or Wholly-Owned Subsidiary or (y) consent has been obtained to consummate such pledge (it being understood that the foregoing shall not be deemed to

obligate the Company or any Subsidiary to obtain any such consent) and for so long as such Contractual Requirement or replacement or renewal thereof is in effect, or (III) a pledge thereof to secure the Obligations would give any other party (other than a Credit Party or Wholly-Owned Subsidiary) to any contract, agreement, instrument, or indenture governing such Capital Stock or Stock Equivalents the right to terminate its obligations thereunder (other than customary non-assignment provisions which are ineffective under the Uniform Commercial Code or other applicable law), (v) any Capital Stock or Stock Equivalents of any Subsidiary to the extent that the pledge of such Capital Stock or Stock Equivalents would result in materially adverse tax consequences to the Company or any Subsidiary as reasonably determined by the Borrower Representative in consultation with the Administrative Agent, (vi) any Capital Stock or Stock Equivalents that are margin stock, and (vii) any Capital Stock and Stock Equivalents of any Subsidiary that is not a Material Subsidiary or is an Unrestricted Subsidiary, a captive insurance Subsidiary, an SPV, or any special purpose entity.

"Excluded Subsidiary" shall mean (i) each Subsidiary, in each case, for so long as any such Subsidiary does not (on a consolidated basis with its Restricted Subsidiaries) constitute a Material Subsidiary, (ii) each Subsidiary that is not a Wholly-Owned Subsidiary on any date such Subsidiary would otherwise be required to become a Guarantor pursuant to the requirements of Section 9.11 (for so long as such Subsidiary remains a non-Wholly-Owned Restricted Subsidiary), (iii) any CFC Holding Company, (iv) any Domestic Subsidiary that is a Subsidiary of a Foreign Subsidiary that is a CFC, (v) any Foreign Subsidiary, (vi) each Subsidiary that is prohibited by any applicable Contractual Requirement or Requirement of Law from guaranteeing or granting Liens to secure the Obligations at the time such Subsidiary becomes a Restricted Subsidiary (and for so long as such restriction or any replacement or renewal thereof is in effect), (vii) each Subsidiary with respect to which, as reasonably determined by the Company, the consequence of providing a Guarantee of the Obligations would adversely affect the ability of the Company and its Subsidiaries to satisfy applicable Requirements of Law, (viii) any other Subsidiary with respect to which, (a) in the reasonable judgment of the Administrative Agent and Borrower Representative, as agreed in writing, the cost or other consequences of providing a Guarantee of the Obligations shall be excessive in view of the benefits to be obtained by the Lenders therefrom or (b) providing such a Guarantee would result in material adverse tax consequences as reasonably determined by the Borrower Representative in consultation with the Administrative Agent, (ix) each Unrestricted Subsidiary, (x) each other Subsidiary acquired pursuant to a Permitted Acquisition or other Investment permitted hereunder and financed with assumed secured Indebtedness, and each Restricted Subsidiary acquired in such Permitted Acquisition or other Investment permitted hereunder that guarantees such Indebtedness, in each case to the extent that, and for so long as, the documentation relating to such Indebtedness to which such Subsidiary is a party prohibits such Subsidiary from guaranteeing the Obligations and such prohibition was not created in contemplation of such Permitted Acquisition or other Investment permitted hereunder, (xi) each SPV or not-for-profit Subsidiary, and (xii) captive insurance Subsidiaries.

"Excluded Swap Obligation" shall mean, with respect to any Credit Party, any Swap Obligation if, and to the extent that, all or a portion of the Obligations of such Credit Party of, or the grant by such Credit Party of a security interest to secure, such Swap Obligation (or any Obligations thereof) is or becomes illegal or unlawful under the Commodity Exchange Act or any rule, regulation, or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof). If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Obligation or security interest is or becomes illegal or unlawful.

"Excluded Taxes" shall mean, with respect to the Administrative Agent, any Lender, or any other recipient of any payment to be made by or on account of any obligation of any Credit Party hereunder or under any other Credit Document, (i) Taxes imposed on or measured by its overall net

income, net profits, or branch profits (however denominated, and including (for the avoidance of doubt) any backup withholding in respect thereof under Section 3406 of the Code or any similar' provision of state, local, or foreign law), and franchise (and similar) Taxes imposed on it (in lieu of net income Taxes), in each case by a jurisdiction (including any political subdivision thereof) as a result of such recipient being organized in, having its principal office in, or in the case of any Lender, having its applicable lending office in, such jurisdiction, or as a result of any other present or former connection with such jurisdiction (other than any such connection arising solely from this Agreement or any other Credit Documents or any transactions contemplated thereunder), (ii) any United States federal withholding Tax imposed on any payment by or on account of any obligation of any Credit Party hereunder or under any other Credit Document that is required to be imposed on amounts payable to or for the account of a Lender or recipient pursuant to laws in force at the time such Lender or recipient acquires an interest in any Credit Document (or designates a new lending office), other than in the case of a Lender that is an assignee pursuant to a request by the Borrower Representative under Section 13,7 (or that designates a new lending office pursuant to a request by the Borrower Representative), except to the extent that such Lender (or its assignor, if any) was entitled, immediately prior to the designation of a new lending office (or assignment), to receive additional amounts from the Credit Parties with respect to such withholding Tax pursuant to Section 5.4, (iii) any withholding Taxes attributable to a recipient's failure to comply with Section 5.4(c), or (iv) any United States federal withholding Tax imposed under FATCA.

"**Existing Revolving Credit Class**" shall have the meaning provided in Section 2.14(g)(ii).

"**Existing Revolving Credit Commitment**" shall have the meaning provided in Section 2.14(g)(ii).

"**Existing Revolving Credit Loans**" shall have the meaning provided in Section 2.14(g)(ii).

"**Extended Revolving Credit Commitments**" shall have the meaning provided in Section 2.14(g)(ii).

"**Extended Revolving Credit Loans**" shall have the meaning provided in Section 2.14(g)(ii).

"**Extended Revolving Loan Maturity Date**" shall mean the date on which any tranche of Extended Revolving Credit Loans matures.

"**Extending Lender**" shall have the meaning provided in Section 2.14(g)(iii).

"**Extension Amendment**" shall have the meaning provided in Section 2.14(g)(iv).

"**Extension Date**" shall have the meaning provided in Section 2.14(g)(v).

"**Extension Election**" shall have the meaning provided in Section 2.14(g)(iii).

"**Extension Series**" shall mean all Extended Revolving Credit Commitments that are established pursuant to the same Extension Amendment (or any subsequent Extension Amendment to the extent such Extension Amendment expressly provides that the Extended Revolving Credit Commitments provided for therein are intended to be a part of any previously established Extension Series) and that provide for the same interest margins, and extension fees.

"**Fair Market Value**" shall mean with respect to any asset or group of assets on any date of determination, the value of the consideration obtainable in a sale of such asset at such date of determination assuming a sale by a willing seller to a willing purchaser dealing at arm's length and

arranged in an orderly manner over a reasonable period of time having regard to the nature and characteristics of such asset, as determined in good faith by the Borrower Representative.

"**FATCA**" shall mean Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code as of the date of this Agreement (or any amended or successor version described above), and any intergovernmental agreements (or related legislation or official administrative rules or practices) implementing the foregoing.

"**Federal Funds Effective Rate**" shall mean, for any day, the weighted average of the per annum rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers on such day, as published on the next succeeding Business Day by the Federal Reserve Bank of New York; provided that (i) if such day is not a Business Day, the Federal Funds Effective Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (ii) if no such rate is so published on such next succeeding Business Day, the Federal Funds Effective Rate for such day shall be the average rate charged to the Administrative Agent on such day on such transactions as determined by the Administrative Agent.

"**Fees**" shall mean all amounts payable pursuant to, or referred to in. Section 4.1.

"**Financial Covenant Trigger Event**" has the meaning specified in Section 10.11.

"**Financial Officer**" shall mean, with respect to any Credit Party, the chief financial officer, the senior vice president of finance, treasurer, assistant treasurer, controller or assistant controller of such Credit Party.

~~"**First Lien Initial Term Loans**" shall mean First Lien Term Loans outstanding on the Amendment No. 6 Effective Date (other than the 2022 First Lien Extended Term Loans) and any Permitted Refinancing thereof. As of the Amendment No. 6 Effective Date 2022 First Lien Initial Term Loans in an aggregate principal amount of $68,703,006.94 are outstanding with a stated final maturity date of August 12, 2023.~~

"**First Lien Obligations**" shall have the meaning assigned to the term "Obligations" in the First Lien Term Loan Agreement.

"**First Lien Secured Leverage Test**" shall mean, as of any date of determination, with respect to the last day of the most recently ended Test Period, the Consolidated First Lien Secured Debt to Consolidated EBITDA Ratio shall be no greater than 4.00 to 1.00.

"**First Lien Term Loan Administrative Agent**" shall have the meaning assigned to the term "Administrative Agent" in the First Lien Term Loan Agreement.

"**First Lien Term Loan Agreement**" shall mean the Credit Agreement, dated as of the Closing Date, among Holdings, the Borrowers, the guarantors party thereto, the lenders party thereto, the First Lien Term Loan Administrative Agent and the First Lien Term Loan Collateral Agent (as such agreement may be amended, supplemented, waived or otherwise modified from time to time or refunded, refinanced, restructured, replaced, renewed, repaid, increased or extended from time to time (whether in whole or in part, whether with the original administrative agent and lenders or other agents and lenders or otherwise, and whether provided under the original First Lien Term Loan Agreement or other credit agreements or

otherwise, unless such agreement, instrument or document expressly provides that it is not intended to be and is not a First Lien Term Loan Agreement)).

"**First Lien Term Loan Collateral Agent**" shall have the meaning assigned to the term "Collateral Agent" in the First Lien Term Loan Agreement.

"**First Lien Term Loan Credit Documents**" shall mean the First Lien Term Loan Agreement and each other document executed in connection therewith or pursuant thereto.

"**First Lien Term Facility**" shall have the meaning provided in the recitals of this Agreement.

"**First Lien Term Loans**" shall have the meaning provided to the term "Loans" in the First Lien Term Loan Agreement and any modification, replacement, refinancing, refunding, renewal, or extension thereof.

"**Fixed Charge Coverage Ratio**" shall mean, as of any date of determination, the ratio of (i) (x) Consolidated EBITDA minus (y) Unfinanced Capital Expenditures (other than Growth Capital Expenditures) minus (z) federal, state and foreign income Taxes paid in cash (net of refunds received during such Test Period), in each case, for the Test Period then last ended to (ii) Debt Service Charges payable in cash for such Test Period. .

"**Fixed Charges**" shall mean, with respect to any Person for any period, the sum of:

(i) Consolidated Interest Expense of such Person for such period,

(ii) all cash dividend payments (excluding items eliminated in consolidation) on any series of preferred stock or any Refunding Capital Stock of such Person made during such period, and

(iii) all cash dividend payments (excluding items eliminated in consolidation) on any series of Disqualified Stock made during such period.

"**Floor**" means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to Term SOFR. For the avoidance of doubt, the initial Floor for Term SOFR shall be 0.00%.

"**Foreign Subsidiary**" shall mean each. Subsidiary of the Company that is not a Domestic Subsidiary.

"**Fronting Exposure**" shall mean, at any time there is a Defaulting Lender, (i) with respect to the Letter of Credit Issuer, such Defaulting Lender's Revolving Credit Commitment Percentage of the outstanding L/C Obligations other than L/C Obligations as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof, and (ii) with respect to the Swingline Lender, such Defaulting Lender's Revolving Credit Commitment Percentage of Swingline Loans other than Swingline Loans as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders in accordance with the terms hereof.

"**Fronting Fee**" shall have the meaning provided in Section 4.1(d).

"**Fund**" shall mean any Person (other than a natural Person) that is engaged or advises funds or other investment vehicles that are engaged in making, purchasing, holding, or investing in commercial loans and similar extensions of credit in the ordinary course.

"**GAAP**" shall mean generally accepted accounting principles in the United States, as in effect from time to time; provided, however, that if the Borrower Representative notifies the Administrative Agent that the Borrower Representative requests an amendment to any provision hereof to eliminate the effect of any change occurring after the Closing Date in GAAP or in the application thereof on the operation of such provision, regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Furthermore, at any time after the Closing Date, the Company may elect to apply International Financial Reporting Standards ("**IFRS**") accounting principles in lieu of GAAP and, upon any such election, references herein to GAAP and GAAP concepts shall thereafter be construed to refer to IFRS and corresponding IFRS concepts (except as otherwise provided in this Agreement); provided any such election, once made, shall be irrevocable; provided, further, that any calculation or determination in this Agreement that requires the application of GAAP for periods that include fiscal quarters ended prior to the Company's election to apply IFRS shall remain as previously calculated or determined in accordance with GAAP. The Borrower Representative shall give written notice of any such election made in accordance with this definition to the Administrative Agent. For the avoidance of doubt, solely making an election (without any other action) referred to in this definition will not be treated as an incurrence of Indebtedness. Notwithstanding any other provision contained herein, the amount of any Indebtedness under GAAP with respect to Capital Lease Obligations shall be determined in accordance with the definition of Capital Lease Obligations.

"**Governmental Authority**" shall mean any nation, sovereign, or government, any state, province, territory, or other political subdivision thereof, and any entity or authority exercising executive, legislative, judicial, taxing, regulatory, or administrative functions of or pertaining to government, including a central bank or stock exchange.

"**Granting Lender**" shall have the meaning provided in Section 13.6(g).

"**Growth Capital Expenditures**" means Capital Expenditures which are made by any Credit Party to acquire additional productive assets or properties that generate revenues in the business of the Credit Party primarily for the purpose of increasing revenues.

"**Guarantee**" shall mean (i) the Guarantee made by Holdings and each other Guarantor in favor of the Collateral Agent for the benefit of the Secured Parties, substantially in the form of Exhibit B, and (ii) any other guarantee of the Obligations made by a Restricted Subsidiary in form and substance reasonably acceptable to the Administrative Agent.

"**guarantee obligations**" shall mean, as to any Person, any obligation of such Person guaranteeing or intended to guarantee any Indebtedness of any primary obligor in any manner, whether directly or indirectly, including any obligation of such Person, whether or not contingent, (i) to purchase any such Indebtedness or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (a) for the purchase or payment of any such Indebtedness or (b) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (iii) to purchase property, securities, or services primarily for the purpose of assuring the owner of any such Indebtedness of the ability of the primary obligor to make payment of such Indebtedness, or (iv) otherwise to assure or hold harmless the owner of such Indebtedness against loss in respect thereof; provided, however, that the term guarantee obligations shall not include endorsements of instruments for

deposit or collection in the ordinary course of business or customary and reasonable indemnity obligations or product warranties in effect on the Closing Date or entered into in connection with any acquisition or disposition of assets permitted under this Agreement (other than such obligations with respect to Indebtedness). The amount of any guarantee obligation shall be deemed to be an amount equal to the stated or determinable amount of the Indebtedness in respect of which such guarantee obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform thereunder) as determined by such Person in good faith.

"**Guarantors**" shall mean (i) each Subsidiary of the Company that is party to the Guarantee on the Closing Date, (ii) each Subsidiary of the Company that becomes a party to the Guarantee after the Closing Date pursuant to Section 9.11 or otherwise, and (iii) Holdings.

"**Hazardous Materials**" shall mean (i) any petroleum or petroleum products, radioactive materials, asbestos and asbestos containing material, polychlorinated biphenyls, and radon gas; (ii) any chemicals, materials, or substances defined as or included in the definition of "hazardous substances," "hazardous waste," "hazardous materials," "extremely hazardous waste." "restricted hazardous waste," "toxic substances," "toxic pollutants," "contaminants," or "pollutants," or words of similar import, under any Environmental Law; and (iii) any other chemical, material, or substance, which is prohibited, limited, or regulated due to its dangerous or deleterious properties or characteristics by, any Environmental Law.

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

"**Hedge Bank**" shall mean (i) (a) any Person that, at the time it enters into a Hedge Agreement, is a Lender, an Agent or an Affiliate of a Lender or an Agent and (b) with respect to any Hedge Agreement entered into prior to the Closing Date, any Person that is a Lender or an Agent or an Affiliate of a Lender or an Agent on the Closing Date or (ii) any Person listed on Schedule 1.1(d); provided that, if such Person is not a Lender, such Person executes and delivers to the Administrative Agent and the Borrower Representative a letter agreement in form and substance reasonably acceptable to the Administrative Agent pursuant to which such Person (a) appoints the Administrative Agent as its agent under the applicable Credit Documents and (b) agrees to be bound by the provisions of Sections 11, 12, 13, 25 and 26 of the Pledge Agreement and Sections 5.4, 5.5, 5.7, 6.5, 7 and 8.1 of the Security Agreement, in each case, as if it were a Lender.

"**Hedging Obligations**" shall mean, with respect to any Person, the obligations of such Person under any Hedge Agreements.

"**Historical Financial Statements**" shall mean (i) the audited combined balance sheets of the Acquired Company as of December 30, 2012 and the related audited combined statements of operations and comprehensive income, changes in equity and cash flows of the Acquired Company for the year

ended December 30, 2012 and (ii) the unaudited interim combined balance sheets of the Acquired Company and the Operating Companies (as defined in the Acquisition Agreement) for the ten month period ended October 27. 2013, and the related unaudited combined statements of operations and comprehensive income, changes in equity, and cash flows of the Acquired Company and the Operating Companies for October 27, 2013.

"**Holdings"** shall mean (i) Holdings (as defined in the preamble to this Agreement) or (ii) after the Closing Date any other Person or Persons ("**New Holdings**") that is a Subsidiary of (or are Subsidiaries of) Holdings or of any Parent Entity of Holdings (or the previous New Holdings, as the case may be) but not the Company ("**Previous Holdings**"); provided that (a) such New Holdings directly owns (i) 100% of the Equity Interests of the Company and (ii) 100% of the Equity Interests of each other direct Subsidiary of Previous Holdings which were owned by Previous Holdings immediately prior thereto, (b) New Holdings shall expressly assume all the obligations of Previous Holdings under this Agreement and the other Credit Documents pursuant to a supplement hereto or thereto in form and substance reasonably satisfactory to the Administrative Agent, (c) if reasonably requested by the Administrative Agent, an opinion of counsel shall be delivered by the Borrower Representative to the Administrative Agent, (d) all Capital Stock of the Company and substantially all of the other assets of Previous Holdings are contributed or otherwise transferred, directly or indirectly, to such New Holdings and pledged to secure the Obligations, (c) (i) no Event of Default has occurred and is continuing at the time of such substitution and such substitution does not result in any Event of Default, (ii) such substitution does not result in any material adverse tax consequences to any Credit Party and (iii) such substitution docs not result in any adverse tax consequences to any Lender (unless reimbursed hereunder) or to the Administrative Agent (unless reimbursed hereunder), (f) no Change of Control shall occur, (g) the Administrative Agent shall have received at least five (5) Business Days' prior written notice of the proposed transaction and Previous Holdings, New Holdings and the Borrowers shall promptly and in any event at least two (2) Business Days' prior to the consummation of the transaction provide all information any Lender or any Agent may reasonably request to satisfy its "know your customer" and other similar requirements necessary for such Person to comply with its internal compliance and regulatory requirements with respect to the proposed successor New Holdings, (h) New Holdings shall be an entity organized or existing under the law of the United States, any state thereof or the District of Columbia, (i) if reasonably requested by the Administrative Agent, the Credit Parties shall execute and deliver amendments, supplements and other modification to all Credit Documents and instruments and agreements executed in connect:on therewith necessary to perfect and protect the liens and security interests in the Collateral of New Holdings, in each case in form and substance reasonably satisfactory to the Administrative Agent, and (j) the Borrower Representative delivers a certificate of a Responsible Officer with respect to the satisfaction of the conditions set forth in clauses (a), (e)(i) and (ii), (f) and (h) of this definition provided, further, that if each of the foregoing is satisfied, Previous Holdings shall be automatically released of all its obligations under the Credit Documents and any reference to Holdings in the Credit Documents shall be meant to refer to New Holdings; provided, further, that if each of the foregoing is satisfied, Previous Holdings shall be automatically released of all its obligations under the Credit Documents and any reference to Holdings in the Credit Documents shall be meant to refer to New Holdings.

"**Identified Contingent Liabilities**" shall mean the maximum estimated amount of liabilities reasonably likely to result from pending litigation, asserted claims and assessments, guaranties, uninsured risks, and other contingent liabilities of the Borrowers, and the Restricted Subsidiaries taken as a whole after giving effect to the Transactions (including all fees and expenses related thereto but exclusive of such contingent liabilities to the extent reflected in Stated Liabilities), as identified and explained in terms of their nature and estimated magnitude by responsible officers of the Borrower Representative.

"**IFRS**" shall have the meaning given such term in the definition of GAAP.

"Impacted Loans" shall have the meaning provided in Section 2.10(a).

"**Increased Amount Date**" shall have the meaning provided in Section 2.14(a).

"**Incremental Loans**" shall have the meaning provided in Section 2.14(c).

"**Incremental Revolving Credit Commitments**" shall have the meaning provided in Section 2.14(a).

"**Incremental Revolving Credit Loans**" shall have the meaning provided in Section 2.14(b).

"**Incremental Revolving Loan Lender**" shall have the meaning provided in Section 2.14(b).

"**Indebtedness**" shall mean, with respect to any Person, (i) any indebtedness (including principal and premium) of such Person, whether or not contingent (a) in respect of borrowed money, (b) evidenced by bonds, notes, debentures, or similar instruments or letters of credit or bankers' acceptances (or, without double counting, reimbursement agreements in respect thereof), (c) representing the balance deferred and unpaid of the purchase price of any property (including Capitalized Lease Obligations), or (d) representing any Hedging Obligations, if and to the extent that any of the foregoing Indebtedness (other than letters of credit and Hedging Obligations) would appear as a net liability upon a balance sheet (excluding the footnotes thereto) of such Person prepared in accordance with GAAP; provided that Indebtedness of any direct or indirect parent company appearing upon the balance sheet of the Company solely by reason of push down accounting under GAAP shall be excluded, (ii) to the extent not otherwise included, any obligation by such Person to be liable for, or to pay, as obligor, guarantor or otherwise, on the obligations of the type referred to in clause (i) of another Person (whether or not such items would appear upon the balance sheet of such obligor or guarantor), other than by endorsement of negotiable instruments for collection in the ordinary course of business, and (iii) to the extent not otherwise included, the obligations of the type referred to in clause (i) of another Person secured by a Lien on any asset owned by such Person, whether or not such Indebtedness is assumed by such Person; provided that notwithstanding the foregoing, Indebtedness shall be deemed not to include (1) Contingent Obligations incurred in the ordinary course of business, (2) prepaid or deferred revenue arising in the ordinary course of business, (3) purchase price holdbacks arising in the ordinary course of business in respect of a portion of the purchase price of an asset to satisfy warrants or other unperformed obligations of the seller of such asset, (4) any balance that constitutes a trade payable or similar' obligation to a trade creditor, accrued in the ordinary course of business, or (5) any earn-out obligation until such obligation, within 60 days of becoming due and payable, has not been paid and such obligation is reflected as a liability on the balance sheet of such Person in accordance with GAAP, t he amount of Indebtedness of any Person for purposes of clause (iii) above shall (unless such Indebtedness has been assumed by such Person) be deemed to be equal to the lesser of (x) the aggregate unpaid amount of such Indebtedness and (y) the Fair Market Value of the property encumbered thereby as determined by such Person in good faith.

For all purposes hereof, the Indebtedness of the Company and the other Restricted Subsidiaries, shall exclude all intercompany Indebtedness having a term not exceeding 364 days (inclusive of any roll-over or extensions of terms) and made in the ordinary course of business consistent with past practice.

"Indemnified Liabilities" shall have the meaning provided in Section 13.5.

"Indemnified Person" shall have the meaning provided in Section 13.5.

"Indemnified Taxes" shall mean all Taxes imposed on or with respect to any payment by or on account of any obligation of any Credit Party hereunder or under any other Credit Document, other than Excluded Taxes or Other Taxes.

"Initial Investors" shall mean Bain Capital Partners, LLC and/or its Affiliates that are controlled directly or indirectly by Bain Capital Partners, LLC (including, as applicable, related funds, general partners thereof and limited partners thereof, but solely to the extent any such limited partners are directly or indirectly participating as investors pursuant to a side by side investing arrangement, but not including, however, any portfolio company of any of the foregoing).

"Insolvent" shall mean, with respect to any Multiemployer Plan, the condition that such Multiemployer Plan is insolvent within the meaning of Section 4245 of ERISA.

"Intellectual Property" shall mean U.S. and foreign intellectual property, including all (i) (a) patents, inventions, processes, developments, technology, and know-how; (b) copyrights and works of authorship in any media, including graphics, advertising materials, labels, package designs, and photographs; (c) trademarks, service marks, trade names, brand names, corporate names, domain names, logos, trade dress, and other source indicators, and the goodwill of any business symbolized thereby; and (d) trade secrets, confidential, proprietary, or non-public information and (ii) all registrations, issuances, applications, renewals, extensions, substitutions, continuations, continuations-in-part, divisions, re-issues, re-examinations, foreign counterparts, or similar legal protections related to the foregoing.

"Intercompany License Agreement" shall mean any cost sharing agreement, commission or royalty agreement, license or sub-license agreement, distribution agreement, services agreement. Intellectual Property rights transfer agreement or any related agreements, in each case where all the parties to such agreement are one or more of the Company and any Subsidiary.

"Interest Coverage Ratio" shall mean, as of any date of determination, the ratio of (i) Consolidated EBITDA for the Test Period then last ended to (ii) Consolidated Interest Expense for such Test Period. In the event that the Company or any Restricted Subsidiary incurs, assumes, guarantees, redeems, retires, or extinguishes any Indebtedness or issues or redeems Disqualified Stock or preferred stock subsequent to the commencement of the Test Period but prior to or simultaneously with the date of determination, then the Interest Coverage Ratio shall be calculated giving Pro forma Effect to such incurrence, assumption, guarantee, redemption, retirement, or extinguishment of Indebtedness, or such issuance or redemption of Disqualified Stock or preferred stock (in each case, including a pro forma application of the net proceeds therefrom), as if the same had occurred at the beginning of the Test Period; provided, however, that Pro Forma Effect shall not give effect to any Indebtedness incurred on the date of such determination (except pursuant to the first paragraph of Section 10.1 and Section 10.l(n)).

For purposes of calculating the Interest Coverage Ratio, Investments, acquisitions, dispositions, mergers, consolidations, and disposed operations (as determined in accordance with GAAP) that have been made by the Company or any Restricted Subsidiary during the fest Period or subsequent to such Test Period and on or prior to or simultaneously with the date of determination shall be calculated on a Pro Forma Basis assuming that all such Investments, acquisitions, dispositions, mergers, consolidations, and disposed operations (and the change in any associated interest obligations and the change in Consolidated EBITDA resulting therefrom) had occurred on the first day of the Test Period If since the beginning of such period any Person (that subsequently became a Restricted Subsidiary or was merged with or into the Company or any Restricted Subsidiary since the beginning of such period) shall have made any Investment, acquisition, disposition, merger, consolidation, or disposed operation that would have required adjustment pursuant to this definition, then the Interest Coverage Ratio shall be calculated

giving Pro Forma Effect thereto for such Test Period as if such Investment, acquisition, disposition, merger, consolidation, or disposed operation had occurred at the beginning of the Test Period.

For purposes of this definition, whenever Pro Forma Effect is to be given to a transaction, the pro forma calculations shall be made in good faith by a responsible financial or accounting officer of the Borrower Representative (and may include, for the avoidance of doubt and without duplication, cost savings, and operating expense reductions resulting from such Investment, acquisition, merger, or consolidation which is being given Pro Forma Effect that have been or are expected to be realized; provided that such costs savings and operating expense reductions are made in compliance with the definition of Pro Forma Adjustment). If any Indebtedness bears a floating rate of interest and is being given Pro Forma Effect, the interest on such indebtedness shall be calculated as if the rate in effect on the date of determination had been the applicable rale for the entire period (taking into account any Hedging Obligations applicable to such Indebtedness). If any Indebtedness bears a floating rate of interest and is being given Pro Forma Effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the date of determination had been the applicable rate for the entire period (taking into account for such entire period, any Hedging Obligation applicable to such Indebtedness with a remaining term of 12 months or longer, and in the case of any Hedging Obligation applicable to such Indebtedness with a remaining term of less than 12 months, taking into account such Hedging Obligation to the extent of its remaining term). Interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a responsible financial or accounting officer of the Company to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP. For purposes of making the computation referred to above, interest on any Indebtedness under a revolving credit facility computed on a Pro Forma Basis shall be computed based upon the average daily balance of such Indebtedness during the applicable period (or, if lower, the greater of (i) maximum commitments under such revolving credit facilities as of the date of determination and (ii) the aggregate principal amount of loans outstanding under such a revolving credit facilities on such date). Interest on Indebtedness that may optionally be determined at an interest rate based upon a factor of a prime or similar rate, a eurocurrency interbank offered rate, or other rate, shall be deemed to have been based upon the rate actually chosen, or, if none, then based upon such optional rate chosen as the Borrower Representative may designate.

"Interest Period" shall mean, in respect of each Term SOFR Rate Loan, a period of one, three or six months, or, to the extent available from all applicable Lenders, twelve months or such shorter period (in each case, subject to the availability thereof), with respect to such Term SOFR Rate Loan; provided that (i) the Interest Period shall commence on the date of an advance of or a conversion to a Term SOFR Rate Loan and, in the case of immediately successive Interest Periods, each successive interest Period shall commence on the date on which the next preceding Interest Period expires: (ii) if any Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day; provided, that if any Interest Period with respect to a Term SOFR Rate Loan would otherwise expire on a day that is not a Business Day but is a day of the month after which no further Business Day occurs in such month, such Interest Period shall expire on the next preceding Business Day; (iii) any Interest Period with respect to a Tenn SOFR Rate Loan that begins on the last Business Day of a calendar month (or on a day for which there is not numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the relevant calendar month at the end of such Interest Period; (iv) no Interest Period shall extend beyond the Maturity Date for such Class of Commitments and (v) no tenor that has been removed from this definition pursuant to Section 2.20 shall be available for specification in such Notice of Borrowing, Notice of Conversion or Continuations or interest election.

"Inventory" has the meaning provided in the Security Agreement.

"Inventory Reserves" shall mean, without duplication of other Borrowing Base Reserves then in effect, such reserves as may be established from time to time by the Administrative Agent, in its Credit Judgment, with respect to changes in the determination of the salability, at retail, o the Eligible Inventory or which reflect such other factors as negatively affect the market value of the Eligible Inventory.

"Investment" shall mean, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the form of loans (including guarantees), advances, or capital contributions (excluding accounts receivable, trade credit, advances to customers, commission, travel, and similar advances to officers and employees, in each case made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests, or other securities issued by any other Person and investments that are required by GAAP to be classified on the balance sheet (excluding the footnotes) of the Company in the same manner as the other investments included in this definition to the extent such transactions involve the transfer of cash or other property; provided that Investments shall not include, in the case of the Company and the Restricted Subsidiaries, intercompany loans, advances, or Indebtedness having a term not exceeding 364 days (inclusive of any roll-over or extensions of terms) and made in the ordinary course of business.

For purposes of the definition of Unrestricted Subsidiary and Section 10.5,

(i) Investments shall include the portion (proportionate to the Company's equity interest in such Subsidiary) of the hair Market Value of the net assets of a Subsidiary of the Company at the time that such Subsidiary is designated an Unrestricted Subsidiary; provided that upon a redesignation of such Subsidiary as a Restricted Subsidiary', the Company shall be deemed to continue to have a permanent Investment in an Unrestricted Subsidiary in an amount (if positive) equal to (a) the Company's Investment in such Subsidiary at the time of such redesignation *less* (b) the portion (proportionate to the Company's equity interest in such Subsidiary) of the Fair Market Value of the net assets of such Subsidiary at the time of such consideration; and

(ii) any property transferred to or from an Unrestricted Subsidiary shall be valued at its Fair Market Value at the time of such transfer.

The amount of any Investment outstanding at any time shall be the original cost of such Investment, reduced by any dividend, distribution, interest payment, return of capital, repayment, or other amount received by the Company or a Restricted Subsidiary in respect of such Investment (provided that, with respect to amounts received other than in the form of Cash Equivalents, such amount shall be equal to the Fair Market Value of such consideration).

"Investment Grade Rating" shall mean a rating equal to or higher than Baa3 (or the equivalent) by Moody's and BBB- (or the equivalent) by S&P, or an equivalent rating by any other Rating Agency.

"Investment Grade Securities" shall mean:

(i) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof (other than Cash Equivalents),

(ii) debt securities or debt instruments with an Investment Grade Rating, but excluding any debt securities or instruments constituting loans or advances among the Company and its Subsidiaries,

(iii) investments in any fund that invest at least 90% in investments of the type described in clauses (i) and (ii) which fund may also hold immaterial amounts of cash pending investment or distribution, and

(iv) corresponding instruments in countries other than the United States customarily utilized for high-quality investments.

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

"Issuer Documents" shall mean with respect to any Letter of Credit, the Letter of Credit Request, and any other document, agreement, and instrument entered into by the Letter of Credit Issuer and a Borrower (or any other Restricted Subsidiary) or in favor of the Letter of Credit Issuer and relating to such Letter of Credit.

"Joinder Agreement" shall mean an agreement substantially in the form of Exhibit A.

"Joint Lead Arrangers and Bookrunners" shall mean RBC Capital Markets and UBS Securities LLC.

"Judgment Currency" shall have the meaning provided in Section 13.19.

"Junior Debt" shall mean any Subordinated Indebtedness.

"Landlord Lien State" means any state in which, at any time, a landlord's claim for rent has priority by operation of applicable Law notwithstanding any contractual provision to the contrary over the Lien of the Collateral Agent in any of the Collateral.

"L/C Borrowing" shall mean an extension of credit resulting from a drawing under any Letter of Credit which has not been reimbursed on the date when made or refinanced as a Borrowing. All L/C Borrowings shall be denominated in Dollars.

"L/C Facility Maturity Date" shall mean the date that is five (5) Business Days prior to the Revolving Credit Maturity Date; provided that the L/C Facility Maturity Date may be extended beyond such date with the consent of the Letter of Credit Issuer.

"L/C Obligations" shall mean, as at any date of determination, the aggregate amount available to be drawn under all outstanding Letters of Credit *plus* the aggregate of all Unpaid Drawings, including all L/C Borrowings. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the International Standby Practices (ISP98), such Letter of Credit shall be deemed to be "outstanding" in the amount so remaining available to be drawn. Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the stated amount of such Letter of Credit in effect at such time.

"L/C Participant" shall have the meaning provided in Section 3.3(a).

"L/C Participation" shall have the meaning provided in Section 3.3(a).

"Lender" shall have the meaning provided in the preamble to this Agreement, and in any event, shall include the Swingline Lender.

"Lender Default" shall mean (i) the refusal (which shall be given verbally or in writing and has nor been retracted) or failure of any Lender to make available its portion of any incurrence of Loans or Reimbursement Obligations, which refusal or failure is not cured within one business day after the date of such refusal or failure, unless such Lender notifies the Administrative Agent in writing that such refusal or failure is the result of such Lender's good faith determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in writing) has not been satisfied, (ii) the failure of any Lender to pay over to the Administrative Agent, the Swingline Lender, the Letter of Credit Issuer or any other Lender any other amount required to be paid by it hereunder within one business day of the date when due, unless the subject of a good faith dispute, (iii) a Lender has notified the Borrower Representative or the Administrative Agent that it does not intend to comply with its funding obligations under this Agreement or has stated publicly that it will generally not comply with its funding obligations under any loan agreements, credit agreements, and other similar agreements, (iv) a Lender has failed to confirm in a manner reasonably satisfactory to the Administrative Agent that it will comply with its funding obligations under this Agreement, (v) a Distressed Person has admitted in writing that it is insolvent or such Distressed Person becomes subject to a Lender-Related Distress Event or (vi) a Lender has become the subject of a Bail-In Action.

"Lender-Related Distress Event" shall mean, with respect to any Lender or any other Person that directly or indirectly controls such Lender (each, a **"Distressed Person"),** a voluntary or involuntary case with respect to such Distressed Person under any debt relief law, or a custodian, conservator, receiver, or similar official is appointed for such Distressed Person or any substantial part of such Distressed Person's assets, or such Distressed Person, or any Person that directly or indirectly controls such Distressed Person or is subject to a forced liquidation or such Distressed Person makes a general assignment for the benefit of creditors or is otherwise adjudicated as, or determined by any governmental authority having regulatory authority over such Distressed Person to be, insolvent or bankrupt; provided that a Lender-Related Distress Event shall not be deemed to have occurred solely by virtue of the ownership or acquisition of any equity interests in any Lender or any Person that directly or indirectly controls such Lender by a governmental authority or an instrumentality thereof.

"Letter of Credit" shall mean each letter of credit issued pursuant to Section 3.1 and each Existing Letter of Credit.

"Letter of Credit Commitment" shall mean $10,000,000, as the same may be reduced from time to time pursuant to Section 3.1.

"Letter of Credit Expiration Date" shall mean the day that is five Business Days prior to the scheduled Maturity Date then in effect for the Revolving Credit facility (or. if such day is not a Business Day, the next preceding Business Day).

"Letter of Credit Exposure" shall mean, with respect to any Lender, at any time, the sum of (i) the amount of the principal amount of any Unpaid Drawings in respect of which such Lender has made (or is required to have made) payments to the Letter of Credit Issuer pursuant to Section 3.4(a) at such time and (ii) such Lender's Revolving Credit Commitment Percentage of the Letters of Credit Outstanding at such time (excluding the portion thereof consisting of Unpaid Drawings in respect of which the Lenders have made (or are required to have made) payments to the Letter of Credit Issuer pursuant to Section 3.4(a)).

"Letter of Credit Fee" shall have the meaning provided in Section 4.1(b).

"Letter of Credit Issuer" shall mean (i) in the case of standby Letters of Credit, trade letters of credit and bank guarantees. Royal Bank of Canada (provided that trade letters of credit shall be issued through its Toronto Branch) or any other Lender reasonably satisfactory to Borrower Representative and the Administrative Agent, (ii) any of their respective Affiliates or branches or (iii) any replacement, additional issuer, or successor pursuant to Section 3.6. In the event that there is more than one Letter of Credit Issuer at any time, references herein and in the other Credit Documents to the Letter of Credit Issuer shall be deemed to refer to the Letter of Credit Issuer in respect of the applicable Letter of Credit or to all Letter of Credit Issuers, as the context requires.

"Letter of Credit Request" shall mean a notice executed and delivered by the Borrower Representative pursuant to Section 3.2, and substantially in the form of Exhibit L or another form which is acceptable to the Letter of Credit Issuer in its reasonable discretion.

"Letters of Credit Outstanding" shall mean, at any time the sum of, without duplication, (i) the aggregate Stated Amount of all outstanding Letters of Credit and (n) the aggregate amount of the principal amount of ad Unpaid Drawings.

"Lien" shall mean with respect to any asset, any mortgage, lien, pledge, hypothecation, charge, security interest, preference, priority, or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction; provided that in no event shall an operating lease or a license to Intellectual Property be deemed to constitute a Lien.

"Lien Waiver" means an agreement, in form and substance reasonably satisfactory to the Collateral Agent, by which, for any Collateral included in the Borrowing Base located on premises not owned by a Credit Party, the lessor, mortgagee or owner (as applicable) waives or subordinates any Lien it may have on the Collateral included in the Borrowing Base, and agrees to permit the Collateral Agent to enter upon the premises and remove the Collateral included in the Borrowing Base or to use the premises to collect on the Collateral included in the Borrowing Base.

"Line Cap" means, at any time of determination, the lesser of (a) the Total Revolving Credit Commitment and (b) the Borrowing Base,

"Loan" shall mean any Revolving Loan, Swingline Loan or any other loan made by any Lender hereunder.

"Material Adverse Effect" shall mean (a) on the Closing Date, a Company Material Adverse Effect or (b) after the Closing Date, any event, change or condition that, individually or in the aggregate, has had, or would reasonably be expected to have, (i) a material adverse effect on the business, assets, financial condition or results of operations of the Company and its Restricted Subsidiaries, taken as a whole or (ii) a material and adverse effect on the material rights and remedies (taken as a whole) of the Administrative Agent under the Credit Documents.

"Material Intellectual Property" means intellectual property that the loss of which will have a material and adverse effect on the business of Holdings and its Restricted Subsidiaries taken as a whole.

"Material Subsidiary" shall mean, at any date of determination, each wholly owned Restricted Subsidiary (i) whose total assets at the last day of the Test Period ending on the last day of the most recent fiscal period for which Section 9.1 Financials have been delivered were equal to or greater than 5.00% of the Consolidated Total Assets of the Company and the Restricted Subsidiaries at such date or (ii) whose revenues during such Test Period were equal to or greater than 5.00% of the consolidated revenues of the Company and the Restricted Subsidiaries for such period, in each case determined in accordance with GAAP; provided that if, at any time and from time to time after the Closing Date. Restricted Subsidiaries that are not Material Subsidiaries have, in the aggregate, (a) total assets at the last day of such Test Period equal to or greater than 7.50% of the Consolidated Total Assets of the Company and the Restricted Subsidiaries at such date or (b) revenues during such Test Period equal to or greater than 7.50% of the consolidated revenues of the Company and the Restricted Subsidiaries for such period, in each case determined in accordance with GAAP, then the Company shall, on the date on which financial statements for such quarter are delivered pursuant to this Agreement, designate in writing to the Administrative Agent one or more of such Restricted Subsidiaries as Material Subsidiaries for each fiscal period until this proviso is no longer applicable.

"Maturity Date" shall mean the Revolving Credit Maturity Date or the maturity date of an Extended Revolving Credit Loan, as applicable.

"Maximum Incremental Facilities Amount" shall mean (i) $15,000,000 minus (ii) the aggregate principal amount of Incremental Revolving Credit Commitments incurred pursuant to Section 2.14(a) prior to such date.

"Minimum Borrowing Amount" shall mean (i) with respect to a Borrowing of Term SOFR Rate Loans, $500,000 (or, if less, the entire remaining applicable Commitments at the time of such Borrowing) and (ii) with respect to a Borrowing of ABR Loans, $500,000 (or, if less, the entire remaining applicable Commitments at the time of such Borrowing).

"Minimum Collateral Amount" shall mean, at any time, (i) with respect to Cash Collateral consisting of cash or Cash Equivalents or deposit account balances provided to reduce or eliminate Fronting Exposure during the existence of a Defaulting Lender, an amount equal to 101% of the Fronting Exposure of the Letter of Credit Issuer with respect to Letters of Credit issued and outstanding at such time and (ii) with respect to Cash Collateral consisting of cash or Cash Equivalents or deposit account balances provided in accordance with the provisions of Section 3.8(a)(i), (a)(ii) or (a)(iii), an amount equal to 101% of the outstanding amount of all L/C Obligations.

"Minimum Equity Amount" shall have the meaning provided in the preamble to this Agreement.

"Moody's" shall mean Moody's Investors Service, Inc. or any successor by merger or consolidation to its business.

"Mortgage" shall mean a mortgage, deed of trust, deed to secure debt, trust deed, or other security document entered into by the owner of a Mortgaged Property and the Collateral Agent for the benefit of the Secured Parties in respect of that Mortgaged Property to secure the Obligations, in form and substance reasonably acceptable to the Collateral Agent and the Borrower Representative, together with such terms and provisions as may he required by local laws.

"Mortgaged Property" shall mean each parcel of real property and improvements thereto with respect to which a Mortgage is granted pursuant to Section 9.14.

"Multiemployer Plan" shall mean a multiemployer plan as defined in Section 4001(a)(3) of ERISA to which, any Credit Party or ERISA Affiliate makes or is obligated to make contributions, or during the five preceding calendar years, has made or been obligated to make contributions.

"Net Cash Proceeds" shall mean, with respect to any event, (i) the gross cash proceeds (including payments from time to time in respect of installment obligations, if applicable, but only as and when received) received by or on behalf of the Company or any of the Restricted Subsidiaries in respect of such event less (ii) the sum of:

(a) the amount, if any, of all taxes and permitted tax distributions described in Section 10.5(b)(15) (including, in each case, in connection with any repatriation of funds) paid or estimated to be payable by the Company or any of the Restricted Subsidiaries in connection with such event,

(b) the amount of any reasonable reserve established in accordance with GAAP against any liabilities (other than any taxes deducted pursuant to clause (a) above) (I) associated with the assets that are the subject of such event and (2) retained by the Company or any of the Restricted Subsidiaries; provided that the amount of any subsequent reduction of such reserve (other than in connection with a payment in respect of any such liability) shall be deemed to be Net Cash Proceeds of such a Prepayment Event occurring on the date of such reduction,

(c) the amount of any Indebtedness secured by a Lien on the assets that are the subject of such event to the extent that the instrument creating or evidencing such Indebtedness requires that such Indebtedness be repaid upon consummation of such event,

(d) in the case of any sale or other disposition of an asset by a non-Wholly-Owned Restricted Subsidiary, the pro rata portion of the Net Cash Proceeds thereof (calculated without regard to this clause (c)) attributable to minority interests and not available for distribution to or for the account of the Company or a Wholly-Owned Restricted Subsidiary as a result thereof,

(f) in the case of any sale or other disposition of an asset, any funded escrow established pursuant to the documents evidencing any such sale or disposition to secure any indemnification obligations or adjustments to the purchase price associated with any such sale or disposition: provided that the amount of any subsequent reduction of such escrow (other than in connection with a payment in respect of any such liability) shall be deemed to be Net Cash Proceeds of such a Prepayment Event occurring on the date of such reduction solely to the extent that the Company and/or any Restricted Subsidiaries receives cash in an amount equal to the amount of such reduction, and

(g) all fees and out of pocket expenses paid by the Company or a Restricted Subsidiary in connection with any of the foregoing (for the avoidance of doubt, including, (1) in the case of the issuance of indebtedness, any fees, underwriting discounts, premiums, and other costs and expenses incurred in connection with such issuance and (2) attorney's fees, investment banking fees, survey costs, title insurance premiums, and related search and recording charges, transfer taxes, deed or mortgage recording taxes, underwriting discounts and commissions, other customary expenses, and brokerage, consultant, accountant, and other customary fees),

in each case only to the extent not already deducted in arriving at the amount referred to in clause (i) above.

"Net Income" shall mean, with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of preferred stock dividends.

"Net Orderly Liquidation Value" means the net appraised recovery value of Inventory as set forth in the Credit Parties' stock ledger (expressed as a percentage of the Cost of such Inventory) as reasonably determined from time to time by reference to the most recent appraisal received by the Administrative Agent conducted by an independent appraiser reasonably satisfactory to the Administrative Agent.

"New Stores'' shall mean Stores open less than four full quarters and more than one full fiscal quarter.

"Non-Bank Tax Certificate" shall have the meaning provided in Section 5.4(c)(ii)(3).

"Non-Consenting Lender" shall have the meaning provided in Section 13.7(b).

"Non-Defaulting Lender" shall mean and include each Lender other than a Defaulting Lender.

"Non-U.S. Lender" shall mean any Lender that is not a "United States person" as defined by Section 770l(a)(30) of the Code.

"Notice of Borrowing" shall have the meaning provided in Section 2.3(a).

"Notice of Conversion or Continuation" shall have the meaning provided in Section 2.6(a).

"Notice of Intent to Cure" shall have the meaning provided in Section 11.15.

"Obligations" shall mean all advances to, and debts, liabilities, obligations, covenants, and duties of, any Credit Party arising under any Credit Document or otherwise with respect to any Revolving Credit Commitment. Loan, or Letter of Credit or under any Secured Cash Management Agreement, Secured Hedge Agreement (other than with respect to any Credit Party's obligations that constitute Excluded Swap Obligations solely with respect to such Credit Party), in each case, entered into with the Company or any of the Restricted Subsidiaries, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Credit Party or any Affiliate thereof of any proceeding under any bankruptcy or insolvency law naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding. Without limiting the generality of the foregoing, tire Obligations of the Credit Par ties under the Credit Documents (and any of their Subsidiaries to the extent they have obligations under the Credit Documents) include the obligation (including guarantee obligations) to pay principal, interest, charges, expenses, fees, attorney costs, indemnities, and other amounts payable by any Credit Party under any Credit Document.

"Organizational Documents" shall mean, with respect to any Person, such Person's charter, memorandum and articles of association, articles or certificate of organization or incorporation and bylaws or other organizational or governing or constitutive documents of such Person.

"OFAC" shall have the meaning set forth in Section 8.18(b).

"Original Revolving Credit Commitments" shall mean all Revolving Credit Commitments, Existing Revolving Credit Commitments, and Extended Revolving Credit Commitments.

"**Other Taxes**" shall mean all present or future stamp, registration, or documentary Taxes or any other excise, property, intangible, mortgage recording, or similar Taxes arising from any payment made hereunder or under any other Credit Document or from the execution, delivery, or enforcement of, or otherwise with respect to, this Agreement or any other Credit Document; provided that such term shall not include (i) any Taxes that result from an assignment, grant of a participation pursuant to Section 13-6(c) or transfer or assignment to or designation of a new lending office or other office for receiving payments under any Credit Document ("**Assignment Taxes**") to the extent such Assignment Taxes are imposed as a result of a connection between the assignor/participating Lender and/or the assignee/Participant and the taxing jurisdiction (other than a connection arising solely from any Credit Documents or any transactions contemplated thereunder), except to the extent that any such action described in this proviso is requested or required by the Borrower Representative or (ii) Excluded Taxes.

"**Overadvance Borrowing Base**" shall mean during the period commencing on the Closing Date and ending on the third anniversary of the Closing Date, an amount equal to (a) the aggregate amount set forth opposite the time period in the table below (as such amount may be reduced from time to time pursuant to Section 4.2(b)) less (b) the principal amount of all outstanding Tranche B Loans.

Time Period	**Amount**
Closing Date through March 31, 2015	$10,000,000
April 1,2015 - June 30, 2015	$8,750,000
July 1,2015 - September 30, 201 5	$7,500,000
October 1, 2015 - December 31, 2015	$7,250,000
January 1,2016 - March 31,2016	$6,000,000
April 1, 2016 - June 30, 2016	$4,750,000
July 1. 2016 - September 30, 2016	$3,500,000
October 1,2016 - December 31,2016	$2,250,000
January 1. 2017 -February' 12, 2017	$1,000,000
February 13,2017 and thereafter	$0

"Overadvance Loan" shall mean a Revolving Credit Loan made pursuant to the Overadvance Borrowing Base.

"Overnight Rate" shall mean, for any day, with respect to any amount denominated in Dollars, the greater of (a) the federal Funds Effective Rate and (b) an overnight rate determined by the Administrative Agent, the Letter of Credit Issuer, or the Swingline Lender, as the case may be, in accordance with banking industry rules on interbank compensation.

"Parent Entity" shall mean any Person that is a direct or indirect parent company (which may be organized as, among other things, a partnership) of Holdings and/or the Company, as applicable; provided

that for purposes of clauses (i), (ii) and (iv) of the definition of Change of Control, references to the Company shall be deemed to refer to any such Parent Entity.

"Participant" shall have the meaning provided in Section 13-6(c)(i).

"Participant Register" shall have the meaning provided in Section I3.6(c)(ii).

"Participating Member State" shall mean 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.

"Payment Conditions" means, at the time of determination with respect to a specified transaction or payment, that (a) no Event of Default then exists or would arise as a result of the entering into of such transaction or the making of such payment, (b) no Overadvance Loans are then outstanding and (c) after giving effect to such transaction or payment, the Pro Forma Availability Condition has been satisfied. Prior to undertaking any specified transaction or payment which is subject to the Payment Conditions, the Borrowers shall deliver to the Administrative Agent evidence of satisfaction of the conditions contained in clause (c) above on a basis reasonably satisfactory to the Administrative Agent.

"Payment Notice" has toe meaning assigned to it in Section 12.14(a).

"Payment Recipient" has the meaning assigned to it in Section 12.14(a).

"Patriot Act" shall have the meaning provided in Section 13.18.

"PBGC" shall mean the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

"Pension Plan" shall mean any employee pension benefit plan (as defined in Section 3(2) of ERISA, but excluding any Multiemployer Plan) in respect of which any Credit Party or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4062 or Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"Permitted Acquisition" shall have the meaning provided in clause (iii) of the definition of Permitted Investment.

"Permitted Asset Swap" shall mean the concurrent purchase and sale or exchange of Related Business Assets or a combination of Related Business Assets and cash or Cash Equivalents between the Company or a Restricted Subsidiary and another Person.

~~**"Permitted Earlier Maturity First Lien Term Loans"** means First Lien Initial Term Loans With a stated maturity date prior to February 12, 2026 in an aggregate outstanding principal amount of not more than $20,000,000~~

"Permitted First Lien Exchange Notes" shall mean "Permitted Debt Exchange Notes" as defined in the First Lien Tenn Loan Agreement that are not prohibited by the terms of this Agreement and the other Credit Documents.

"Permitted Holders" shall mean each of (i) the Initial Investors and their respective Affiliates and members of management and employees of the Company or any Subsidiary (or their respective direct or indirect parent) who are holders of Equity Interests of the Company (or its direct or indirect parent

company) on the Closing Date and any group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act or any successor provision) of which any of the foregoing are members; provided that, in the case of such group and without giving effect to the existence of such group or any other group, such Initial Investors, their respective Affiliates and members of management, collectively, have beneficial ownership of more than 50% of the total voting power of the Voting Stock of the Company or any other direct or indirect parent company of the Company and (ii) any direct or indirect parent of the Company formed not in connection with, or in contemplation of, a transaction (other than Transactions) that, assuming such parent was not formed, after giving effect thereto would constitute a Change of Control.

"Permitted Investments" shall mean:

(i) any Investment in the Company or any Restricted Subsidiary, provided, that the aggregate amount of such Investments by a Credit Party in Restricted Subsidiaries that are not Credit Parties shall not exceed the greater of (a) $25,000,000 and (b) 50% of Consolidated EBITDA for the most recently ended l est Period (calculated on a Pro forma Basis) at the time of such Investment; provided, however, that it any Investment pursuant to this clause (i) is made in any Person that is not a Credit Party at the date of the making of such Investment and such Person becomes a Credit Party after such date, such Investment shall thereafter be deemed to not utilized the basket in the basket in this proviso so long as such Person continues to be a Credit Party;

(ii) any Investment in cash, Cash Equivalents, or Investment Grade Securities at the time such Investment is made:

(iii) (a) any Transactions or Investments otherwise made in accordance with the Acquisition Agreement and (h) any Investment by the Company or any Restricted Subsidiary in a Person that is engaged in a Similar Business if as a result of such Investment (a **"Permitted Acquisition"),** (x) on the date the agreement for such Permitted Acquisition is executed, no Event of Default under Section 11,1 or 11.5 shall have occurred and be continuing and (y)(l) such Person becomes a Restricted Subsidiary or (2) such Person, in one transaction or a series of related transactions, is merged, consolidated, or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Company or a Restricted Subsidiary, and, in each case, any Investment held by such Person: provided that such Investment was not acquired by such Person in contemplation of such acquisition, merger, consolidation, or transfer;

(iv) any Investment in securities or other assets not constituting cash, Cash Equivalents, or Investment Grade Securities and received in connection with an Asset Sale made pursuant to Section 10.4 or any other disposition of assets not constituting an Asset Sale;

(v) (a) any Investment existing or contemplated on the Closing Date and, in each case, listed on Schedule 10.5 and (b) Investments consisting of any modification, replacement, renewal, reinvestment, or extension of any such Investment; provided that the amount of any such Investment is not increased from the amount of such Investment on the Closing Date except pursuant to the terms of such Investment (including in respect of any unused commitment), *plus* any accrued but unpaid interest (including any portion thereof which is payable in kind in accordance with the terms of such modified, extended, renewed, or replaced Investment) and premium payable by the terms of such Indebtedness thereon and fees and expenses associated therewith as of the Closing Date;

(vi) any Investment acquired by the Company or any Restricted Subsidiary (a) in exchange for any other Investment or accounts receivable held by the Company or any such

Restricted Subsidiary in connection with or as a result of a bankruptcy, workout, reorganization, or recapitalization of the Company of such other Investment or accounts receivable or (b) as a result of a foreclosure by the Company or any Restricted Subsidiary with respect to any secured Investment or other transfer of title with respect to any secured Investment in default;

(vii) Hedging Obligations permitted under clause (j) of Section 10.1 and Cash Management Services;

(viii) any Investment in a Similar Business having an aggregate Fair Market Value, taken together with all other Investments made pursuant to this clause (viii) that are at that time outstanding, not to exceed the greater of (a) $20,000,000 and (b) 40% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of such Investment (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value); provided, however, that if any Investment pursuant to this clause (viii) is made in any Person that is not a Credit Party at the date of the making of such Investment and such Person becomes a Credit Party after such date, such investment shall thereafter be deemed to have been made pursuant to clause (i) above and shall cease to have been made pursuant to this clause (viii) for so long as such Person continues to be a Credit Party;

(ix) Investments the payment for which (a) consists of Equity Interests of the Company or any direct or indirect parent company of the Company (exclusive of Disqualified Stock) or (b) the aggregate Net Cash Proceeds and the Fair Market Value of marketable securities or other property received by the Company since immediately after the Closing Date from the issuance or sale of Equity Interests of the Company or any direct or indirect parent company of the Company (exclusive of Disqualified Stock) and, in the case of clause (b), such Investment is made within ninety (90) days of the receipt of such Net Cash Proceeds; provided that such Equity Interests will not increase the amount available for Restricted Payments under clause (iii) of Section 10.5(a) of the First Lien Term Loan Agreement or the Second Lien Credit Agreement, are not used as for a Cure Amount, or are not used to incur Indebtedness permitted by Section 10.1 or to make any Restricted Payment permitted by Section 10.5(b);

(x) guarantees of Indebtedness permitted under Section 10.1 and Investments resulting from Liens permitted under Section 10.2;

(xi) any transaction to the extent it constitutes an Investment that is permitted and made in accordance with the provisions of Section 10.10;

(xii) Investments consisting of purchases and acquisitions of inventory, supplies, material, equipment, or other similar assets in the ordinary course of business;

(xiii) additional Investments having an aggregate Fair Market Value, taken together with all other Investments made pursuant to this clause (xiii) that are at that time outstanding (without giving effect to the sale of an Unrestricted Subsidiary to the extent the proceeds of such sale do not consist of cash or marketable securities), not to exceed the greater of (a) $15,000,000 and (b) 30% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of such Investment (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value); provided, however, that if any Investment pursuant to this clause (xiii) is made in any Person that is not a Credit Party at the date of the making of such Investment and such Person becomes a Credit Party after such date, such investment shall thereafter be deemed to have been made

pursuant to clause (i) above and shall cease to have been made pursuant to this clause (xiii) for so long as such Person continues to be a Credit Party;

(xiv) [reserved];

(xv) advances to, or guarantees of Indebtedness of, employees not in excess of the greater of (a) $2,500,000 and (b) 5% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of such Investment;

(xvi) (a) loans and advances to officers, directors, managers, and employees for business-related travel expenses, moving expenses, and other similar expenses, in each case incurred in the ordinary course of business or consistent with past practices, (b) non-cash loans and advances to fund such Person's purchase of Equity Interests of the Company or any direct or indirect parent company thereof and (c) promissory notes received from stockholders of the Company, any direct or indirect parent company of the Company or any Subsidiary in connection with the exercise of stock options in respect of the Equity Interests of the Company, any direct or indirect parent company of the Company and the Subsidiaries;

(xvii) Investments consisting of extensions of trade credit in the ordinary course of business;

(xviii) Investments in the ordinary course of business consisting of Uniform Commercial Code Article 3 endorsements for collection or deposit and Uniform Commercial Code Article 4 customary trade arrangements with customers consistent with past practices;

(xix) non-cash Investments in connection with Permitted Reorganizations;

(xx) the licensing and contribution of Intellectual Property pursuant to joint marketing arrangements with other Persons, in the ordinary course of business; and

(xxi) other Investments to the extent at the time such Investment is made, the Payment Conditions have been satisfied.

"Permitted Liens" shall mean, with respect to any Person:

(i) pledges or deposits by such Person under workmen's compensation laws, unemployment insurance laws, or similar legislation, or good faith deposits in connection with bids, tenders, contracts (other than for the payment of Indebtedness), or leases to which such Person is a party, or deposits to secure public or statutory obligations of such Person or deposits of cash or U.S. government bonds to secure surety or appeal bonds to which such Person is a party, or deposits as security for the payment of rent or deposits made to secure obligations arising from contractual or warranty refunds, in each case incurred in the ordinary course of business;

(ii) Liens imposed by law, such as carriers', warehousemen's, materialmen's, repairmen's, and mechanics' Liens, in each case for sums not yet overdue for a period of more than 60 days or being contested in good faith by appropriate proceedings or other Liens arising out of judgments or awards against such Person with respect to which such Person shall then be proceeding with an appeal or other proceedings for review if adequate reserves with respect thereto are maintained on the books of such Person in accordance with GAAP;

(iii) Liens for taxes, assessments, or other governmental charges not yet overdue for a period of more than 60 days or which are being contested in good faith by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of such Person in accordance with GAAP or are not required to be paid pursuant to Section 8.11, or for property taxes on property the Company or one of its Subsidiaries has determined to abandon if the sole recourse for such tax, assessment, charge, levy, or claim is to such property;

(iv) Liens in favor of issuers of performance, surety, bid, indemnity, warranty, release, appeal, or similar bonds or with respect to other regulatory requirements or letters of credit or bankers' acceptances issued, and completion guarantees provided for, in each case pursuant to the request of and for the account of such Person in the ordinary course of its business;

(v) minor survey exceptions, minor encumbrances, ground leases, easements, or reservations of, or rights of others for, licenses, rights-of-way, servitudes, sewers, electric lines, drains, telegraph and telephone and cable television lines, gas and oil pipelines, and other similar purposes, or zoning, building codes, or other restrictions (including, without limitation, minor defects or irregularities in title and similar encumbrances) as to the use of real properties or Liens incidental, to the conduct of the business of such Person or to the ownership of its properties which were not incurred in connection with Indebtedness and which do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person, and Liens disclosed as exceptions to coverage in the final title policies and endorsements issued to the Collateral Agent with respect to any Mortgaged Properties;

(vi) Liens securing Indebtedness permitted to be incurred pursuant to clause (a), (b) and (v) (so long as, in each case, such Liens are subject to the ABL/Term Loan Intercreditor Agreement), (d), (l)(ii), (n), or (r) of Section 10.1 or Indebtedness permitted pursuant to the first paragraph of Section 10.1; provided that, (a) in the case of clause (d) of Section 10.1, such Lien may not extend to any property or equipment (or assets affixed or appurtenant thereto) other than the property or equipment being financed or refinanced under such clause (d) of Section 10.1, replacements of such property', equipment or assets, and additions and accessions and in the case of multiple financings of equipment provided by any lender, other equipment financed by such lender; (b) in the case of clause (r) of Section 10.1, such Lien may not extend to any assets other than the assets owned by the Foreign Subsidiaries incurring such Indebtedness; (c) in the cases of clause (n) and the first paragraph of Section 10.1, it such Indebtedness is (x) *pari passu* in right of security with the Obligations or First Lien Obligations, the Company shall be in compliance on a Pro Forma Basis (including any adjustments required by such definition as a result of a contemplated Permitted Acquisition) with the First Lien Secured Leverage Test and the Senior Secured Leverage Test or (y) junior in right of security to the Obligations or the First Lien Obligations, the Company shall be in compliance on a Pro Forma Basis (including any adjustments required by such definition as a result of a contemplated Permitted Acquisition) with the Senior Secured Leverage Test; and (d) in the case of any such Indebtedness for borrowed money incurred pursuant to the first paragraph of Section 10.1 or Section 10.1 (1)(ii) that is secured by a Lien on the ABL Priority Collateral, such Liens are subordinated to the Liens on the ABL Priority Collateral securing the Obligations pursuant to, or in a manner substantially consistent with, the ABL/Term Loan Intercreditor Agreement;

(vii) subject to Section 9.14, other than with respect to Mortgaged Property, Liens existing on the Closing Date; provided that any Lien securing Indebtedness or other obligations in excess of (a) $2,500,000 individually or (b) $5,000,000 in the aggregate (when taken together

with all other Liens securing obligations outstanding in reliance on this clause (b) that are not listed on Schedule 10.2) shall only be permitted if set forth on Schedule 10.2, and, in each case, any modifications, replacements, renewals, or extensions thereof;

(viii) Liens on property or shares of stock of a Person at the time such Person becomes a Subsidiary; provided such Liens are not created or incurred in connection with, or in contemplation of, such other Person becoming a Subsidiary; provided, further, however, that such Liens may not extend to any other property owned by the Company or any Restricted Subsidiary (other than, with respect to such Person, any replacements of such property or assets and additions and accessions thereto, after-acquired property subject to a Lien securing Indebtedness and other obligations incurred prior to such time and which Indebtedness and other obligations are permitted hereunder that require, pursuant to their terms at such time, a pledge of after-acquired property of such Person, and the proceeds and the products thereof and customary security deposits in respect thereof and in the case of multiple financings of equipment provided by any lender, other equipment financed by such lender, it being understood that such requirement shall not be permitted to apply to any property to which such requirement would not have applied but for such acquisition);

(ix) Liens on property at the time the Company or a Restricted Subsidiary acquired the property, including any acquisition by means of a merger or consolidation with or into the Company or any Restricted Subsidiary or the designation of an Unrestricted Subsidiary as a Restricted Subsidiary; provided that such Liens are not created or incurred in connection with, or in contemplation of, such acquisition, merger, consolidation, or designation; provided, further, however, that such Liens may not extend to any other property owned by the Company or any Restricted Subsidiary (other than, with respect to such property, any replacements of such property or assets and additions and accessions thereto, after-acquired property subject to a Lien securing Indebtedness and other obligations incurred prior to such time and which Indebtedness and other obligations are permitted hereunder that require, pursuant to their terms at such time, a pledge of after-acquired property, and the proceeds and the products thereof and customary security deposits in respect thereof and hi the case of multiple financings of equipment provided by any lender, other equipment financed by such lender, it being understood that such requirement shall not be permitted to apply to any property to which such requirement would not have applied but for such acquisition);

(x) Liens securing Indebtedness or other obligations of a Restricted Subsidiary owing to the Company or another Restricted Subsidiary permitted to be incurred in accordance with Section 10.1;

(xi) Liens securing Hedging Obligations and Cash Management Services so long as the related Indebtedness is, and is permitted hereunder to be, secured by a Lien on the same property securing such Hedging Obligations and Cash Management Services;

(xii) Liens on specific items of inventory or other goods and proceeds of any Person securing such Person's obligations in respect of bankers' acceptances issued or created for the account of such Person to facilitate the purchase, shipment, or storage of such inventory or other goods;

(xiii) leases, subleases, licenses, or sublicenses (including of Intellectual Property) granted to others in the ordinary course of business which do not materially interfere with the

ordinary conduct of the business of the Company or any Restricted Subsidiary and do not secure any Indebtedness;

(xiv) Liens arising from Uniform Commercial Code financing statement filings regarding operating leases or consignments entered into by the Company or any Restricted Subsidiary in the ordinary course of business;

(xv) Liens in favor of the Company or any other Guarantor;

(xvi) Liens on equipment of the Company or any Restricted Subsidiary granted in the ordinary course of business to the Company's or such Restricted Subsidiary's client at which such equipment is located;

(xvii) rights of set-off against credit balances of the Company or any of the Restricted Subsidiaries with credit card issuers or credit card processors or amounts owing by such credit card issuers or credit card processors to the Company or any of its Restricted Subsidiaries in the ordinary course of business secure the obligations of the Company or any of its Subsidiaries to the credit card issuers or credit card processors as a result of fees and charges;

(xviii) Liens to secure any refinancing, refunding, extension, renewal, or replacement (or successive refinancing, refunding, extensions, renewals, or replacements) as a whole, or in part, of any Indebtedness secured by any Lien referred to in clauses (vi), (vii), (viii), (ix), (x), and (xv) of this definition of Permitted Liens; provided that (a) such new Lien shall be limited to all or part of the same property that secured the original Lien (plus improvements on such property), (b) the Indebtedness secured by such Lien at such time is not increased to any amount greater than the sum of (1) the outstanding principal amount or, if greater, committed amount of the Indebtedness described under clauses (vi), (vii), (viii), (ix), (x), and (xv) at the time the original Lien became a Permitted Lien under this Agreement, and (2) an amount necessary to pay any fees and expenses, including premiums and accrued and unpaid interest, related to such refinancing, refunding, extension, renewal, or replacement and (c) in the case of any such Lien on the ABL Priority Collateral, such Liens are subordinated to the Liens on the ABL Priority Collateral securing the Obligations at least to the same extent as the Indebtedness being refinanced, refunded, extended, renewed, or replaced;

(xix) deposits made or other security provided to secure liabilities to insurance carriers under insurance or self-insurance arrangements in the ordinary course of business;

(xx) other Liens securing obligations incurred in the ordinary course of business which obligations do not exceed the greater of (a) $20,000,000 and (b) 40% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of the incurrence of such Lien provided, that in the case of any such Lien securing Indebtedness for borrowed money on the ABL Priority Collateral, such Liens are subordinated to the Liens on the ABL Priority Collateral securing the Obligations pursuant to, or in a manner consistent with, the ABL/Term Loan Intercreditor Agreement;

(xxi) Liens securing judgments for the payment of money not constituting an Event of Default under Section 11.6 or Section 11.11;

(xxii) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business;

(xxiii) Liens (a) of a collection bank arising under Section 4-210 of the Uniform Commercial Code or any comparable or successor provision on items in the course of collection, (b) attaching to commodity trading accounts or other commodity brokerage accounts incurred in the ordinary course of business and (c) in favor of banking or other financial institutions or other electronic payment service providers arising as a matter of law encumbering deposits (including the right of set-off) and which are within the general parameters customary in the banking or finance industry;

(xxiv) Liens deemed to exist in connection with Investments in repurchase agreements permitted under Section 10.1; provided that such Liens do not extend to any assets other than those that are the subject of such repurchase agreement;

(xxv) Liens encumbering reasonable customary initial deposits and margin deposits and similar Liens attaching to commodity trading accounts or other brokerage accounts incurred in the ordinary course of business and not for speculative purposes;

(xxvi) Liens that are contractual rights of set-off (a) relating to the establishment of depository relations with banks not given in connection with the issuance of Indebtedness, (b) relating to pooled deposit or sweep accounts of the Company or any of the Restricted Subsidiaries to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Company and the Restricted Subsidiaries, or (c) relating to purchase orders and other agreements entered into by the Company or any of the Restricted Subsidiaries in the ordinary course of business;

(xxvii) Liens (a) solely on any cash earnest money deposits made by the Company or any of the Restricted Subsidiaries in connection with any letter of intent or purchase agreement permitted under this Agreement or (b) consisting of an agreement to dispose of any property pursuant to a disposition permitted hereunder;

(xxviii) rights reserved or vested in any Person by the terms of any lease, license, franchise, grant, or permit held by the Company or any of the Restricted Subsidiaries or by a statutory provision, to terminate any such lease, license, franchise, grant, or permit, or to require annual or periodic payments as a condition to the continuance thereof;

(xxix) restrictive covenants affecting the use to which real property may be put; provided that the covenants are complied with;

(xxx) security given to a public utility or any municipality or governmental authority when required by such utility or authority in connection with the operations of that Person in the ordinary course of business;

(xxxi) zoning by-laws and other land use restrictions, including, without limitation, site plan agreements, development agreements, and contract zoning agreements;

(xxxii) Liens arising out of conditional sale, title retention, consignment, or similar arrangements for sale of goods entered into by the Company or any Restricted Subsidiary in the ordinary course of business;

(xxxiii) Liens arising under the Security Documents;

(xxxiv) Liens on goods purchased in the ordinary course of business the purchase price of which is financed by a documentary letter of credit issued for the account of the Company or any of its Subsidiaries;

(xxxv) (a) Liens on Equity Interests in joint ventures; provided that any such Lien is in favor of a creditor of such joint venture and such creditor is not an Affiliate of any partner to such joint venture and (b) purchase options, call, and similar rights of, and restrictions for the benefit of, a third party with respect to Equity Interests held by the Company or any Restricted Subsidiary in joint ventures;

(xxxvi) Liens on cash and Cash Equivalents that are earmarked to be used to satisfy or discharge Indebtedness; provided (a) such cash and/or Cash Equivalents are deposited into an account from which payment is to be made, directly or indirectly, to the Person or Persons holding the Indebtedness that is to be satisfied or discharged, (b) such Liens extend solely to the account in which such cash and/or Cash Equivalents are deposited and are solely in favor of the Person or Persons holding the Indebtedness (or any agent or trustee for such Person or Persons) that is to be satisfied or discharged, and (c) the satisfaction or discharge of such Indebtedness is expressly permitted hereunder; and

(xxxvii) with respect to any Foreign Subsidiary, other Liens and privileges arising mandatorily by any Requirement of Law.

For purposes of this definition, the term Indebtedness shall be deemed to include interest, premiums (if any), fees and expenses on such Indebtedness.

"Permitted Reorganization" shall mean re-organizations and other activities related to tax planning and re-organization, so long as, after giving effect thereto, the security interest of the Lenders in the Collateral, taken as a whole, is not materially impaired.

"Permitted Sale Leaseback" shall mean any Sale Leaseback consummated by the Company or any of the Restricted Subsidiaries after the Closing Date; provided that any such Sale Leaseback not between the Company and a Restricted Subsidiary is consummated for fair value as determined at the time of consummation in good faith by (i) the Company or such Restricted Subsidiary or (ii) in the case of any Sale Leaseback (or series of related Sales Leasebacks) the aggregate proceeds of which exceed the greater of (a) $15,000,000 and (b) 3 0% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of the incurrence of such Sale Leaseback, the board of directors (or analogous governing body) of the Company or such Restricted Subsidiary (which such determination may take into account any retained interest or other Investment of the Company or such Restricted Subsidiary in connection with, and any other material economic terms of, such Sale Leaseback).

"Permitted Second Lien Exchange Notes" shall mean "Permitted Debt Exchange Notes" as defined in the Second Lien Credit Agreement that are not prohibited by the terms of this Agreement and the other Credit Documents.

"Person" shall mean any individual, partnership, joint venture, firm, corporation, limited liability company, association, trust, or other enterprise or any Governmental Authority.

"Pit Inventory" shall mean Inventory located In a clearance center (the "Pit") located within certain showrooms of the Credit Parties and/or maintained on an electronic "c-Pit".

"Plan" shall mean, other than any Multiemployer Plan, any employee benefit plan (as defined in Section 3(3) of ERISA), including any employee welfare benefit plan (as defined in Section 3(1) of ERISA), any employee pension benefit plan (as defined in Section 3(2) of ERISA), and any plan which is both an employee welfare benefit plan and an employee pension benefit plan, and in respect of which any Credit Party or, any ERISA Affiliate, is (or, if such Plan were terminated, would under Section 4062 or Section 4069 of ERISA be reasonably likely to be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"Platform" shall have the meaning provided in Section 13.17(a).

"Pledge Agreement" shall mean the Pledge Agreement, entered into by the Credit Parties party thereto and the Collateral Agent for the benefit of the Secured Parties, substantially in the form of Exhibit C.

"Post-Acquisition Period" shall mean, with respect to any Permitted Acquisition, the period beginning on the date such Permitted Acquisition is consummated and ending on the last day of the eighth full consecutive fiscal quarter immediately following the date on which such Permitted Acquisition is consummated.

"Pounds Sterling" shall mean British Pounds Sterling or any successor currency in the United Kingdom.

"Present Fair Salable Value" shall mean the amount that could be obtained by an independent willing seller from an independent willing buyer if the assets (both tangible and intangible) of the Company and the other Restricted Subsidiaries taken as a whole are sold on a going concern basis with reasonable promptness in an arm's-length transaction under present conditions for the sale of comparable business enterprises insofar as such conditions can be reasonably evaluated.

"primary obligor" shall have the meaning provided such term in the definition of Contingent Obligations.

"Prime Rate" shall mean the "prime rate" referred to in the definition of ABR.

"Pro Forma Adjustment" shall mean, for any Test Period that includes all or any part of a fiscal quarter included in any Post-Acquisition Period, with respect to the Acquired EBITDA of the applicable Acquired Entity or Business or Converted Restricted Subsidiary or the Consolidated EBITDA of the Company, the pro forma increase or decrease in such Acquired EBITDA or such Consolidated EBITDA, as the case may be, projected by the Company in good faith as a result of (i) actions taken during such Post-Acquisition Period for the purposes of realizing reasonably identifiable and factually supportable cost savings or (ii) any additional costs incurred during such Post-Acquisition Period, in each case in connection with the combination of the operations of such Acquired Entity or Business or Converted Restricted Subsidiary with the operations of the Company and the Restricted Subsidiaries; provided that (a) at the election of the Company, such Pro Forma Adjustment shall not be required to be determined for any Acquired Entity or Business or Converted Restricted Subsidiary to the extent the aggregate consideration paid in connection with such acquisition was less than $5,000,000 and (b) so long as such

actions are taken during such Post-Acquisition Period or such costs are incurred during such Post-Acquisition Period, as applicable, it may be assumed, for purposes of projecting such pro forma increase or decrease to such Acquired EBITDA or such Consolidated EBITDA, as the case may be, that the applicable amount of such cost savings will he realizable during the entirety of such Test Period, or the applicable amount of such additional costs, as applicable, will be incurred during the entirety of such Test Period; provided, further, that any such pro forma increase or decrease to such Acquired EBITDA or such Consolidated EBITDA, as the case may be, shall be without duplication for cost savings or additional costs already included in such Acquired EBITDA or such Consolidated EBITDA, as the case may be, for such Test Period.

"Pro Forma Availability" means, for any date of calculation with respect to any transaction or payment, Excess Availability alter giving effect to such transaction or payment on Pro Forma Basis.

"Pro Forma Availability Condition" means, for any date of calculation with respect to any transaction or payment, that either (i) (a) the (x) Pro Forma Availability on such date and (y) average daily Excess Availability for a period of thirty (30) consecutive days immediately preceding such transaction or payment is greater than 12.5% of the Line Cap (or, solely in connection with a Restricted Payment (other than a Restricted Investment), 15.0%) and (b) the Fixed Charge Coverage Ratio, calculated as of the last day of the most recently ended Test Period, after giving effect to such transaction or payment on a Pro Forma Basis, is greater than 1.00:1.00 or (ii) the (x) Pro Forma Availability on such date and (y) average daily Excess Availability for a period of thirty (30) consecutive days immediately preceding such transaction or payment is greater than 17.5% of the Line Cap (or, solely in connection with a Restricted Payment (other than a Restricted Investment), 20.0%).

"Pro Forma Basis," "Pro Forma Compliance," and **"Pro Forma Effect"** shall mean, with respect to compliance with any test, financial ratio, or covenant hereunder, that (i) to the extent applicable, the Pro Forma Adjustment shall have been made and (ii) all Specified Transactions and the following transactions in connection therewith shall be deemed to have occurred as of the first day of the applicable period of measurement in such test or covenant: (a) income statement items (whether positive or negative) attributable to the property or Person subject to such Specified Transaction, (1) in the case of a sale, transfer, or other disposition of all or substantially all Capital Stock in any Restricted Subsidiary of the Company or any division, product line, or facility used fur operations of the Company or any of its Restricted Subsidiaries, shall be excluded, and (2) in the case of a Permitted Acquisition or Investment described in the definition of Specified Transaction, shall be included, (b) any retirement of Indebtedness, and (c) any incurrence or assumption of Indebtedness by the Company or any of the Restricted Subsidiaries in connection therewith (it being agreed that if such Indebtedness has a floating or formula rate, such Indebtedness shall have an implied rate of interest for the applicable period for purposes of this definition determined by utilizing the rate that is or would be in effect with respect to such Indebtedness as at the relevant date of determination); provided that, without limiting the application of the Pro Forma Adjustment pursuant to clause (a) above, the foregoing pro forma adjustments may be applied to any such test or covenant solely to the extent that such adjustments are consistent with the definition of Consolidated EBITDA and give effect to operating expense reductions that are (x)(l) directly attributable to such transaction, (2) expected to have a continuing impact on the Company, any Borrower or any of the other Restricted Subsidiaries, and (3) factually supportable or (y) otherwise consistent with the definition of Pro Forma Adjustment.

"Pro Forma Entity" shall have the meaning provided in the definition of the term Acquired EBITDA.

"Prohibited Transaction" shall have the meaning assigned to such term in Section 406 of ERISA and Section 4975(c) of the Code.

"Protective Advances" shall have the meaning set forth in Section 2.1(f).

"Public Company Costs" shall mean costs relating to compliance with the provisions of the Securities Act of 1933, as amended, and the Securities Exchange Act of I 934, as amended, as applicable to companies with equity or debt securities held by the public, the rules of national securities exchange companies with listed equity or debt securities, directors' or managers' compensation, fees and expense reimbursement, costs relating to investor relations, shareholder meetings and reports to shareholders or debtholders, directors' and officers' insurance and other executive costs, legal and other professional fees, and listing fees.

"Public Lender Presentation" shall mean the Lenders' Presentation of the Company dated January 2014.

"Qualified Proceeds" shall mean assets that are used or useful in, or Capital Stock of any Person engaged in, a Similar Business.

"Qualified Stock" of any Person shall mean Capital Stock of such Person other than Disqualified Stock of such Person.

"Qualifying IPO" shall mean the issuance by the Company or any Parent Entity of its common Equity Interests in an underwritten primary public offering (other than a public offering pursuant to a registration statement on Form S-8) pursuant to an effective registration statement tiled with the SEC in accordance with the Securities Act (whether alone or in connection with a secondary public offering) or in a firm commitment underwritten offering (or series of related offerings of securities to the public pursuant to a final prospectus) made pursuant to the Securities Act.

"Real Estate" shall have the meaning provided in Section 9.1(f).

"Refinancing Indebtedness" shall have the meaning provided in Section 10.l(m).

"Refunding Capital Stock" shall have the meaning provided in Section 10.5(b)(2).

"Register" shall have the meaning provided in Section 13.6(b)(iv).

"Regulation T" shall mean Regulation T of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"Regulation U" shall mean Regulation U of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"Regulation X" shall mean Regulation X of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"Reimbursement Date" shall have the meaning provided in Section 3.4(a).

"Reimbursement Obligations" shall mean the Borrowers' obligations to reimburse Unpaid Drawings pursuant to Section 3.4(a).

"Related Business Assets" shall mean assets (other than cash or Cash Equivalents) used or useful in a Similar Business: provided that any assets received by the Company or the Restricted Subsidiaries in exchange for assets transferred by the Company or a Restricted Subsidiary shall not be deemed to be Related Business Assets if they consist of securities of a Person, unless upon receipt of the securities of such Person, such Person would become a Restricted Subsidiary.

"Related Fund" shall mean, with respect to any Lender that is a Fund, any other Fund that is advised or managed by (a) such Lender, (b) an Affiliate of such Lender or (c) an entity or an Affiliate of such entity that administers, advises or manages such Lender.

"Related Parties" shall mean, with respect to any specified Person, such Person's Affiliates and the directors, officers, employees, agents, trustees, and advisors of such Person and any Person that possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of such Person, whether through the ability to exercise voting power, by contract or otherwise.

"Release" shall mean any release, spill, emission, discharge, disposal, escaping, leaking, pumping, pouring, dumping, emptying, injection, or leaching into the environment.

"Relevant Governmental Body" means the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

"Removal Effective Date" shall have the meaning provided in Section 12.9(b).

"Rent and Charges Reserve" means a reserve, established in the Administrative Agent's Credit Judgment no earlier than ninety (90) days after the Closing Date, for any leased location in a Landlord Lien State where Inventory included in the Borrowing Base is located or where books and records relating to Collateral included in the Borrowing Base are located, in an amount not in excess of two (2) month's rent to any landlord, mortgagee or other Person who possesses any such Collateral or could assert a Lien thereon, unless a Lien Waiver has been obtained from such landlord, mortgagee or other person; provided, that (i) the Rent and Charges Reserve for any location shall not exceed the amount advanced against Collateral consisting of Inventory located at such location and (ii) no Rent and Charges Reserve shall be established for any location at which the aggregate Value of all Inventory at such location is less than $100,000.

"Reorganization" shall mean, with respect to any Multiemployer Plan, the condition that such plan is in reorganization within the meaning of Section 4241 of ERISA.

"Reportable Event" shall mean any "reportable event", as defined in Section 4043(c) of ERISA or the regulations issued thereunder, with respect to a Pension Plan (other than a Pension Plan maintained by an ERISA Affiliate that is considered an ERISA Affiliate only pursuant to subsection (m) or (o) of Section 414 of the Code), other than those events as to which notice is waived pursuant to PBGC Reg. § 4043.

"Required Lenders" shall mean, at any date, Non-Defaulting Lenders holding a majority of the Adjusted Total Revolving Credit Commitment at such date (or, if the Total Revolving Credit Commitment has been terminated at such time, a majority of the aggregate Revolving Credit Exposure of all Lenders (excluding Revolving Credit Exposure of Defaulting Lenders) at such time); provided that at any time there is more than one Non-Defaulting Lender hereunder, if one Non-Defaulting Lender holds more than a majority of the Adjusted Total Revolving Credit Commitment or the Total Revolving Credit

Exposure, as applicable, then "Required Lenders" shall include such Non-Defaulting Lender plus one additional Non-Defaulting Lender who is not an Affiliate of such Non-Defaulting Lender.

"Requirement of Law" shall mean, as to any Person, the certificate of incorporation and by-laws or other organizational or governing documents of such Person, and any law, treaty, rule, or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or assets or to which such Person or any of its property or assets is subject.

"Resignation Effective Date" shall have the meaning provided in Section 12.9(a).

"Restricted Investment" shall mean an Investment other than a Permitted Investment.

"Restricted Payment" shall have the meaning provided in Section 10.5(a).

"Restricted Subsidiary" shall mean any Subsidiary of the Company other than an Unrestricted Subsidiary.

"Retired Capital Stock" shall have the meaning provided in Section 10.5(b)(2).

"Revolving Credit Commitment" shall mean, as to each Lender, its obligation to make Revolving Credit Loans to the Borrowers pursuant to Section 2.1(b), in an aggregate principal amount at any one time outstanding not to exceed the amount set forth, and opposite such Lender's name on Schedule 1.1(b) under the caption Revolving Credit Commitment or in the Assignment and Acceptance pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement (including Section 2.14). Die aggregate Revolving Credit Commitments of all Lenders shall be (i) $40,000,000 on the Closing Date and (ii) $55,000,000 on the Amendment No. 2 Effective Date after giving effect to Amendment No. 2 (the **"Initial Revolving Credit Commitments"),** as such amount may be adjusted from time to time in accordance with the terms of this Agreement. The aggregate Revolving Credit Commitments of all Lenders on the Amendment No. 3 Effective Date is $70,000,000. The aggregate Revolving Credit Commitments of all Lenders on the Amendment No. 4 Effective Date is $150,000,000. The aggregate Revolving Credit Commitments of all Lenders on the Amendment No. 8 Effective Date is $125,000,000.

"Revolving Credit Commitment Percentage" shall mean at any time, for each Lender, the percentage obtained by dividing (i) such Lender's Revolving Credit Commitment at such time by (ii) the amount of the Total Revolving Credit Commitment at such time; provided that at any time when the Total Revolving Credit Commitment shall have been terminated, each Lender's Revolving Credit Commitment Percentage shall be the percentage obtained by dividing (a) such Lender's Revolving Credit Exposure at such time by (b) the Revolving Credit Exposure of all Lenders at such time.

"Revolving Credit Exposure" shall mean, with respect to any Lender at any time, the sum of (i) the aggregate amount of the principal amount of Revolving Credit Loans of such Lender then outstanding, (ii) such Lender's Letter of Credit Exposure at such time, and (iii) such Lender's Revolving Credit Commitment Percentage of the aggregate principal amount of all outstanding Swingline Loans at such time.

"Revolving Credit Facility" shall mean, at any time, the aggregate amount of the Lenders' Revolving Credit Commitments at such time.

"Revolving Credit Loan" shall have the meaning provided in Section 2.1(b).

"Revolving Credit Maturity Date" shall mean ~~the earlier of (i) May 12, 2026 and (ii) either (A) prior to the Term Loan Extension Date, thirty (30) days prior to the earliest stated final maturity date applicable to any First Lien Term Loan (and any Permitted Refinancing thereof) or (B) on and after the Term Loan Extension Date, one hundred eighty (180) days prior to the earliest stated final maturity date applicable to any First Lien Term Loan (other than Permitted Earlier Maturity First Lien Term Loans) (and any Permitted Refinancing thereof).~~ July 1, 2029.

"Revolving Credit Termination Date" shall mean the date on which the Revolving Credit Commitments shall have terminated, no Revolving Credit Loans, Swingline Loans or Protective Advances shall be outstanding and the Letters of Credit Outstanding shall have been reduced to zero or Cash Collateralized.

"Revolving Loan" shall mean, collectively or individually as the context may require, any (i) Revolving Credit Loan, (ii) Extended Revolving Credit Loan and (iii) Incremental Revolving Credit Loan, in each case made pursuant to and in accordance with the terms and conditions of this Agreement.

"S&P" shall mean Standard & Poor's Ratings Services or any successor by merger or consolidation to its business.

"Sale Leaseback" shall mean any arrangement with any Person providing for the leasing by the Company or any Restricted Subsidiary of any real or tangible personal property, which property has been or is to be sold or transferred by the Company or such Restricted Subsidiary to such Person in contemplation of such leasing.

"SEC" shall mean the Securities and Exchange Commission or any successor thereto.

"Second Lien Administrative Agent" shall have the meaning assigned to the term "Administrative Agent" in the Second Lien Credit Agreement.

"Second Lien Collateral Agent" shall have the meaning assigned to the term "Collateral Agent" in the Second Lien Credit Agreement.

"Second Lien Credit Agreement'' shall mean the Credit Agreement, dated as of the Closing Date, among Holdings, the Borrower(s), the guarantors party thereto, the lenders party thereto, and the Second Lien Administrative Agent (as such agreement may be amended, supplemented, waived or otherwise modified from time to time or refunded, refinanced, restructured, replaced, renewed, repaid, increased or extended from time to time (whether in whole or in part, whether with the original administrative agent and lenders or other agents and lenders or otherwise, and whether provided under the original Second Lien Credit Agreement or other credit agreements or otherwise, unless such agreement, instrument or document expressly provides that it is not intended to be and is not a Second Lien Credit Agreement)).

"Second Lien Credit Documents" shall mean the Second Lien Credit Agreement and each other document executed in connection therewith or pursuant thereto.

"Second Lien Facility" shall have the meaning provided in the recitals of this Agreement.

"Second Lien Loans" shall have the meaning provided to the term "Loans" in the Second Lien Credit Agreement and any modification, replacement, refinancing, refunding, renewal, or extension thereof.

"Section 2.14 Additional Amendment" shall have the meaning provided in Section 2.14(g)(iv).

"Section 9.l Financials" shall mean the financial statements delivered, or required to be delivered, pursuant to Section 9-1 (a) or (b) together with the accompanying officer's certificate delivered, or required to be delivered, pursuant to Section 9.1(d).

"Secured Cash Management Agreement" shall mean any Cash Management Agreement that is entered into by and between Holdings or any of the Restricted Subsidiaries and any Cash Management Bank, which is specified in writing by the Borrower Representative to the Administrative Agent as constituting a Secured Cash Management Agreement hereunder.

"Secured Cash Management Obligations" shall mean Obligations under Secured Cash Management Agreements.

"Secured Hedge Agreement" shall mean any Hedge Agreement that is entered into by and between Holdings or any Restricted Subsidiary and any Hedge Bank, which is specified in writing by the Borrower Representative to the Administrative Agent as constituting a Secured Hedge Agreement hereunder.

"Secured Hedge Obligations" shall mean Obligations under Secured Hedge Agreements.

"Secured Hedge Reserve" means the aggregate amount of reserves established by the Administrative Agent from time to time during the continuance of a Cash Dominion Period in respect of Secured Hedge Obligations, including reserves which the Administrative Agent shall establish in the amounts set forth in written notices from any Cash Management Rank party to a Secured Cash Management Agreement The amount of any Secured Hedge Reserve established by the Administrative Agent (x) shall have a reasonable relationship to the Secured Hedge Obligation that is the basis for such Reserve as determined by the Administrative Agent in its Credit Judgment as being appropriate to reflect the reasonably anticipated liabilities and obligations of the Credit Parties with respect to Secured Hedge Agreements then provided or outstanding and (y) shall not be duplicative of other Borrowing Base Reserves then in effect.

"Secured Parties" shall mean the Administrative Agent, the Collateral Agent, the Letter of Credit Issuer, and each Lender, in each case with respect to the Credit Facilities, each Hedge Bank that is party to any Secured Hedge Agreement with the Company or any Restricted Subsidiary, each Cash Management Bank that is party to a Secured Cash Management Agreement with the Company or any Restricted Subsidiary and each sub-agent pursuant to Section 12 appointed by the Administrative Agent with respect to matters relating to the Credit Facilities or the Collateral Agent with respect to matters relating to any Security Document.

"Security Agreement" shall mean the Security Agreement entered into by the Borrowers, the other grantors party thereto, and the Collateral Agent for the benefit of the Secured Parties, substantially in the form of Exhibit D.

"Security Documents" shall mean, collectively, the Guarantee, the Pledge Agreement, the Security Agreement, the Mortgages, the ARL/Term Loan Intercreditor Agreement and each other security

agreement or other instrument or document executed and delivered pursuant to Sections 9.11, 9.12, or 9.14 or pursuant to any other such Security Documents to secure the Obligations.

"Seller" shall have the meaning provided in the preamble to this Agreement.

"Senior Secured Leverage Test" shall mean, as of any date of determination, with respect to the last day of the most recently ended Test Period, the Consolidated Senior Secured Debt to Consolidated EBITDA Ratio shall be no greater than 5.50 to 1.00.

"Series" shall have the meaning provided in Section 2.14(a).

"Shrink" means Inventory identified by the Borrowers as lost, misplaced, or stolen.

"Similar Business" shall mean any business conducted or proposed to be conducted by the Company and the Restricted Subsidiaries on the Closing Date or any business that is similar, reasonably related, synergistic, incidental, or ancillary thereto.

"SOFR" means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the SOFR Administrator's Website on the immediately succeeding Business Day.

"SOFR Administrator" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"SOFR Administrator's Website" means the website of the Federal Reserve Bank of New York, currently at http://www.newyorkfed.org, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

"SOFR Determination Day" has the meaning assigned to such term in the definition of "Daily Simple SOFR".

"SOFR Rate Day" has the meaning assigned to such term in the definition of "Daily Simple SOFR".

"Sold Entity or Business" shall have the meaning provided in the definition of the term Consolidated EBITDA.

"Solvent" shall mean, after giving effect to the consummation of the Transactions, that (i) the Present Fair Saleable Value of the assets of the Borrowers and the other Restricted Subsidiaries taken as a whole exceed the amount that will be required to pay the probable liability of the Borrowers and its Restricted Subsidiaries on their Stated Liabilities and Identified Contingent Liabilities as they become absolute and matured; (ii) the Present Fair Salable Value of the assets of the Borrowers and the other Restricted Subsidiaries taken as a whole exceed their Stated Liabilities and Identified Contingent Liabilities; (iii) the Borrowers and the Restricted Subsidiaries taken as a whole do not have Unreasonably Small Capital; and (iv) the Borrowers and the Restricted Subsidiaries taken as a whole do no: intend to incur, or believe that they will incur, debts including current obligations beyond their ability to pay such debts as they mature in the ordinary course of business.

"Specified Default" means (i) the failure of any Credit Party to comply with the terms of Section 9.1(h) and such failure has not been remedied within a period of five (5) days or (ii) the occurrence of any

Event of Default specified in Section 11.1, Section 11.3 (solely as it relates to the Borrowers' failure to comply with the covenants set forth in Section 9.2(b)). and Section 11.5.

"Specified Representations" shall mean the representations and warranties with respect to the Company and Holdings set forth in Sections 8.1(a) (with respect to the Company and Holdings only), 8.2 (with respect to the Company and Holdings only, as related to the borrowing under, guaranteeing under, granting of security interests in the Collateral to, and performance of, the Credit Documents), 8.3(b) (with respect co the Company and Holdings only and as related to the borrowing under, guaranteeing under, granting of security interests in the Collateral to, and performance of, the Credit Documents), 8.5, 8.7, 8.17, 8.18, and, except with respect to items referred to on Schedule 9.14(d) and subject to the last paragraph of Section 6.2, 8.19 of this Agreement.

"Specified Transaction" shall mean, with respect to any period, any Investment (including a Permitted Acquisition), any asset sale, incurrence or repayment of Indebtedness, Restricted Payment, Subsidiary designation, Incremental Revolving Credit Commitment, or other event that by the terms of this Agreement requires Pro Forma Compliance with a test or covenant hereunder or requires such test or covenant to be calculated on a Pro Forma Basis.

"Sponsor" shall mean Bain Capital Partners, LLC and/or its Affiliates that are controlled directly or indirectly by Bain Capital Partners, LLC (including, as applicable, related funds, general partners thereof and limited partners thereof, but solely to the extent any such limited partners are directly or indirectly participating as investors pursuant to a side-by-side investing arrangement, but not including, however, any portfolio company of any of the foregoing).

"Sponsor Management Agreement" shall mean the Advisory Agreement, dated as of as of February 12, 2014, by and among RDF Holding Corp., the Company, Bob's Discount Furniture, LLC, BDF Intermediate, LLC, Bob's Discount Furniture I, LLC, Bob's Discount Furniture II, LLC, Bob's Discount Furniture of Massachusetts, LLC, Furniture North. LLC**,** RAKG Partners, LLC, Bob's Discount Furniture of NY, LLC, and Bain Capital Partners, LLC.

"Sponsor Model" shall mean the Sponsor's financial model dated January 9, 2014 used in connection with the syndication of the Facilities.

"Spot Rate" for any currency shall mean the rate determined by the Administrative Agent to be the rate quoted by the Administrative Agent as the spot rale for the purchase by the Administrative Agent of such currency with another currency through its principal foreign exchange trading office at approximately 11:00 a.m. on the date as of which the foreign exchange computation is made: provided that the Administrative Agent may obtain such spot rate from another financial institution designated by the Administrative Agent if it does not have as of the date of determination a spot buying rate for any such currency.

"SPV" shall have the meaning provided in Section 13.6(g).

"Stated Amount" of any Letter of Credit shall mean the maximum amount from time to time available to be drawn thereunder, determined without regard to whether any conditions to drawing could then be met; provided, however, that with respect to any Letter of Credit that by its terms or the terms of any Issuer Document provides for one or more automatic increases in the stated amount thereof, the Stated Amount shall be deemed to be the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

"Stated Liabilities" shall mean the recorded liabilities (including contingent liabilities that would be recorded in accordance with GAAP) of the Company and the Restricted Subsidiaries taken as a whole, as of the date hereof after giving effect to the consummation of the Transactions (including the execution and delivery of this Agreement, the making of the First Lien Fenn Loans and the Second Lien Loans and the use of proceeds of such First Lien Term Loans and the Second Lien Loans on the date hereof), determined in accordance with GAAP consistently applied.

"Stock Equivalents" shall mean all securities convertible into or exchangeable for Capital Stock and all warrants, options, or other rights to purchase or subscribe for any Capital Stock, whether or not presently convertible, exchangeable, or exercisable.

"Store" means any retail store (which includes any real property, fixtures, equipment, Inventory and other property related thereto) operated, or to be operated, by the Company or any Restricted Subsidiary.

"Subordinated Indebtedness" shall mean Indebtedness of the Company, any Borrower or any other Guarantor that is by its terms subordinated in right of payment to the obligations of the Company, such Borrower, or such Guarantor, as applicable, under this Agreement or the Guarantee, as applicable.

"Subsidiary" of any Person shall mean and include (i) any corporation more than 50% of whose Capital Stock of any class or classes having by the terms thereof ordinary voting power to elect a majority of the directors of such corporation (irrespective of whether or not at the time Capital Stock of any class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time owned by such Person directly or indirectly through Subsidiaries, or (ii) any limited liability company, partnership, association, joint venture, or other entity of which such Person directly or indirectly through Subsidiaries has more than a 50% equity interest at the time. Unless otherwise expressly provided, all references herein to a Subsidiary shall mean a Subsidiary of the Company.

"Subsidiary Borrower" shall mean any Subsidiary designated pursuant to Section 2.17 that has not ceased to be a Subsidiary Borrower pursuant to Section 2.17.

"Successor Borrower" shall have the meaning provided in Section 10.3(a).

"Supermajority Lenders" means, at any time, Lenders (other than Defaulting Lenders) having Commitments aggregating more than 66 2/3% of the Total Revolving Credit Commitment, or if the Commitments have been terminated, Lenders (other than Defaulting Lenders) whose percentage of the Revolving Credit Exposure (calculated assuming settlement and repayment of all Swingline Loans by the Lenders) aggregate more than 66 2/3% of the aggregate Revolving Credit Exposure; provided that at any time there is more than one Non-Defaulting Lender hereunder, if one Non-Defaulting Lender holds more than 66 2/3% of the Adjusted Total Revolving Credit Commitment or the Total Revolving Credit Exposure, as applicable, then "Supermajority Lenders" shall include such Non-Defaulting Lender plus one additional Non-Defaulting Lender who is not an Affiliate of such Non-Defaulting Lender.

"Swap Obligation" shall mean, with respect to any Credit Party, any obligation to pay or perform under any agreement, contract, or transaction that constitutes a "swap" within the meaning of section l(a)(47) of the Commodity Exchange Act.

"Swingline Commitment" shall mean the amount of $7,500,000 Swingline Commitment is part of and not in addition to the Revolving Credit Commitment.

"Swingline Exposure" shall mean at any time the aggregate principal amount at such time of all outstanding Swingline Loans. The Swingline Exposure of any Lender at any time shall equal its Revolving Credit Commitment Percentage of the aggregate Swingline Exposure at such time.

"Swingline Lender" shall mean Royal Bank of Canada, in its capacity as lender of Swingline Loans hereunder or any replacement or successor thereto.

"Swingline Loans" shall have the meaning provided in Section 2.1 (c).

"Swingline Maturity' Date" shall mean, with respect to any Swingline Loan, the date that is five Business Days prior to the Revolving Credit Maturity Date.

"Syndication Agent" shall mean UBS Securities LLC.

"Taxes" shall mean any and all present or future taxes, duties, levies, imposts, assessments, deductions, withholdings (including backup withholding), lees, or other similar charges imposed by any Governmental Authority and any interest, fines, penalties, or additions to tax with respect to the foregoing.

~~**"Term Loan Extension Date"** means with respect to the First Lien Initial Term Loans, the date on which (x) the earliest stated final maturity date applicable to such First Lien Initial Term Loans (other than Permitted Earlier Maturity First Lien Term Loans) is extended to February 12, 2026 or later and/or (y) such First Lien Initial Term Loans (other than Permitted Earlier Maturity First Lien Term Loans) are refinanced with Indebtedness having an earliest stated final maturity date of February 12, 2026 or later; provided that the Term Loan Extension Date shall be deemed not to have occurred if it shall not have occurred on or prior to July 12, 2023 or if the foregoing clauses (x) and/or (y) are not applicable to all of the First Lien Initial Term Loans (other than Permitted Earlier Maturity First Lien Term Loans).~~

"Term Loan Priority Accounts" means "Term Loan Priority Accounts" as defined in the ABL/Term Loan Intercreditor Agreement

"Term Loan Priority Collateral" means "Term Priority Collateral" as defined in the ABL/Term Loan Intercreditor Agreement.

"Term SOFR" means, for any Interest Period for a duration of one month, three months, or six-months or twelve-months (in each case, subject to the availability thereof) for a Term SOFR Rate Loan, the greater of (a) the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (the **"Term SOFR Determination Day")** that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator and (b) the Floor; provided, however, that if as of 5:00 p.m. (Mew York City time) on any Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Tenn SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Term SOFR Determination Day.

"Term SOFR Adjustment" means, for any Interest Period, 0.10% (10 basis points).

"Term SOFR Administrator" means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Tenn SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

"Term SOFR Determination Day" has the meaning assigned to it under the definition of Term SOFR.

"Term SOFR Rate Loan" shall mean a Loan (other than a Swingline Loan) at any time that bears interest based on Adjusted Term SOFR, other than pursuant to clause (iii) of the definition of "ABR".

"Term SOFR Reference Rate" means the forward-looking term rate based on SOFR.

"Terminated Contracts" shall mean binding contracts with customers that have terminated (whether on or before their stated expiration).

"Test Period" shall mean, for any determination under this Agreement, the four consecutive fiscal quarters of the Company then last ended and for which Section 9.1 Financials shall have been delivered (or required to be delivered) to the Administrative Agent (or, before the first delivery of Section 9.1 Financials, the most recent period of four fiscal quartets at the end of which financial statements are available).

"Title Policy" shall have the meaning provided in Section 9.14(d)(ii).

"Total Credit Exposure" shall mean, at any date, the Total Revolving Credit Commitment at such date (or, it the Total Revolving Credit Commitment shall have terminated on such date, the aggregate Revolving Credit Exposure of all Lenders at such date).

"Total Debt leverage Test" shall mean, as of any date of determination, with respect to the last day of the most recently ended Test Period, the Consolidated Total Debt to Consolidated EBITDA Ratio shall be no greater than 5.50 to 1.00.

"Total Revolving Credit Commitment" shall mean the sum of the Initial Revolving Credit Commitments and the Incremental Revolving Credit Commitments, if applicable, of all the Lenders.

"Tranche" shall mean any of the Tranche A Loans, the Tranche B Loans or the Overadvance Loans.

"Tranche A Borrowing Base" shall mean (a) 90% of Eligible Credit Card Receivables, plus (b) ~~85~~90% of the appraised Net Orderly Liquidation Value of Eligible Inventory, less (c) Borrowing Base Reserves.

"Tranche A Loan" shall mean a Revolving Credit Loan made pursuant to the Tranche A Borrowing Base.

"Tranche Borrowing Base" shall mean the lesser of (a) $6,000,000 and (b) (i) 5% of Eligible Credit Card Receivables, plus (ii) 7.5% of the appraised Net Orderly Liquidation Value of Eligible Inventory.

"Tranche B Loan" shall mean a Revolving Credit Loan made pursuant to the Tranche B Borrowing Base.

"Transaction Expenses" shall mean any fees, costs, or expenses incurred or paid by Holdings, the Borrowers, or any of their respective Affiliates in connection with the Transactions, this Agreement, and the other Credit Documents, the transactions contemplated hereby and thereby.

"Transactions" shall mean, collectively, the transactions contemplated by this Agreement, the First Lien Term Loan Agreement, the Second Lien Credit Agreement, the Acquisition, and the Equity Investments, any repayment, repurchase, prepayment, or defeasance of Indebtedness of the Company or any of its Subsidiaries in connection therewith, the consummation of any other transactions in connection with the foregoing (including in connection with the Acquisition Agreement and the payment of the fees and expenses incurred in connection with any of the foregoing (including the Transaction Expenses)).

"Transferee" shall have the meaning provided in Section 13.6(c).

"Type" shall mean as to any Revolving Loan, its nature as an ABR Loan or a Term SOFR Rate Loan.

"UCP" shall mean, with respect to any Letter of Credit, the Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce **("ICC")** Publication No. 600 (or such later version thereof as may be in effect at the time of issuance).

"UK Financial Institution" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended form time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"UK Resolution Authority" means the Bonk of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"Unadjusted Benchmark Replacement" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"Unfinanced Capital Expenditures" means, with respect to the Company and the Restricted Subsidiaries for any period, Capital Expenditures of the Company and the Restricted Subsidiaries for such period paid in cash, exclusive of (a) any Capital Expenditures made with (i) the proceeds of any equity securities issued or capital contributions received or Indebtedness borrowed (excluding borrowings under this Agreement) by the Company or any Restricted Subsidiary in connection with such Capital Expenditures, (ii) the proceeds from any casualty insurance or condemnation or eminent domain or (iii) the proceeds from any sale or other disposition of the Company or any Restricted Subsidiary's assets (other than assets constituting Collateral consisting of Accounts or Inventory and the proceeds thereof), (b) any portion of the purchase price of a Permitted Acquisition or other permitted Investment which is allocated to property, plant or equipment acquired as part of such Permitted Acquisition or permitted Investment or (c) any expenditures which are contractually required to be, and are, reimbursed to the Company or the Restricted Subsidiaries in cash by a third party (including landlords) during such period of calculation.

"Unpaid Drawing" shall have the meaning provided in Section 3.4(a).

"Unreasonably Small Capital" shall mean, the capital of the Borrowers and the Restricted Subsidiaries, taken as a whole, after consummation of the Transactions (including the execution and delivery of this Agreement, the making of the Loans, the First Lien Term Loans and the Second Lien Loans and the use of proceeds of such Loans, such First Lien Term Loans and such Second Lien Loans on the date hereof) is not unreasonably small in relation to the business of the Borrower and the Restricted Subsidiaries, taken as a whole, contemplated as of the Closing Date.

"Unrestricted Subsidiary" shall mean (i) any Subsidiary of the Company which at the time of determination is an Unrestricted Subsidiary (as designated by the board of directors of the Company, as provided below) and (ii) any Subsidiary of an Unrestricted Subsidiary.

The board of directors of the Company may designate any Subsidiary of the Company (including any existing Subsidiary and any newly acquired or newly formed Subsidiary) to be an Unrestricted Subsidiary unless such Subsidiary or any of its Subsidiaries owns any Equity Interests or Indebtedness of, or owns or holds any Lien on, any property of, the Company or any Subsidiary of the Company (other than any Subsidiary of the Subsidiary to be so designated or an Unrestricted Subsidiary); provided that,

(a) such designation complies with Section 10.5,

(b) immediately after giving effect to such designation no Event of Default shall have occurred and be continuing or would result therefrom, and

(c) each of (1) the Subsidiary to be so designated and (2) its Subsidiaries has not at the time of designation, and docs not thereafter, create, incur, issue, assume, guarantee, or otherwise become directly or indirectly liable with respect to any Indebtedness pursuant to which the lender has recourse to any of the assets of Holdings or any Restricted Subsidiary except for Indebtedness that could otherwise he incurred by Holdings or such Restricted Subsidiary hereunder and, if such Indebtedness is secured, the Liens securing such Indebtedness are permitted to be incurred by Holdings or such Restricted Subsidiary hereunder.

The board of directors of the Company may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; provided that, immediately after giving effect to such designation no Event of Default shall have occurred and be continuing and assuming such designation shall constitute the incurrence by such Restricted Subsidiary at the time of designation of any Indebtedness of such Restricted Subsidiary outstanding at such time either: (i) the Company would be in compliance on a Pro Forma Basis with the Total Debt Leverage Test set forth in the first paragraph of Section 10.1 or (ii) the total Debt Leverage Ratio for the Company and the Restricted Subsidiaries on a Pro Forma Basis would be no greater than such ratio for the Company and the Restricted Subsidiaries immediately prior to such designation.

Notwithstanding the foregoing or anything to the contrary contained herein, (i) none of Holdings, any Borrower nor any of their respective Restricted Subsidiaries shall transfer any Material Intellectual Property to any Unrestricted Subsidiary outside of the ordinary course of business and (ii) at the time of designation as an Unrestricted Subsidiary, no Subsidiary so designated shall own any Material Intellectual Property.

Any such designation by the board of directors of the Company shall be notified by the Company to the Administrative Agent by promptly delivering to the Administrative Agent a copy of the Board

Resolution giving effect to such designation and a certificate of an Authorized Officer of the Company certifying that such designation complied with the foregoing provisions.

"U.S." and **"United States"** shall mean the United States of America.

"U.S. Government Securities Business Day" means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"U.S. Lender" shall have the meaning provided in Section 5.4(e)(ii)A).

"Voting Stock" shall mean, with respect to any Person as of any date, the Capital Stock of such Person that is at the time entitled to vote in the election of the board of directors of such Person.

"Wholly-Owned Restricted Subsidiary" of any Person shall mean a Restricted Subsidiary of such Person, 100% of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares) shall at the time be owned by such Person or by one or more Wholly-Owned Subsidiaries of such Person.

"Wholly-Owned Subsidiary" of any Person shall mean a Subsidiary of such Person, 100% of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares) shall at the time be owned by such Person or by one or more Wholly-Owned Subsidiaries of such Person.

"Withdrawal Liability" shall mean liability to a Multiemployer Plan as a result of a complete or partial withdrawal front such Multi employer Plan, as such terms are defined in Title IV of ERISA.

"Withholding Agent" shall mean any Credit Party, the Administrative Agent and, in the case of any U.S. federal withholding Tax, any other applicable withholding agent.

"Write-Down and Conversion Powers" means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or Instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as it a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

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

(a) The meanings of defined terms are equally applicable to the singular and plural forms of the defined terms.

(b) The words “herein”, “hereto”, “hereof”, and “hereunder” and words of similar import when used in any Credit Document shall refer to such Credit Document as a whole and not to any particular provision thereof.

(c) Section, Exhibit, and Schedule references are to the Credit Document in which such reference appears.

(d) The term “including” is by way of example and not limitation.

(e) The term “documents” includes any and all instruments, documents, agreements, certificates, notices, reports, financial statements and other writings, however evidenced, whether in physical or electronic form.

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

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

(h) The words “asset” and ‘’property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(i) All references to “knowledge” or “awareness” of any Credit Party or any Restricted Subsidiary thereof means the actual knowledge of an Authorized Officer of such Credit Party or such Restricted Subsidiary.

1.3 Accounting Terms.

(a) Except as expressly provided herein, all accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP, applied in a consistent manner.

(b) Notwithstanding anything to the contrary herein, for purposes of determining compliance with any test or covenant contained in this Agreement with respect to any period during which any Specified Transaction occurs, the Consolidated Total Debt to Consolidated EBITDA Ratio, the Consolidated First Lien Secured Debt to Consolidated EBITDA Ratio, the First Lien Secured Leverage Test, the Consolidated Senior Secured Debt to Consolidated EBITDA Ratio and the Senior Secured Leverage Test shall each be calculated with respect to such period and such Specified Transaction on a Pro Forma Basis.

(c) Where reference is made to “the Company and the Restricted Subsidiaries on a consolidated basis” or similar language, such consolidation shall not include any Subsidiaries of the Company other than Restricted Subsidiaries.

1.4 Rounding. Any financial ratios required to be maintained by the Company pursuant to this Agreement (or required to be satisfied in order for a specific action to be permitted under this Agreement) shall be calculated by dividing the appropriate component by the other component, carrying

the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number.

1.5 References to Agreements Laws. Etc. Unless otherwise expressly provided herein, (a) references to Organizational Documents, agreements (including the Credit Documents), and other Contractual Requirements shall be deemed to include all subsequent amendments, restatements, amendment, and restatements, extensions, supplements, modifications, replacements, refinancings, renewals, or increases, but only to the extent that such amendments, restatements, amendment, and restatements, extensions, supplements, modifications, replacements, refinancings, renewals, or increases are permitted by any Credit Document; and (b) references to any Requirement of Law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing, or interpreting such Requirement of Law.

1.6 Exchange Rates. Notwithstanding the foregoing, for purposes of any determination under Section 9, Section 10 or Section 11 or any determination under any other provision of this Agreement expressly requiring the use of a current exchange rate, all amounts incurred, outstanding, or proposed to be incurred or outstanding in currencies other than Dollars shall be translated into Dollars at the Spot Rate; provided, however, that for purposes of determining compliance with Section 10 with respect to the amount of any Indebtedness, Restricted Investment. Lien, Asset Sale, or Restricted Payment in a currency other than Dollars, no Default or Event of Default shall be deemed to have occurred solely as a result of changes in rates of exchange occurring after the time such Indebtedness, Lien or Restricted Investment is incurred or Asset Sale or Restricted Payment made; provided that, for the avoidance of doubt, the foregoing provisions of this Section 1.6 shall otherwise apply to such Sections, including with respect to determining whether any Indebtedness, Lien, or Investment may be incurred or Asset Sale or Restricted Payment made at any time under such Sections. For purposes of any determination of Consolidated Total Debt, amounts in currencies other than Dollars shall be translated into Dollars at the currency exchange rates used in preparing the most recently delivered Section 9.1 Financials.

1.7 Interest Rates; Benchmark Notification. The interest rate on a Loan denominated in Dollars may be derived from an interest rate benchmark that may be discontinued or is, or may in the future become, the subject of regulatory reform. Upon the occurrence of a Benchmark Transition Event, Section 2.20 provides a mechanism for determining an alternative rate of interest. The Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the continuation of, the administration of, submission of, calculation of, performance of or any other matter related to any interest rate used in this Agreement (including, without limitation, the ABR, Daily Simple SOFR, SOFR, the Term SOFR Reference Rate. Adjusted Term SOFR or Term SOFR) or any component definition thereof or rates referred to in the definition thereof, or with respect to any alternative or successor rate thereto, or replacement rate thereof (including any Benchmark Replacement), including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce the same value or economic equivalence of, or have the same value or economic equivalence of as the existing interest rate (or any component thereof) being replaced or have the same volume or liquidity as did any existing interest rate (or any component thereof) prior to its discontinuance or unavailability. The Administrative Agent and its affiliates and/or other related entities may engage in transactions that affect the calculation of any interest rate (or component thereof) used in this Agreement or any alternative, successor or alternative rate (including any Benchmark Replacement) and/or any relevant adjustments thereto, in each case, in a manner adverse to the Borrowers. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any interest rate used in this Agreement, any component thereof, or rates referred to in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrowers, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort,

contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

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

1.9 Timing of Payment or Performance. When the payment of any obligation or the performance of any covenant, duty, or obligation is stated to be due or performance required on (or before) a day which is not a Business Day, the date of such payment (other than as described in the definition of Interest Period) or performance shall extend to the immediately succeeding Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

1.10 Certifications. All certifications to be made hereunder by an officer or representative of a Credit Party shall be made by such a Person in his or her capacity solely as an officer or a representative of such Credit Party, on such Credit Party's behalf and not in such Person's individual capacity.

1.11 Compliance with Certain Sections. In the event that any Lien, Investment, Indebtedness (whether at the time of incurrence or upon application of all or a portion of the proceeds thereof), disposition, Restricted Payment, Affiliate transaction, Contractual Requirement, or prepayment of Indebtedness meets the criteria of one or more than one of the categories of transactions then permitted pursuant to any clause or subsection of Section 10, such transaction (or portion thereof) at any time shall be permitted under one or more of such clauses as determined by the Borrower Representative in its sole discretion at such time.

Section 2. Amount and Terms of Credit

2.1 Commitments.

(a) [Reserved].

(b) Subject to and upon the terms and conditions herein set forth, each Lender severally agrees to make Revolving Credit Loans denominated in Dollars to the Borrowers from its applicable lending office (each such loan (including any Protective Advances), a **"Revoking Credit Loan"**) in an aggregate principal amount not to exceed at any time outstanding the amount of such Lender's Revolving Credit Commitment, provided that any of the foregoing such Revolving Credit Loans (A) shall be made at any time and from time to time on and after the Closing Date and prior to the Revolving Credit Maturity Date, (B) may, at the option of the Borrower Representative be incurred and maintained as, and/or converted into, ABR Loans or Term SOFR Rate Loans that are Revolving Credit Loans; provided that all Revolving Credit Loans made by each of the Lenders pursuant to the same Borrowing shall, unless otherwise specifically provided herein, consist entirely of Revolving Credit Loans of the same Type, (C) may be repaid (without premium or penalty) and reborrowed in accordance with the provisions hereof, (D**)** shall not, for any Lender at any time, after giving effect thereto and to the application of the proceeds thereof, result in such Lender's Revolving Credit Exposure in respect of any Class of Revolving Loans at such time exceeding such Lender's Revolving Credit Commitment in respect of such Class of Revolving Loan at such time or the aggregate amount of the Lenders' Revolving Credit Exposures of any Class of Revolving Loans at such time exceeding the aggregate Revolving Credit Commitment with respect to such Class and (E) shall not, after giving effect thereto and to the application of the proceeds thereof, result at any time in the aggregate amount of the Lenders' Revolving Credit Exposures at such time exceeding the Line Cap then in effect. Each Revolving Credit Loan and any Swingline Loan made to a Borrower shall first be made as a Tranche B Loan and considered to be made pursuant to the Tranche B Borrowing Base except (i) Letters of Credit issued pursuant to Section 3 shall first be considered to be

made pursuant to the Tranche A Borrowing Base, (ii) to the extent that the aggregate amount of the Lenders' Revolving Credit Exposures exceeds the Tranche B Borrowing Base, any such excess Revolving Credit Loans and Swingline Loans shall be considered to be made pursuant to the Tranche A Borrowing Base (and such Revolving Credit Loans and Swingline Loans shall constitute Tranche A Loans) in an aggregate amount not exceeding the Tranche A Borrowing Base and (iii) until the Overadvance Borrowing Base has been permanently reduced to zero, to the extent that the aggregate amount of the Lenders' Revolving Credit Exposures exceeds the sum of the Tranche B Borrowing Base and the Tranche A Borrowing Base, any such excess Revolving Credit Loans, Swingline Loans and Letter of Credit Exposure shall be considered to be made pursuant to the Overadvance Borrowing Base (and such Revolving Credit Loans, Swingline Loans and Letters of Credit shall constitute Overadvance Loans) in an aggregate amount not exceeding the Overadvance Borrowing Base.

(c) Subject to and upon the terms and conditions herein set forth, the Swingline Lender in its individual capacity agrees, at any time and from time to time on and after the Closing Date and prior to the Swingline Maturity Date, to make a loan or loans (each a "**Swingline Loan"** and, collectively the **"Swingline Loans")** to the Borrower's in Dollars, which Swingline Loans (i) shall be ABR Loans, (ii) shall have the benefit of the provisions of Section 2.1(d), (iii) shall not exceed at any time outstanding the Swingline Commitment, (iv) shall not, after giving effect thereto and to the application of the proceeds thereof, result at any time in the aggregate amount of the Lenders' Revolving Credit Exposures at such time exceeding the Line Cap then in effect, and (v) may be repaid and reborrowed in accordance with the provisions hereof. On the Swingline Maturity Date, all Swingline Loans shall be repaid in full. Each Swingline Loan shall be made pursuant to the Tranche A Borrowing Base, the Tranche B Borrowing Base or the Overadvance Borrowing Base as provided in Section 2.1(b) and shall be subject to all the terms and conditions (including for calculating interest therein) applicable to Revolving Credit Loans made pursuant to the Tranche A Borrowing Base as Tranche A Loans, the Tranche B Borrowing Base as Tranche B Loans and the Overadvance A Borrowing Base as Overadvance Loans, as applicable, except that all payments with respect thereto shall be payable to the Swingline Lender for its own account. The Swingline Lender shall not make any Swingline Loan after receiving a written notice from the Borrower Representative, the Administrative Agent or the Required Lenders stating that a Default or Event of Default exists and is continuing until such time as the Swingline Lender shall have received written notice of (i) rescission of all such notices from the party or parties originally delivering such notice or (ii) the waiver of such Default or Event of Default in accordance with the provisions of Section 13.1.

(d) On any Business Day, the Swingline Lender may, in its sole discretion, give notice to the Administrative Agent that all then-outstanding Swingline Loans shall be funded with a Borrowing of Revolving Credit Loans in which case Revolving Credit Loans constituting ABR Loans shall be made on the immediately succeeding Business Day (each such Borrowing, a **"Mandatory Borrowing")** by each Lender pro rata based on each Lender's Revolving Credit Commitment Percentage, and the proceeds thereof shall be applied directly to the Swingline Lender to repay the Swingline Lender for such outstanding Swingline Loans. Each Lender hereby irrevocably agrees to make such Revolving Credit Loans upon one Business Day's notice pursuant to each Mandatory Borrowing in the amount and in the manner specified in the preceding sentence and on the date specified to it in writing by the Swingline Lender notwithstanding (i) that the amount of the Mandatory Borrowing may not comply with the minimum amount for each Borrowing specified in Section 2.2, (ii) whether any conditions specified in Section 7 are then satisfied, (iii) whether a Default or an Event of Default has occurred and is continuing, (iv) the date of such Mandatory Borrowing, or (v) any reduction in the Total Revolving Credit Commitment after any such Swingline Loans were made. In the event that, in the sole judgment of the Swingline Lender, any Mandatory Borrowing cannot for any reason be made on the date otherwise required above (including as a result of the commencement of a proceeding under the Bankruptcy Code in respect of any Borrower), each Lender hereby agrees that it shall forthwith purchase from the Swingline Lender (without recourse or warranty) such participation of the outstanding Swingline Loans as shall be

necessary to cause the Lenders to share in such Swingline Loans ratably based upon their respective Revolving Credit Commitment Percentages; provided that all principal and interest payable on such Swingline Loans shall be for the account of the Swingline Lender until the date the respective participation is purchased and, to the extent attributable to the purchased participation, shall be payable to such Lender purchasing same from and after such date of purchase.

(e) If the maturity date shall have occurred in respect of any tranche of Revolving Credit Commitments (the **"Expiring Credit Commitment"**) at a time when another tranche or tranches of Revolving Credit Commitments is or are in effect with a longer maturity date (each a **"Non-Expiring Credit Commitment"** and collectively, the **"Non-Expiring Credit Commitments"**), then with respect to each outstanding Swingline Loan, if consented to by the Swingline Lender (such consent not to be unreasonably withheld, conditioned or delayed), on the earliest occurring maturity date such Swingline Loan shall be deemed reallocated to the tranche or tranches of the Non-Expiring Credit Commitments on a pro rata basis; *provided* that (x) to the extent that the amount of such reallocation would cause the aggregate credit exposure to exceed the aggregate amount of such Non-Expiring Credit Commitments, immediately prior to such reallocation the amount of Swing Line Loans to be reallocated equal to such excess shall be repaid or Cash Collateralized and (y) notwithstanding the foregoing, if a Default or Event of Default has occurred and is continuing, the Borrowers shall still be obligated to pay Swingline Loans allocated to the Lenders holding the Expiring Credit Commitments at the maturity date of the Expiring Credit Commitment or it the Loans have been accelerated prior to the maturity date of the Expiring Credit Commitment. Upon the maturity date of any tranche of Revolving Credit Commitments, the sublimit for Swingline Loans may be reduced as agreed between the Swingline Lender and the Borrower Representative, without the consent of any other Person.

(f) Protective Advances.

(i) The Administrative Agent shall be authorized, in its discretion, at any time that any conditions in Section 7 are not satisfied, to make ABR Loans that are Revolving Credit Loans ("Protective Advances") (1) up to an aggregate amount of $5,000,000 outstanding at any time, if the Administrative Agent deems such Loans necessary or desirable to preserve or protect Collateral, the Secured Parties' rights under the Credit Documents or which is otherwise for the benefit of the Secured Parties and/or to enhance the collectability or repayment of Obligations; or (2) to pay any other amounts chargeable to Credit Parties under any Credit Documents, including costs, fees and expenses. Each Protective Advance shall be subject to all the terms and conditions applicable to other Revolving Credit Loans and may constitute Swingline Loans. Protective Advances may be made in a principal amount that would cause the aggregate Revolving Credit Exposure of all Lenders to exceed the Line Cap, but in no event shall Protective Advances be required that would cause the aggregate Revolving Credit Exposures of all Lenders to exceed the Total Revolving Credit Commitments. Each Lender shall participate in each Protective Advance on a pro rata basis based upon its Revolving Credit Commitment Percentage. Supermajority Lenders may at any time revoke the Administrative Agent's authority to make further Protective Advances by written notice to the Administrative Agent. Absent such revocation, the Administrative Agent's determination that funding of a Protective Advance is appropriate shall be conclusive. At any time, the Administrative Agent may request the Lenders to make a Revolving Credit Loan to repay a Protective Advance on the same terms as are applicable to Swingline Loans under Section 2.1(d). At any other time, the Administrative Agent may require the Lenders to fund their risk participations described in Section 2.1(f)(ii).

(ii) Upon the making of a Protective Advance by the Administrative Agent (whether before or after the occurrence of a Default or Event of Default), each Lender shall be deemed, without further action by any party hereto, unconditionally and irrevocably to have purchased

from the Administrative Agent without recourse or warranty, an undivided interest and participation in such Protective Advance in proportion to its Revolving Credit Exposure. From and after the date, if any. on which any Lender is required to fund its participation in any Protective Advance purchased hereunder, the Administrative Agent shall promptly distribute to such Lender, such Lender's Revolving Credit Exposure of all payments of principal and interest and all proceeds of Collateral (if any) received by the Administrative Agent in respect of such Protective Advance.

(iii) The making by the Administrative Agent of a Protective Advance shall not modify or abrogate any of the provisions hereof regarding the Lenders' obligations to purchase participations with respect to Letters of Credit Outstanding or Swingline Loans.

2.2 Minimum Amount of Each Borrowing, Maximum Number of Borrowings. The aggregate principal amount of each Borrowing of Revolving Credit Loans shall be in a minimum amount of at least the Minimum Borrowing Amount for such Type of Loans and in a multiple of $100,000 in excess thereof and Swingline Loans shall be in a minimum amount of $250,000 and in a multiple of $100,000 in excess thereof (except that Mandatory Borrowings shall be made in the amounts required by Section 2.1(d) and Revolving Credit Loans to reimburse the Letter of Credit Issuer with respect to any Unpaid Drawing shall be made in the amounts required by Section 3.3 or Section 3.4, as applicable). More than one Borrowing may be incurred on any date; provided that at no time shall there be outstanding more than ten Borrowings of Term SOFR Rate Loans that are Revolving Credit Loans under this Agreement.

2.3 Notice of Borrowing.

(a) [Reserved].

(b) Whenever a Borrower desires to incur Revolving Credit Loans (other than Mandatory Borrowings or borrowings to repay Unpaid Drawings), the Borrower Representative shall give the Administrative Agent at the Administrative Agent's Office, (i) prior to 1:00 p.m. (New York City Time) at least three Business Days' prior written notice of each Borrowing of Revolving Credit Loans that are Term SOFR Rate Loans and (ii) prior to 10:00 a.m. (New York City time) one Business Day prior to such Borrowing written notice of each Borrowing of Revolving Credit Loans that are ABR Loans. Lach suck notice (a **"Notice of Borrowing"),** except as otherwise expressly provided in Section 2.10, shall specify (w) the aggregate principal amount of the Revolving Credit Loans to be made pursuant to such Borrowing, (x) the date of Borrowing (which shall be a Business Day), (y) whether the respective Borrowing shall consist of ABR Loans or Term SOFR Rate Loans that are Revolving Credit Loans and, if Term SOFR Rate Loans that are Revolving Credit Loans, the Interest Period to be initially applicable thereto, and (z) the identity of the applicable Borrower. The Administrative Agent shall promptly give each Lender written notice of each proposed Borrowing of Revolving Credit Loans, of such Lender's Revolving Credit Commitment Percentage thereof, of the identity of the Borrower, and of the other matters covered by the related Notice of Borrowing.

(c) Whenever a Borrower desires to incur Swingline Loans hereunder, the Borrower Representative shall give the Swingline Lender written notice with a copy to the Administrative Agent of each Borrowing of Swingline Loans prior to 2:00 p.m. (New York City time) on the date of such Borrowing. Each such notice shall specify (x) the aggregate principal amount of the Swingline Loans to be made pursuant to such Borrowing, (y) the date of Borrowing (which shall be a Business Day), and (z) the identity of the applicable Borrower.

(d) Mandatory Borrowings shall be made upon the notice specified in Section 2.1(d), with each Borrower irrevocably agreeing, by its incurrence of any Swingline Loan, to the making of Mandatory Borrowings as set forth in such Section.

(c) Borrowings to reimburse Unpaid Drawings shall be made upon the notice specified in Section 3.4(a).

(f) Without in any way limiting the obligation of the Borrower Representative to confirm in writing any notice it shall give hereunder by telephone (which such obligation is absolute), the Administrative Agent may act prior to receipt of written confirmation without liability upon the basis of such telephonic notice believed by the Administrative Agent in good faith to be from an Authorized Officer of the Borrower Representative.

2.4 Disbursement of Funds

(a) No later than 1:00 p.m. (New York City time) on the date specified in each Notice of Borrowing (including Mandatory Borrowings), each Lender shall make available its pro rata portion, if any, of each Borrowing requested to be made on such date in the manner provided below; provided that on the Closing Date, such funds may be made available at such earlier time as may be agreed among the Lenders, the Company, and the Administrative Agent for the purpose of consummating the Transactions; provided, further, that all Swingline Loans shall be made available to the Borrower in the full amount thereof by the Swingline Lender no later than 4:00 p.m. (New York City time).

(b) Each Lender shall make available all amounts it is to fund to the Borrower under any Borrowing for its applicable Commitments, and in immediately available funds, to the Administrative Agent at the Administrative Agent's Office and the Administrative Agent will (except in the case of Mandatory Borrowings and Borrowings to repay Unpaid Drawings) make available to the Borrower, by depositing to an account designated by the Borrower Representative to the Administrative Agent the aggregate of the amounts so made available in Dollars. Unless the Administrative Agent shall have been notified by any Lender prior to the date of any such Borrowing that such Lender does not intend to make available to the Administrative Agent its portion of the Borrowing or Borrowings to be made on such date, the Administrative Agent may assume that such Lender has made such amount available to the Administrative Agent on such date of Borrowing, and the Administrative Agent, in reliance upon such assumption, may (in its sole discretion and without any obligation to do so) make available to the Borrower a corresponding amount. If such corresponding amount is not in tact made available to the Administrative Agent by such Lender and the Administrative Agent has made available such amount to the Borrower, the Administrative Agent shall be entitled to recover such corresponding amount from such Lender. If such Lender does not pay such corresponding amount forthwith upon the Administrative Agent's demand therefor the Administrative Agent shall promptly notify the Borrower Representative and the Borrower shall immediately pay such corresponding amount to the Administrative Agent in Dollars. The Administrative Agent shall also be entitled to recover from such Lender or the Borrower interest on such corresponding amount in respect of each day from the date such corresponding amount was made available by the Administrative Agent to the Borrower to the date such corresponding amount is recovered by the Administrative Agent, at a rate per annum equal to (i) if paid by such Lender, the Overnight Rate or (ii) if paid by the Borrower, the then-applicable rate of interest or fees, calculated in accordance with Section 2.8, for the respective Loans.

(c) Nothing in this Section 2.4 shall be deemed to relieve any Lender from its obligation to, fulfill its commitments hereunder or to prejudice any rights that the Borrowers may have against any

Lender as a result of any default by such Lender hereunder (it being understood, however, that no Lender shall be responsible for the failure of any other Lender to fulfill its commitments hereunder).

2.5 Repayment of Loans; Evidence of Debt

(a) The Borrowers shall repay to the Administrative Agent for the benefit of the Lenders, on the Revolving Credit Maturity Date, the then outstanding Revolving Credit Loans made to such Borrower in Dollars. The Borrowers shall repay to the Administrative Agent for the benefit of the Lenders, on each Extended Revolving Loan Maturity Date, the then outstanding amount of Extended Revolving Credit Loans made to the Borrowers in Dollars. The Borrowers shall repay to the Swingline Lender, on the Swingline Maturity Date, the then outstanding Swingline Loans made to the Borrowers in Dollars.

(b) [Reserved].

(c) [Reserved].

(d) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the Indebtedness of the Borrowers to the appropriate lending office of such Lender resulting from each Loan made by such lending office of such Lender from time to time, including the amounts of principal and interest payable and paid to such lending office of such Lender from time to time under this Agreement.

(e) The Administrative Agent shall maintain the Register pursuant to Section 13.6(b), and a subaccount for each Lender, in which Register and subaccounts (taken together) shall be recorded (i) the amount of each Loan made hereunder, whether such Loan is a Revolving Credit Loan or Swingline Loan, as applicable, the Type and Tranche of each Loan made, the name of the Borrower and the Interest Period, if any, applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder, and (iii) the amount of any sum received by the Administrative Agent hereunder from the Borrower and each Lender's share thereof.

(f) The entries made in the Register and accounts and subaccounts maintained pursuant to clauses (d) and (e) of this Section 2.5 shall, to the extent permitted by applicable law, be prima facie evidence of the existence and amounts of the obligations of the Borrowers therein recorded; provided, however, that the failure of any Lender, the Administrative Agent or the Swingline Lender to maintain such account, such Register or subaccount, as applicable, or any error therein, shall not in any manner affect the obligation of any Borrower to repay (with applicable interest) the Loans made to such Borrower by such Lender in accordance with the terms of this Agreement.

(g) Each Borrower hereby agrees that, upon request of any Lender at any time and from time to time after a Borrower has made an initial borrowing hereunder, the Borrowers shall provide to such Lender, at the Borrowers' own expense, a promissory note, substantially in the form of Exhibit G, evidencing the Revolving Loans and Swingline Loans, respectively, owing to such Lender. Thereafter, unless otherwise agreed to by the applicable Lender, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 13.6) be represented by one or more promissory notes in such form payable to the payee named therein (or, if requested by such payee, to such payee or its registered assigns).

2.6 Conversions and Continuations

(a) Subject to the penultimate sentence of this clause (a), (x) the Borrowers shall have the option on any Business Day to convert all or a portion equal to at least $500,000 of the outstanding

principal amount of one Type of Revolving Credit Loans of one Type into a Borrowing or Borrowings of another Type and (y) the Borrowers shall have the option on any Business Day to continue the outstanding principal amount of any Term SOFR Rate Loans as Term SOFR Rate Loans for an additional Interest Period; provided that (i) no partial conversion of Term SOFR Rate Loans shall reduce the outstanding principal amount of Term SOFR Rate Loans made pursuant to a single Borrowing to less than the Minimum Borrowing Amount, (ii) ABR Loans may not be converted into Term SOFR Rate Loans it an Event of Default is in existence on the date of the conversion and the Administrative Agent has or the Required Lenders have determined in its or their sole discretion not to permit such conversion, (iii) Term SOFR Rate Loans may not be continued as Term SOFR Rate Loans for an additional Interest Period if an Event of Default is in existence on the date of the proposed continuation and the Administrative Agent has or the Required Lenders have determined in its or their sole discretion not to permit such continuation, and (iv) Borrowings resulting from conversions pursuant to this Section 2.6 shall be limited in number as provided in Section 2.2. Each such conversion or continuation shall be effected by the Borrower Representative by giving the Administrative Agent at the Administrative Agent's Office prior to 1:00 p.m. (New York City time) at least (i) three Business Days' notice, in the case of a continuation of or conversion to Term SOFR Rate Loans (other than in the case of a notice delivered on the Closing Date, which shall be deemed to be effective on the Closing Date), or (ii) one Business Day's notice in the case of a conversion into ABR Loans prior written notice (each, a **"Notice of Conversion or Continuation"** substantially in the form of Exhibit K) specifying the Loans to be so converted or continued, the Type of Loans to be converted or continued into and, if such Loans are to be converted into or continued as Term SOFR Rate Loans, the Interest Period to be initially applicable thereto. The Administrative Agent shall give each applicable Lender notice as promptly as practicable of any such proposed conversion or continuation affecting any of its Loans.

(b) If any Event of Default is in existence at the time of any proposed continuation of any Term SOFR Rate Loans denominated in Dollars and the Administrative Agent has or the Required Lenders have determined in its or their sole discretion not to permit such continuation, such Term SOFR Rate Loans shall be automatically converted on the last day of the current Interest Period into ABR Loans. If upon the expiration of any Interest Period in respect of Term SOFR Rate Loans, a Borrower has failed to elect a new Interest Period to be applicable thereto as provided in clause (a), such Borrower shall be deemed to have elected to convert such Borrowing of Term SOFR Rate Loans into a Borrowing of ABR Loans, effective as of the expiration date of such current Interest Period.

2.7 Pro Rata Borrowings. Each Borrowing of Revolving Credit Loans (other than Swingline Loans and Protective Advances) under this Agreement shall be made by the Lenders pro rata on the basis of their then-applicable Revolving Credit Commitment Percentages. Each Borrowing of Incremental Revolving Credit Loans under this Agreement shall be made by the Lenders pro rata on the basis of their then-applicable Incremental Revolving Credit Commitments. It is understood that (a) no Lender shall be responsible for any default by any other Lender in its obligation to make Loans hereunder and that each Lender severally but not jointly shall be obligated to make the Loans provided to be made by it hereunder, regardless of the failure of any other Lender to fulfill its commitments hereunder and (b) other than as expressly provided herein with respect to a Defaulting Lender, failure by a Lender to perform any of its obligations under any of the Credit Documents shall not release any Person from performance of its obligation, under any Credit Document.

2.8 Interest

(a) The unpaid principal amount of each ABR Loan shall bear interest from the date of the Borrowing thereof until maturity (whether by acceleration or otherwise) at a rate per annum that shall at

all times be the Applicable Margin for ABR Loans *plus* the ABR, in each case, in effect from time to time.

(b) The unpaid principal amount of each Term SOFR Rate Loan shall bear interest from the date of the Borrowing thereof until maturity thereof (whether by acceleration or otherwise) at a rate per annum that shall at all times be the Applicable Margin for SOFR Loans *plus* the relevant Adjusted Term SOFR.

(c) If all or a portion of (i) the principal amount of any Loan or (ii) any interest payable thereon or any other amount payable hereunder shall not be paid when due (whether at the stated maturity, by acceleration, or otherwise but after giving effect to any grace period set forth herein), such overdue amount shall bear interest at a rate per annum that is (the **"Default Rate"**) (x) in tire case of overdue principal, the rate that would otherwise be applicable thereto *plus* 2.00% or (y) in the case of any other overdue amount, including overdue interest, to the extent permitted by applicable law, the rate described in Section 2.8(a) *plus* 2.00% from the date of such non-payment to the date on which such amount is paid in full (after as well as before judgment).

(d) Interest on each Loan shall accrue from and including the date of any Borrowing to but excluding the date of any repayment thereof; provided that any Loan that is repaid on the same date on which it is made shall bear interest for one day. Except as provided below, interest shall be payable (i) in respect of each ABR Loan, quarterly in arrears on the last Business Day of each March, June, September and December, (ii) in respect of each Term SOFR Rate Loan, on the last day of each Interest Period applicable thereto and. in the case of an Interest Period in excess of three months, on each date occurring at three-month intervals after the first day of such Interest Period, and (iii) in respect of each Loan, (A) on any prepayment in respect of Term SOFR Rate Loans, (B) at maturity (whether by acceleration or otherwise), and (C) after such maturity, on demand.

(e) All computations of interest hereunder shall be made in accordance with Section 5-5.

(f) The Administrative Agent, upon determining the interest rate for any Borrowing of Term SOFR Rate Loans, shall promptly notify the Borrower Representative and the relevant Lenders thereof. Each such determination shall, absent clearly demonstrable error, be final and conclusive and binding on all parties hereto.

(g) In connection with the use or administration of SOFR or Term SOFR, the Administrative Agent and the Borrower Representative will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Credit Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Credit Document. The Administrative Agent will promptly notify the Borrower Representative and the Lenders of the effectiveness of any Benchmark Replacement Conforming Changes in connection with the use or administration of SOFR or Term SOFR, as applicable.

2.9 Interest Periods. At the time the Borrower Representative gives a Notice of Borrowing or Notice of Conversion or Continuation in respect of the making of, or conversion into or continuation as, a Borrowing of Term SOFR Rate Loans in accordance with Section 2.6(a), the Borrower Representative shall give the Administrative Agent written notice of the Interest Period applicable to such Borrowing.

Notwithstanding anything to the contrary contained above:

(a) the initial Interest Period for any Borrowing of Tenn SOFR Rate Loans shall commence on the date of such Borrowing (including the date of any conversion from a Borrowing of ABR Loans) and each Interest Period occurring thereafter in respect of such Borrowing shall commence on the day on which the next preceding Interest Period expires;

(b) if any Interest Period relating to a Borrowing of Term SOFR Rate Loans begins on the last Business Day of a calendar month or begins on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period, such Interest Period shall end on the last Business Day of the calendar month at the encl of such Interest Period;

(e) if any Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day; provided that if any Interest Period in respect of a Term SOFR Rate Loan would otherwise expire on a day that is not a Business Day but is a day of the month after which no further Business Day occurs in such month, such Interest Period shall expire on the immediately preceding Business Day; and

(d) the Borrowers shall not be entitled to elect any Interest Period in respect of any Term SOFR Rate Loan if such Interest Period would extend beyond the Maturity Date of such Loan.

2.10 Increased Costs, Illegality, Etc.

(a) In the event that (x) in the case of clause (i) below, the Administrative Agent and (y) in the case of clauses (ii) and (iii) below, the Required Lenders shall have reasonably determined (which determination shall, absent clearly demonstrable error, be final and conclusive and binding upon all parties hereto):

(i) on any date for determining the Adjusted Term SOFR for any Interest Period that (x) deposits in the principal amounts and currencies of the Loans comprising such Term SOFR Rate Borrowing are not generally available in the relevant market or (y) by reason of any changes arising on or after the Closing Date affecting the interbank SOFR market, adequate and fair means do not exist for ascertaining the applicable interest rate on the basis provided for in the definition of the Adjusted Term SOFR;

(ii) at any time, that such Lender shall incur increased costs or reductions in the amounts received or receivable hereunder with respect to any Tenn SOFR Rate Loans (including any increased costs or reductions attributable to Taxes, other than any increase or reduction attributable to Taxes described in clauses (i) or (ii) of paragraph (d) of this Section 2.10) because of any Change in Law; or

(iii) at any time, that the making or continuance of any Term SOFR Rate Loans has become unlawful by compliance by such Lender in good faith with any law, governmental rule, regulation, guideline or order (or would conflict with any such governmental rule, regulation, guideline or order no: having the force of law even though the failure to comply therewith would not be unlawful), or has become impracticable as a result of a contingency occurring after the Closing Date that materially and adversely affects the interbank SOFR market;

(such Loans, **"Impacted Loans"**), then, and in any such event, such Required Lenders (or the Administrative Agent, in the case of clause (i) above) shall within a reasonable time thereafter give notice (if by telephone, confirmed in writing) to the Borrower Representative and to the Administrative Agent of

such determination (which notice the Administrative Agent shall promptly transmit to each of the other Lenders). Thereafter, (x) in the case of clause (i) above. Term SOFR Rate Loans shall no longer be available until such time as the Administrative Agent notifies the Borrower Representative and the Lenders that the circumstances giving rise to such notice by the Administrative Agent no longer exist (which notice the Administrative Agent agrees to give at such time when such circumstances no longer exist), and any Notice of Borrowing or Notice of Conversion given by the Borrower Representative with respect to Term SOFR Rate Loans that have not yet been incurred shall be deemed rescinded by the Borrower Representative, (y) in the case of clause (ii) above, the Borrower shall pay to such Lender, promptly after receipt of written demand therefor such additional amounts (in the form of an increased rate of, or a different method of calculating, interest or otherwise as such Required Lenders in their reasonable discretion shall determine) as shall be required to compensate such Lender for such actual increased costs or reductions in amounts receivable hereunder (it being agreed that a written notice as to the additional amounts owed to such Lender, showing in reasonable detail the basis for the calculation thereof, submitted to the Borrower Representative by such Lender shall, absent clearly demonstrable error, be final and conclusive and binding upon all parties hereto), and (z) in the case of clause (in) above, the Borrower Representative shall take one of the actions specified in subclause (x) or (y), as applicable, of Section 2.10(b) promptly and, in any event, within the time period required by law.

Notwithstanding the foregoing, if the Administrative Agent has made the determination described in Section 2.10(a)(i)(x), the Administrative Agent, in consultation with the Borrower Representative and the affected Lenders, may establish an alternative interest rate for the Impacted Loans, in which case, such alternative rate of interest shall apply with respect to the Impacted Loans until (l) the Administrative Agent revokes the notice delivered with respect to the Impacted Loans under clause (x) of the first sentence of the immediately preceding paragraph, (2) the Administrative Agent or the affected Lenders notify the Administrative Agent and the Borrower Representative that such alternative interest rate does not adequately and fairly reflect the cost to such Lenders of funding the Impacted Loans, (3) any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for such Lender or its applicable Lending Office to make, maintain or fund Loans whose interest is determined by reference to such alternative rate of interest or to determine or charge interest rates based upon such rale or any Governmental Authority has imposed material restrictions on the authority of such Lender to do any of the foregoing and provides the Administrative Agent and the Borrower Representative written notice thereof or (4) the occurrence of a Benchmark Transition Event.

(b) At any time that any Term SOFR Rate Loan is affected by the circumstances described in Section 2.10(a)(ii) or (iii), the Borrower Representative may (and in the case of a Term SOFR Rate Loan affected pursuant to Section 2.10(a)(iii) shall) either (x) if a Notice of Borrowing or Notice of Conversion or Continuation with respect to the affected Term SOFR Rate Loan has been submitted pursuant to Section 2.3 but the affected Term SOFR Rate Loan has not been funded or continued, cancel such requested Borrowing by giving the Administrative Agent written notice thereof on the same date that the Borrower Representative was notified by Lenders pursuant to Section 2.10(a)(ii) or (iii) or (y) if the affected Term SOFR Rate Loan is then outstanding, upon at least three Business Days' notice to the Administrative Agent, require the affected Lender to convert each such Term SOFR Rate Loan into an ABR Loan (the interest rate on which ABR Loans shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Adjusted Term SOFR component of the ABR), either on the last day of the Interest Period therefor, if all affected Lenders may lawfully continue to maintain such Term SOFR Rate Loan to such day, or immediately, if all affected Lenders may not lawfully continue to maintain such Term SOFR Rate Loan until, in each case of notice pursuant to Section 2.10(a)(iii), the Administrative Agent is advised in writing by each affected Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon SOFR, the Term SOFR Reference Rate. Adjusted Term SOFR or Term SOFR. Upon any such prepayment or conversion following receipt of notice of Impacted Loans, the Borrowers shall also pay accrued interest on the

amount so prepaid or converted, together with any additional amounts required pursuant to Section 2.11; provided that if more than one Lender is affected at any time, then all affected Lenders must be treated in the same manner pursuant to this Section 2.10 (b).

(c) If, after the Closing Date, any Change in Law relating to capital adequacy or liquidity of any Lender or compliance by any Lender or its parent with any Change in Law relating to capital adequacy or liquidity occurring after the Closing Date, has or would have the effect of reducing the actual rate of return on such Lender's or its parent's or its Affiliate's capital or assets as a consequence of such Lender's commitments or obligations hereunder to a level below that which such Lender or its parent or its Affiliate could have achieved but for such Change in Law (taking into consideration such Lender's or its parent's policies with respect to capital adequacy or liquidity), then from time to time, promptly after demand by such Lender (with a copy to the Administrative Agent), the Borrowers shall pay to such Lender such actual additional amount or amounts as will compensate such Lender or its parent for such actual reduction, it being understood and agreed, however, that a Lender shall not be entitled to such compensation as a result of such Lender's compliance with, or pursuant to any request or directive to comply with, any law, rule or regulation as in effect on the Closing Date or to the extent such Lender is not imposing such charges on, or requesting such compensation from, borrowers (similarly situated to the Borrowers hereunder) under comparable syndicated credit facilities similar to the Credit Facilities. Each Lender, upon determining in good faith that any additional amounts will be payable pursuant to this Section 2.10(c), will give prompt written notice thereof to the Borrower Representative, which notice shall set forth in reasonable detail the basis of the calculation of such additional amounts, although the failure to give any such notice shall not, subject to Section 2.13, release or diminish the Borrowers' obligations to pay additional amounts pursuant to this Section 2.10(e) promptly following receipt of such notice.

(d) It is understood that this Section 2.10 shall not apply to (i) Taxes indemnifiable under Section 5.4 or (ii) Excluded Taxes.

2.11 Compensation. If (a) any payment of principal of any Term SOFR Rate Loan is made by a Borrower to or for the account of a Lender other than on the last day of the Interest Period for such Term SOFR Rate Loan as a result of a payment or conversion pursuant to Sections 2.5, 2.6, 2.10, 5.1, 5.2 or 13.7, as a result of acceleration of the maturity of the Loans pursuant to Section 11 or for any other reason, (b) any Borrowing of Term SOFR Rate Loans is not made as a result of a withdrawn Notice of Borrowing or a failure to satisfy borrowing conditions, (c) any ABR Loan is not converted into a Term SOFR Rate Loan as a result of a withdrawn Notice of Conversion or Continuation, (d) any Term SOFR Rate Loan is not continued as a Term SOFR Rate Loan, as the case may be, as a result of a withdrawn Notice of Conversion or Continuation or (c) any prepayment of principal of any Term SOFR Rate Loan is not made as a result of a withdrawn notice of prepayment pursuant to Sections 5.1 or 5.2, the Borrower shall, after receipt of a written request by such Lender (which request shall set forth in reasonable detail the basis for requesting such amount), promptly pay to the Administrative Agent for the account of such Lender any amounts required to compensate such Lender for any additional losses, costs or expenses that such Lender may reasonably incur as a result of such payment, failure to convert, failure to continue or failure to prepay, including any loss, cost or expense (excluding loss of anticipated profits) actually incurred by reason of the liquidation or reemployment of deposits or other funds acquired by any Lender to fund or maintain such term SOFR Rate Loan. A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender as specified in this Section 2.11 and setting forth in reasonable detail the manner in which such amount or amounts were determined shall be delivered to the Borrower Representative and shall be conclusive, absent manifest error.

2.12 Change of Lending Office. Each Tender agrees that, upon the occurrence of any event giving rise to the operation of Sections 2.10(a)(ii), 2.10(a)(iii), 2.10(b), 3.5 or 5.4 with respect to such

Lender, it will, if requested by the Borrower Representative use reasonable efforts (subject to overall policy considerations of such Lender) to designate another lending office for any Loans affected by such event; provided that such designation is made on such terms that such Lender and its lending office suffer no unreimbursed cost or other material economic, legal or regulatory disadvantage, with the object of avoiding the consequence of the event giving rise to the operation of any such Section. Nothing in this Section 2.12 shall affect or postpone any of the obligations of the Borrower or the right of any Lender provided in Sections 2.10, 3,5 or 5.4.

2.13 Notice of Certain Costs. Notwithstanding anything in this Agreement to the contrary, to the extent any notice required by Sections 2.10, 2.11, 3.5 or 5.4 is given by any Lender more than 120 days after such Lender has knowledge (or should have had knowledge) of the occurrence of the event giving rise to the additional cost, reduction in amounts, loss, or other additional amounts described in such Sections, such Lender shall not be entitled to compensation under Sections 2.10, 2.11, 3.5 or 5.4, as the case may be, for any such amounts incurred or accruing prior to the 121st day prior to the giving of such notice to the Borrower Representative.

2.14 Incremental facilities.

(a) The Borrower Representative may by written notice to Administrative Agent elect to request the establishment of one or more increases in Revolving Credit Commitments (the **"Incremental Revolving Credit Commitments"**), by an aggregate amount not in excess of the Maximum Incremental Facilities Amount in the aggregate and not less than $5,000,000 individually (or such lesser amount as (x) may be approved by the Administrative Agent or (y) shall constitute the difference between the Maximum Incremental Facilities Amount and all such Incremental Revolving Credit Commitments obtained on or prior to such date). Each such notice shall specify the date (each, an **"Increased Amount Date")** on which the Borrower Representative proposes that the Incremental Revolving Credit Commitments shall be effective. The Borrower Representative may approach any Lender or any Person (other than a natural Person) to provide all or a portion of the Incremental Revolving Credit Commitments; provided that any Lender offered or approached to provide all or a portion of the Incremental Revolving Credit Commitments may elect or decline, in its sole discretion, to provide a Incremental Revolving Credit Commitment. If the existing Lenders are unwilling to increase their applicable commitments by an amount equal to the requested increase, the Administrative Agent, at the request of and in consultation with Borrower Representative, will use its commercially reasonable efforts to obtain one or more financial institutions which are not then Lenders (which financial institution may be suggested by Borrower) to become party to the Credit Documents and to provide a commitment to the extent necessary to satisfy Borrower Representative's requested increase in the Incremental Revolving Credit Commitments, as the case may be; provided, however, (a) compensation for any such assistance by the Administrative Agent shall be mutually agreed by the Administrative Agent and Borrower Representative, (b) such assistance shall be subject to the execution of a customary engagement letter and (c) Administrative Agent shall have no obligation to provide any such New Loan Commitment. In each case, such Incremental Revolving Credit Commitments shall become effective as of the applicable Increased Amount Date; provided that (i) the Overadvance Borrowing Base has been permanently reduced to $0 and no Event of Default shall exist on such Increased Amount Date before or after giving effect to such Incremental Revolving Credit Commitments, as applicable, (ii) the Incremental Revolving Credit Commitments shall be effected pursuant to one or more Joinder Agreements executed and delivered by the Borrower Representative and Administrative Agent, and each of which shall be recorded in the Register and shall be subject to the requirements set forth in Section 5.4(c), and (iii) the Borrowers shall make any payments required pursuant to Section 2.11 in connection with the Incremental Revolving Credit Commitments, as applicable. No Lender shall have any obligation to provide any Commitments pursuant to this Section 2.14(a).

(b) On any Increased Amount Date on which Incremental Revolving Credit Commitments are effected, subject to the satisfaction of the foregoing terms and conditions, (i) each Incremental Revolving Commitment shall be deemed for all purposes of this Agreement to be a Revolving Credit Commitment, (ii) each Loan made under an Incremental Revolving Credit Commitment (an **"Incremental Revolving Credit Loan"**) shall be deemed, for all purposes, a Revolving Credit Loan and (iii) each Lender with an Incremental Revolving Credit Commitment (each an **"Incremental Revolving Loan Lender"**) shall become a Lender with respect to the Incremental Revolving Credit Commitment and all matters relating thereto; *provided* that the Administrative Agent shall have consented (not to be unreasonably withheld or delayed) to such Incremental Revolving Loan Lender's providing such Incremental Revolving Credit Commitment to the extent such consent, if any, would be required under Section 13.6(b) for an assignment of Incremental Revolving Loans or Incremental Revolving Credit Commitments, as applicable, to such Incremental Revolving Loan Lender.

(c) On any Increased Amount Date, each Lender immediately prior to such increase will automatically and without further act be deemed to have assigned to each Incremental Revolving Loan Lender in respect of such increase, and each such Incremental Revolving Loan Lender will automatically and without further act be deemed to have assumed, a portion of such Lender's participations hereunder in outstanding Letters of Credit, after giving effect to each such deemed assignment and assumption of participations, the percentage of the aggregate outstanding participations hereunder in such Letters of Credit held by each Revolving Loan Lender (including each such Incremental Revolving Loan Lender), as applicable, will equal the percentage of the aggregate Total Revolving Credit Commitments of all Lenders under the Credit Facilities. Additionally, if any Revolving Credit Loans are outstanding under the Credit Facilities at the time any Incremental Revolving Commitments are established, the applicable Lenders immediately after effectiveness of such Incremental Revolving Credit Commitments shall purchase and assign at par such amounts of the Revolving Credit Loans outstanding under the Credit Facilities at such time as the Administrative Agent may require such that all of the Lenders effectively participate in each of the outstanding Revolving Credit Loons on a pro rata basis of their Revolving Credit Commitment Percentages immediately after giving effect to all such assignments. The Administrative Agent and the Lenders hereby agree that the minimum borrowing, pro rata borrowing and pro rata payment requirements contained elsewhere in this Agreement shall not apply to the transactions effected pursuant to the immediately preceding sentence.

(d) [Reserved].

(e) Incremental Revolving Credit Commitments and Incremental Revolving Credit Loans shall be identical to the Initial Revolving Credit Commitments and the related Revolving Credit Loans; provided, that underwriting, arrangement, upfront or similar fees that may be agreed to among the Borrower Representative and the Lenders providing and/or arranging such Incremental Revolving Credit Commitments may be paid in connection with such Incremental Revolving Credit Commitments.

(f) Each Joinder Agreement may, without the consent of any other Lenders, effect technical and corresponding amendments to this Agreement and the other Credit Documents as may be necessary or appropriate, in the opinion of the Administrative Agent, to effect the provision of this Section 2.14.

(g) (i) [Reserved].

(ii) The Borrower Representative may at any time and from time to time request that all or a portion of the Revolving Credit Commitments of any Class, any Extended Revolving Credit Commitments and/or any Incremental Revolving Credit Commitments, each existing at the time of such request (each, an **"Existing Revolving Credit Commitment"** and any related revolving credit loans thereunder, **"Existing Revolving Credit Loans"**; each Existing Revolving

Credit Commitment and related Existing Revolving Credit Loans together being referred to as an **"Existing Revolving Credit Class"**) be converted to extend the termination date thereof and the scheduled maturity date(s) of any payment of principal with respect to all or a portion of any principal amount of Loans related to such Existing Revolving Credit Commitments (any such Existing Revolving Credit Commitments which have been so extended. **"Extended Revolving Credit Commitments"** and any related Loans, **"Extended Revolving Credit Loans"**) and to provide for other terms consistent with this Section 2.14(g). In order to establish any Extended Revolving Credit Commitments, the Borrower Representative shall provide a notice to the Administrative Agent (who shad provide a copy of such notice to each of the Lenders of the applicable Class of Existing Revolving Credit Commitments which such request shall be offered equally to all such Lenders) setting forth the proposed terms of the Extended Revolving Credit Commitments to be established, which shall be identical to the terms of the applicable Tranche of Existing Revolving Credit Commitments (the **"Specified Existing Revolving Credit Commitment"**) unless (x) the Lenders providing existing Revolving Credit Loans receive the benefit of such more favorable terms applicable before the Revolving Credit Termination Date or (y) any such provisions apply after the Revolving Credit Termination Date, in each case, to the extent provided in the applicable Extension Amendment; provided, however, that (w) all or any of the final maturity dates of such Extended Revolving Credit Commitments may be delayed to later dates than the final maturity dates of the Specified Existing Revolving Credit Commitments, (x) (A) the interest margins with respect to the Extended Revolving Credit Commitments may be higher or lower than the interest margins for the Specified Existing Revolving Credit Commitments and/or (B) additional fees and premiums may be payable to the Lenders providing such Extended Revolving Credit Commitments in addition to or in lieu of any increased margins contemplated by the preceding clause (A) and (y) the revolving credit commitment fee rate with respect to the Extended Revolving Credit Commitments may be higher or lower than the Revolving Credit Commitment Fee Rate for the Specified Existing Revolving Credit Commitment; provided that, notwithstanding anything to the contrary in this Section 2.14(g) or otherwise, (1) the borrowing and repayment (other than (I) in connection with a permanent repayment and termination of commitments or (II) payments of interest and fees in different rates on Extended Revolving Credit Commitments) of Loans with respect to any Original Revolving Credit Commitments shall be made on a pro rata basis with all other Original Revolving Credit Commitments and (2) assignments and participations of Extended Revolving Credit Commitments and Extended Revolving Credit Loans shall be governed by the same assignment and participation provisions applicable to Revolving Credit Commitments and the Revolving Credit Loans related to such Commitments set forth in Section 13.6. No Lender shall have any obligation to agree to have any of its Revolving Credit Loans or Revolving Credit Commitments of any Existing Revolving Credit Class converted into Extended Revolving Credit Loans or Extended Revolving Credit Commitments pursuant to any Extension Request. Any Extended Revolving Credit Commitments of any Extension Series shall constitute a separate Class of revolving credit commitments from the Specified Existing Revolving Credit Commitments and front any other Existing Revolving Credit Commitments (together with any other Extended Revolving Credit Commitments so established on such date).

(iii) Any Lender (an **"Extending Lender"**) wishing to have all or a portion of its Revolving Credit Commitments or Extended Resolving Credit Commitment of the Existing Class or Existing Classes subject to such Extension Request converted into Extended Revolving Credit Commitments shall notify the Administrative Agent (an **"Extension Election"**) on or prior to the date specified in such Extension Request of the amount of its Revolving Credit Commitments or Extended Revolving Credit Commitment of the Existing Class or Existing Classes subject to such Extension Request that it has elected to convert into Extended Revolving Credit Commitments. In the event that the aggregate amount of Revolving Credit Commitments or Extended Revolving

Credit Commitment of the Existing Class or Existing Classes subject to Extension Elections exceeds the amount of Extended Revolving Credit Commitments requested pursuant to the Extension Request. Revolving Credit Commitments or Extended Revolving Credit Commitments of the Existing Class or Existing Classes subject to Extension Elections shall he converted to Extended Revolving Credit Commitments on a pro rata basis based on the amount of Revolving Credit Commitments or Extended Revolving Credit Commitment included in each such Extension Election. Notwithstanding the conversion of any Existing Revolving Credit Commitment into an Extended Revolving Credit Commitment, such Extended Revolving Credit Commitment shall be treated identically to all other Original Revolving Credit Commitments for purposes of the obligations of a Lender in respect of Swingline Loans under Section 2.1(c), Protective Advances pursuant to Section 2.1(f) and Letters of Credit under Section 3, except that the applicable Extension Amendment may provide that the Swingline Maturity Date and/or the L/C Facility Maturity Date may be extended and the related obligations to make Swingline Loans and issue Letters of Credit may be continued so long as the Swingline Lender and/or the Letter of Credit Issuer, as applicable, have consented to such extensions in their sole discretion (it being understood that no consent of any other Lender shall be required in connection with any such extension).

(iv) [Reserved].

(v) Extended Revolving Credit Commitments shall be established pursuant to an amendment (an **"Extension Amendment"**) to this Agreement (which, except to the extent expressly contemplated by the penultimate sentence of this Section 2.14(g)(iv) and notwithstanding anything to the contrary set forth in Section 13.1, shall not require the consent of any Lender other than the Extending Lenders and New Commitment Lenders with respect to the Extended Revolving Credit Commitments established thereby) executed by the Credit Parties, the Administrative Agent and the Extending Lenders or New Commitment Lenders, as applicable. No Extension Amendment shall provide for any tranche of Extended Revolving Credit Commitments in an aggregate principal amount that is less than $5,000,000. In addition to any terms and changes required or permitted by Section 2.14(g)(i), each Extension Amendment may, but shall not be required to, impose additional requirements (not inconsistent with the provisions of this Agreement in effect at such time) with respect to the final maturity of Incremental Revolving Credit Commitments incurred following the date of such Extension Amendment. Notwithstanding anything to the contrary in this Section 2.14(g) and without limiting the generality or applicability of Section 13.1 to any Section 2.14 Additional Amendments, any Extension Amendment may provide for additional terms and/or additional amendments other than those referred to or contemplated above (any such additional amendment, a **"Section 2.14 Additional Amendment"**) to this Agreement and the other Credit Documents; provided that such Section 2.14 Additional Amendments are within the requirements of Section 2.14(g)(i) and do not become effective prior to the time that such Section 2.14 Additional Amendments have been consented to by such of the Lenders, Credit Parties and other parties (if any) as may be required in order for such Section 2.14 Additional Amendments to become effective in accordance with Section 13.1.

(vi) Notwithstanding anything to the contrary contained in this Agreement, (A) on any date on which any Existing Class is converted to extend the related scheduled maturity date(s) in accordance with clauses (i) anchor (ii) above (an **"Extension Date"**), in the case of the Specified Existing Revolving Credit Commitments of each Extending Lender, except to the extent of New Commitments by New Commitment Lenders, the aggregate principal amount of such Specified Existing Revolving Credit Commitments shall be deemed reduced by an amount equal to the aggregate principal amount of Extended Revolving Credit Commitments so

converted by such Lender on such date, and such Extended Revolving Credit Commitments (including any New Commitments established in connection therewith) shall be established as a separate Class of revolving credit commitments from the Specified Existing Revolving Credit Commitments and from any other Existing Revolving Credit Commitments (together with any other Extended Revolving Credit Commitments so established on such date) and (B) if, on any Extension Date, any Loans of any Extending Lender are outstanding under the applicable Specified Existing Revolving Credit Commitments, such Loans (and any related participations) shall be deemed to be allocated as Extended Revolving Credit Loans (and related participations) and Existing Revolving Credit Loans (and related participations) in the same proportion as such Extending Lender's Specified Existing Revolving Credit Commitments to Extended Revolving Credit Commitments.

(vii) The Administrative Agent and the Lenders (other than the Swingline Lender to the extent such consent is expressly required by this Section 2.14) hereby consent to the consummation of the transactions contemplated by this Section 2.14 (including, for the avoidance of doubt, payment of any interest, fees, or premium in respect of any Extended Revolving Commitments on such terms as may be set forth in the relevant Extension Amendment) and hereby waive the requirements of any provision of this Agreement (including, without limitation, any pro rata payment or amendment section) or any other Credit Document that may otherwise prohibit or restrict any such extension or any other transaction contemplated by this Section 2.14.

(viii) No conversion of Loans pursuant to any Extension in accordance with this Section 2.14(g) shall constitute a voluntary or mandatory payment or prepayment for purposes of this Agreement.

2.15 [Reserved].

2.16 Defaulting Lenders.

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of Required Lenders and Section 13-1.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Section 11 or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 13.8 shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; *second,* to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to the Letter of Credit Issuer, Swingline Lender or the Administrative Agent (in respect of Protective Advances) hereunder; *third,* to Cash Collateralize the Letter of Credit Issuer's Fronting Exposure with respect to such Defaulting Lender in accordance with Section 3.8; *fourth,* as the Borrower Representative may request (so long as no Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; f*ifth,* it so determined by the Administrative Agent and the Borrower Representative, to be held in a deposit account and

released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (y) Cash Collateralize the Letter of Credit Issuer's future Fronting Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with Section 3.8; *sixth,* to the payment of any amounts owing to the Borrowers, the Lenders, the Administrative Agent, the Letter of Credit Issuer or Swingline Lender as a result of any judgment of a court of competent jurisdiction obtained by any Borrower, any Lender, the Administrative Agent, the Letter of Credit Issuer or the Swingline Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *seventh,* to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans or L/C Borrowings in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 7 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and L/C Obligations owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Obligations owed to. such Defaulting Lender until such time as all Loans and funded and unfunded participations in L/C Obligations and Swingline Loans are held by the Lenders pro rata in accordance with the Commitments hereunder without giving effect to Section 2.1(a)(iv). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section 2.16(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees; Default interest.

(A) No Defaulting Lender shall be entitled to receive any fee payable under Section 4 or any interest at the Default Rate payable under Section 2.8(c) for any period during which that Lender is a Defaulting Lender (and the Borrowers shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(B) Each Defaulting Lender shall be entitled to receive Letter of Credit Fees for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Applicable Percentage of the stated amount of Letters of Credit for which it has provided Cash Collateral pursuant to Section 3.8.

(C) With respect to any Letter of Credit Fee not required to be paid to any Defaulting Lender pursuant to clause (A) or (B) above, the Borrowers shall (x) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in L/C Obligations that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below, (y) Pay to the Letter of Credit Issuer the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to such Letter of Credit's Fronting Exposure to such Defaulting Lender, and (z) not be required to pay the remaining amount of any such fee.

(iv) Reallocation of Applicable Percentages to Reduce Fronting Exposure. All or any part of such Defaulting Lender's participation in L/C Obligations and Swingline Loans shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Revolving

Credit Commitment Percentages (calculated without regard to such Defaulting Lender's Commitment) but only to the extent that such reallocation does not cause the aggregate Revolving Credit Exposure of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Commitment. No reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(v) Cash Collateral, Repayment of Swing Line Loans. If the reallocation described in clause (a)(iv) above cannot, or can only partially, be effected, the Borrowers shall, without prejudice to any right or remedy available to them hereunder or under applicable law, (x) *first,* prepay Swingline Loans in an amount equal to the Swingline Lenders' Fronting Exposure and (y) *second,* Cash Collateralize the Letter of Credit Issuers' Fronting Exposure in accordance with the procedures set forth in Section 3.8.

(b) Defaulting Lender Cure. It the Borrower Representative, the Administrative Agent, the Swingline Lender, and the Letter of Credit Issuer agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Revolving Credit Loans and funded and unfunded participations in Letters of Credit and Swingline Loans to be held on a pro rata basis by the Lenders in accordance with their Revolving Credit Commitment Percentages (without giving effect to Section 2.16(a)(iv)), whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrowers while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

2.17 Designation of Subsidiary Borrowers. After the Closing Date, the Borrower Representative may, at any time and from time to time, designate any Domestic Subsidiary that is a Wholly-Owned Restricted Subsidiary as a Subsidiary Borrower by delivery to the Administrative Agent of a Borrower Subsidiary Agreement executed by such Subsidiary and the Borrower Representative and the satisfaction of the other conditions precedent set forth in Section 13.24, and upon such delivery and satisfaction or such conditions precedent, such Subsidiary shall for all purposes of this Agreement and the other Credit Documents be a Subsidiary Borrower and a party to this Agreement. As soon as practicable upon receipt of a Borrowing Subsidiary Agreement, the Administrative Agent shall furnish a copy thereof to each Lender. Notwithstanding anything in this Agreement to the contrary, the Total Revolving Credit Commitments shall not be increased and no Revolving Credit Commitment of any Lender shall be increased without such Lender's prior written consent.

2.18 Borrower Representative. Each Subsidiary Borrower hereby designates the Company as its representative and agent (in such capacity, the **"Borrower Representative"**) for all purposes under the Credit Documents, including requests for Loans and Letters of Credit, designation of interest rates, delivery or receipt of communications, preparation and delivery of financial reports, requests for waivers, amendments or other accommodations, actions under the Credit Documents (including in respect of compliance with covenants), and all other dealings with the applicable Administrative Agent, the Letter of Credit Issuer, the Swingline Lender or any Lender. The Company hereby accepts such appointment as Borrower Representative. The Administrative Agent, the Letter of Credit Issuer, the Swingline Lender

and the Lenders shall be entitled to rely upon, and shall be fully protected in relying upon, any notice or communication (including any notice of borrowing) delivered by Borrower Representative on behalf of any Borrower. The Administrative Agent, the Letter of Credit Issuer, the Swingline Lender and the Lenders may give any notice or communication with a Borrower hereunder to the Borrower Representative on behalf of such Borrower. Each of the Administrative Agent, Letter of Credit Issuer, the Swingline Lender and the Lenders shall have the right, in its discretion, to deal exclusively with the Borrower Representative for any or all purposes under the Credit Documents. Each Borrower agrees that any notice, election, communication, representation, agreement or undertaking made on its behalf by the Borrower Representative shall be binding upon and enforceable against it. Anything contained herein to the contrary notwithstanding, no Borrower (other than the Borrower Representative) shall be authorized to request any Burrowing or Letter of Credit hereunder without the prior written consent of the Company.

2.19 Borrowing Base Reserves; Changes to Borrowing Base Reserves.

(a) The initial Borrowing Base Reserves as of the Closing Date are those set forth in the Borrowing Base Certificate delivered to the Administrative Agent on the Closing Date.

(b) The Administrative Agent may hereafter establish additional Borrowing Base Reserves or change any of the Borrowing Base Reserves in effect on the Closing Date, in the exercise of its Credit Judgment; provided that such Borrowing Base Reserves shall not be established or changed except upon not less than five (5) days written notice to the Borrower Representative (during which period the Administrative Agent shall be available to discuss any such proposed Borrowing Base Reserve with the Borrowers); provided further that no such prior notice shall be required (1) if a Specified Default has occurred and is continuing, (1) changes to any Borrowing Base Reserves resulting solely by virtue of mathematical calculations of the amount of the Borrowing Base Reserve in accordance with the methodology of calculation previously utilized, or (2) changes to Borrowing Base Reserves or the establishment of additional Borrowing Base Reserves if it would be reasonably likely that a Material Adverse Effect under clause (b)(ii) of the definition thereof would occur were such Borrowing Base Reserves not changed or established prior to the expiration of such five (5) day period. Upon delivery of a notice described above, the Credit Parties may take such action as may be required so that the event, condition, circumstance or new fact that is the basis for such Borrowing Base Reserve or increase no longer exists, in a manner and to the extent reasonably satisfactory to the Administrative Agent,

(c) The amount of any Borrowing Base Reserve established by the Administrative Agent shall have a reasonable relationship as determined by the Administrative Agent in its Credit Judgment to the event, condition or other matter that is the basis for such Borrowing Base Reserve. Notwithstanding anything herein to the contrary, (i) a Borrowing Base Reserve shall not be established to the extent it is duplicative of any specific item excluded as ineligible in the definitions of Eligible Credit Card Receivables, Eligible In-Transit Inventory and Eligible Inventory, but the Administrative Agent shall retain the right, subject to the requirements of this clause (c), to establish a Borrowing Base Reserve with respect to prospective changes in Eligible Credit Card Receivables, Eligible In-Transit Inventory or Eligible Inventory that may reasonably be anticipated and (ii) circumstances, conditions, events or contingencies existing or arising prior to the Closing Date of which the Administrative Agent had actual knowledge prior to the Closing Date shall not be the basis for the establishment of Borrowing Base Reserves unless the Administrative Agent establishes such Borrowing Base Reserves on the Closing Date (subject to the notice requirements of the above clause (b)) or such circumstances, conditions, events or contingencies shall have changed in a manner materially adverse to the Administrative Agent and the Lenders since the Closing Date.

~~(d) From and after April 12, 2023 until the First Lien Initial Term Loans are repaid in full, the Administrative Agent may establish in its Credit Judgement Borrowing Base Reserves in an amount equal~~

~~to the difference (if positive) of (i) the aggregate outstanding amount of First Lien Initial Term Loans, *less* (ii) cash and Cash Equivalents subject to a Blocked Account Agreement in favor of the Collateral Agent. If any Borrowing Base Reserve is being established pursuant to this clause (d), the Borrower Representative will report to the Administrative Agent by 12:00 noon on each Business Day the amount of each and Cash Equivalents subject to a Blocked Account Agreement in favor of the Collateral Agent as of the beginning of such Business Day on an account by account basis provided that to the extent the Borrower Representative has not provided such information to the Administrative Agent, the amount of cash and Cash Equivalents subject to a Blocked Account Agreement in favor of the Collateral Agent shall be deemed to be $0 for purposes of this clause (d) until such time as the Borrower Representative has provided such information to the Administrative Agent.~~

2.20 Term SOFR Availability.

(a) Benchmark Replacement.

(i) Notwithstanding anything to the contrary herein or in any other Credit Document, it a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Credit Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Credit Document and (y) if a Benchmark Replacement is determined in accordance with clause (2) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Credit Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5^{th}) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Credit Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders. If the Benchmark Replacement is Daily Simple SOFR, all interest payments will be payable on a quarterly basis.

(ii) No agreement in respect of Swap Obligations shall be deemed to be a "Credit Document" for purposes of this Section 2.20.

(b) Benchmark Replacement Conforming Changes. In connection with the use, administration, adoption or implementation of a Benchmark Replacement, the Administrative Agent and the Borrower Representative will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Credit Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Credit Document.

(c) Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower Representative and the Lenders (and, if applicable, provide the relevant amendment to this Agreement related to) of (i) the implementation of any Benchmark Replacement, (ii) the effectiveness of any Benchmark Replacement Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement, (iii) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (d) below and (iv) the commencement or

conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.20 including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their reasonable discretion and without consent from any other party to this Agreement or any other Credit Document, except, in each case, as expressly required pursuant to this Section 2.20.

(d) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Credit Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including the Term SOFR Reference Rale) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the administrator of such Benchmark or the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent may modify the definition of ''Interest Period'" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative or in compliance with or aligned with the IOSCO Principles for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(c) Benchmark Unavailability Period. Upon the Borrowers' receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrowers may revoke any request for a Term SOFR Rate Loan of, conversion to or continuation of Term SOFR Rate Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrowers will be deemed to have converted any such request into a request for a Borrowing of or conversion to ABR Loans. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of the ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of the ABR.

Section 3. Letters of Credit.

3.1 Letters of Credit.

(a) Subject to and upon the terms and conditions herein set forth, at any time and from time to time after the Closing Date and prior to the L/C Facility Maturity Date, the Letter of Credit Issuer agrees, in reliance upon the agreements of the Lenders set forth in this Section 3, to issue from time to time from the Closing Date through the L/C Facility Maturity Date for the account of the Borrowers (or, so long as the Borrowers are the primary obligors, for the account of Holdings or any Restricted Subsidiary (other than the Borrowers)) letters of credit or hank guarantees (the **"Letters of Credit"** and each, a **"Letter of Credit"**) in such form as may be approved by the Letter of Credit Issuer in its reasonable discretion.

(b) Notwithstanding the foregoing, (i) no Letter of Credit shall be issued the Stated Amount of which, when added to the Letters of Credit Outstanding at such time, would exceed the Line Cap then in effect; (ii) no Letter of Credit shall be issued the Stated Amount of which would cause the aggregate

amount of the Lenders' Revolving Credit Exposures at the time of the issuance thereof to exceed the Line Cap then in effect; (iii) unless otherwise agreed to by the Issuing Lender and the Administrative Agent, each Letter of Credit shall have an expiration date occurring no later than one year after the date of issuance thereof (except with respect to trade Letters of Credit, which may have an expiration date occurring no later than 180 days after the date of issuance thereof, or as set forth in Section 3.2(d)), provided that in no event shall such expiration date occur later than the L/C Facility Maturity Date, in each case, unless otherwise agreed upon by the Administrative Agent, the Letter of Credit Issuer and, unless such Letter of Credit has been Cash Collateralized, the Lenders; (iv) the Letter of Credit shall be denominated in Dollars; (v) no Letter of Credit shall be issued if it would be illegal under any applicable law for the beneficiary of the Letter of Credit to have a Letter of Credit issued in its favor; and (vi) no Letter of Credit shall be issued by the Letter of Credit Issuer alter it has received a written notice from any Credit Party or the Administrative Agent or the Required Lenders stating that a Default or Event of Default has occurred and is continuing until such time as the Letter of Credit Issuer shall have received a written notice of (x) rescission of such notice from the party or parties originally delivering such notice or (y) the waiver of such Default or Event of Default in accordance with the provisions of Section 13.1.

(c) Upon at least two Business Days' prior written notice to the Administrative Agent and the Letter of Credit Issuer (which notice the Administrative Agent shall promptly transmit to each of the Lenders), the Borrowers shall have the right, on any day, permanently to terminate or reduce the Letter of Credit Commitment in whole or in part; provided that, after giving effect to such termination or reduction, the Letters of Credit Outstanding shall not exceed the Letter of Credit Commitment.

(d) [Reserved].

(e) The Letter of Credit Issuer shall not he under any obligation to issue any Letter of Credit if:

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

(ii) the issuance of such Letter of Credit would violate one or more policies of the Letter of Credit Issuer applicable to letters of credit generally;

(iii) except as otherwise agreed by the Administrative Agent and the Letter of Credit Issuer, such Letter of Credit is in an initial Stated Amount less than $50,000, in the case of a commercial Letter of Credit, or $10,000, in the case of a standby Letter of Credit;

(iv) unless otherwise agreed by the Administrative Agent and the Letter of Credit Issuer, such Letter of Credit is denominated in a currency other than Dollars;

(v) such Letter of Credit contains any provisions for automatic reinstatement of the Stated Amount after any drawing thereunder; or

(vi) a default of any Lender's obligations to fund under Section 3.3 exists or any Lender is at such time a Defaulting Lender hereunder, unless, in each case, the Borrowers have entered into arrangements reasonably satisfactory to the Letter of Credit Issuer to eliminate the Letter of Credit Issuer's risk with respect to such Lender or such risk has been reallocated in accordance with Section 2.16.

(f) The Letter of Credit Issuer shall not increase the Stated Amount of any Letter of Credit if the Letter of Credit Issuer would not be permitted at such time to issue such Letter of Credit in its amended form under the terms hereof.

(g) The Letter of Credit Issuer shall be under no obligation to amend any Letter of Credit if (A) the Letter of Credit Issuer would have no obligation at such time to issue such Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of such Letter of Credit does not accept the proposed amendment to such Letter of Credit.

(h) The Letter of Credit Issuer shall act on behalf of the Lenders with respect to any Letters of Credit issued by it and the documents associated therewith and the Letter of Credit Issuer shall have all of the benefits and immunities (A) provided to the Administrative Agent in Section 13 with respect to any acts taken or omissions suffered by the Letter of Credit Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and Issuer Documents pertaining to such Letters of Credit as fully as if the term "Administrative Agent" as used in Section 13 included the Letter of Credit issuer with respect to such acts or omissions, and (B) as additionally provided herein with respect to the Letter of Credit Issuer.

3.2 Letter of Credit Requests.

(a) Whenever a Borrower desires that a Letter of Credit be issued for its account or amended, the Borrower Representative shall give the Administrative Agent and the Letter of Credit Issuer a Letter of Credit Request by no later than 1:00 p.m. (New York City time) at least three Business Days (or such other period as may be agreed upon by the Borrower Representative, the Administrative Agent and the Letter of Credit Issuer) prior to the proposed date of issuance or amendment. Each Letter of Credit Request shall be executed by the Borrower Representative. Such Letter of Credit Request may be sent by facsimile, by United States mail, by overnight courier, by electronic transmission using the system provided by the Letter of Credit Issuer, by personal delivery or by any other means acceptable to the Letter of Credit Issuer.

(b) In the case of a request for an initial issuance of a Letter of Credit, such Letter of Credit Request shall specify in form and detail reasonably satisfactory to the Letter of Credit Issuer: (A) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (B) the Stated Amount thereof in Dollars; (C) the expiry date thereof; (D) the name and address of the beneficiary thereof; (E) the documents to be presented by such beneficiary in case of any drawing thereunder; (F) the full text of any certificate to be presented by such beneficiary in case of any drawing thereunder; (G) the identity of the applicant; and (H) such other matters as the Letter of Credit Issuer may reasonably require. In the case of a request for an amendment of any outstanding Letter of Credit, such Letter of Credit Request shall specify in form and detail reasonably satisfactory to the Letter of Credit Issuer (I) the Letter of Credit to be amended; (II) the proposed date of amendment thereof (which shall be a Business Day); (III) the nature of the proposed amendment: and (IV) such other matters as the Letter of Credit Issuer may reasonably require. Additionally, the Borrower Representative shall furnish to the Letter of Credit Issuer and the Administrative Agent such other documents and information pertaining to such requested Letter

of Credit issuance or amendment, including any Issuer Documents, as the Letter of Credit Issuer or the Administrative Agent may reasonably require.

(c) Promptly after receipt of any Letter of Credit Request, the Letter of Credit Issuer will confirm with the Administrative Agent in writing that the Administrative Agent has received a copy of such Letter of Credit Request from the Borrower Representative and, if not, the Letter of Credit Issuer will provide the Administrative Agent with a copy thereof. Unless the Letter of Credit Issuer has received written notice from any Lender, the Administrative Agent or any Credit Party, at least one Business Day prior to the requested date of issuance or amendment of the Letter of Credit, that one or more applicable conditions contained in Sections 6 (solely with respect to any Letter of Credit issued on the Closing Date) and 7 shall not then be satisfied to the extent required thereby, then, subject to the terms and conditions hereof, the Letter of Credit Issuer shall, on the requested date, issue a Letter of Credit for the account of such Borrower (or, so long as the Borrowers are the primary obligors, for the account of Holdings or another Restricted Subsidiary) or enter into the applicable amendment, as the case may be, in each case in accordance with the Letter of Credit Issuer's usual and customary business practices.

(d) It the Borrower Representative so requests in any Letter of Credit Request, the Letter of Credit Issuer shall agree to issue a Letter of Credit that has automatic extension provisions (each, an **"Auto-Extension Letter of Credit"**); provided that any such Auto-Extension Letter of Credit must permit the Letter of Credit Issuer to prevent any such extension at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof and the Borrower Representative not later than a day (the **"Non-Extension Notice Date"**) in each such twelve-month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by the Letter of Credit Issuer, the Borrower Representative shall not be required to make a specific request to the Letter of Credit Issuer for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Lenders shall be deemed to have authorized (but may not require) the Letter of Credit Issuer to permit the extension of such Letter of Credit at any time to an expiry date not later than the L/C Facility Maturity Date, unless otherwise agreed upon by the Administrative Agent and the Letter of Credit Issuer; provided, however, that the Letter of Credit Issuer shall not permit any such extension if (A) the Letter of Credit Issuer has reasonably determined that it would not be permitted, or would have no obligation, at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of clause (b) of Section 3.1 or otherwise), or (B) it has received written notice on or before the day that is seven Business Days before the Non-Extension Notice Date from the Administrative Agent, any Lender or the Borrower Representative that one or more of the applicable conditions specified in Sections 6 and 7 are not then satisfied, and in each such case directing the Letter of Credit issuer not to permit such extension.

(e) Promptly after its delivery of any Letter of Credit or any amendment to a Letter of Credit (including any Existing Letter of Credit) to an advising bank with respect thereto or to the beneficiary thereof, the Letter of Credit Issuer will also deliver to the Borrower Representative and the Administrative Agent a true and complete copy of such Letter of Credit or amendment. On the first Business Day of each month, the Letter of Credit Issuer shall provide the Administrative Agent a list of all Letters of Credit (including any Existing Letter of Credit) issued by it that are outstanding at such time.

(f) The making of each Letter of Credit Request shall be deemed to be a representation and warranty by the Borrower Representative that the Letter of Credit may be issued in accordance with, and will not violate the requirements of. Section 3.1(b).

3.3 Letter of Credit Participations.

(a) Immediately upon the issuance by the Letter of Credit issuer of any Letter of Credit, the Letter of Credit Issuer shall be deemed to have sold and transferred to each Lender (each such Lender, in its capacity under this Section 3.3, an **"L/C Participant"**), and each such L/C Participant shall be deemed irrevocably and unconditionally to have purchased and received from the Letter of Credit Issuer, without recourse or warranty, an undivided interest and participation (each an **"L/C Participation"**), to the extent of such L/C Participant's Revolving Credit Commitment Percentage in each Letter of Credit, each substitute therefor, each drawing made thereunder and the obligations of the Borrowers under this Agreement with respect thereto, and any security therefor or guaranty pertaining thereto; provided that the Letter of Credit Fees will be paid directly to the Administrative Agent for the ratable account of the L/C Participants as provided in Section 4.1 (b) and the L/C Participants shall have no right to receive any portion of any Fronting Fees,

(b) In determining whether to pay under any Letter of Credit, the relevant Letter of Credit Issuer shall have no obligation relative to the L/C Participants other than to confirm that any documents required to be delivered under such Letter of Credit have been delivered and that they appear to comply on their face with the requirements of such Letter of Credit. Any action taken or omitted to be taken by the relevant Letter of Credit Issuer under or in connection with any Letter of Credit issued by it, if taken or omitted in the absence of gross negligence or willful misconduct as determined in the final non-appealable judgment of a court of competent jurisdiction, shall not create for the Letter of Credit Issuer any resulting liability.

(c) In the event that the Letter of Credit Issuer makes any payment under any Letter of Credit issued by it and the applicable Borrower shall not have repaid such amount in full to the respective Letter of Credit Issuer through the Administrative Agent pursuant to Section 3.4(a), the Administrative Agent shall promptly notify each L/C Participant of such failure, and each L/C Participant shall promptly and unconditionally pay to the Administrative Agent for the account of the Letter of Credit Issuer, the amount of such L/C Participant's Revolving Credit Commitment Percentage of such unreimbursed payment in Dollars and in immediately available funds. If and to the extent such L/C Participant shall not have so made its Resolving Credit Commitment Percentage of the amount of such payment available to the Administrative Agent for the account of the Letter of Credit Issuer, such L/C Participant agrees to pay to the Administrative Agent for the account of the Letter of Credit Issuer, forthwith on demand, such amount, together with interest thereon for each day from such date until the date such amount is paid to the Administrative Agent for the account of the Letter of Credit Issuer at a rate per annum equal to the Overnight Rate from time to time then in effect, plus any administrative, processing or similar fees that are reasonably and customarily charged by the Letter of Credit Issuer in connection with the foregoing. The failure of any L/C Participant to make available to the Administrative Agent for the account of the Letter of Credit Issuer its Revolving Credit Commitment Percentage of any payment under any Letter of Credit shall not relieve any other L/C Participant of its obligation hereunder to make available to the Administrative Agent for the account of the Letter of Credit Issuer its Revolving Credit Commitment Percentage of any payment under such Letter of Credit on the date required, as specified above, but no L/C Participant shall be responsible for the failure of any other L/C Participant to make available to the Administrative Agent such other L/C Participant's Revolving Credit Commitment Percentage of any such payment.

(d) Whenever the Administrative Agent receives a payment in respect of an unpaid reimbursement obligation as to which the Administrative Agent has received for the account of the Letter of Credit Issuer any payments from the L/C Participants pursuant to clause (c) above, the Administrative Agent shall promptly pay to each L/C Participant that has paid its Revolving Credit Commitment Percentage of such reimbursement obligation, in Dollars and in immediately available funds, an amount

equal to such L/C Participant's share (based upon the proportionate aggregate amount originally funded by such L/C Participant to the aggregate amount funded by all L/C Participants) of the amount so paid in respect of such reimbursement obligation and interest thereon accruing after the purchase of the respective L/C Participations at the Overnight Rate.

(e) The obligations of the L/C Participants to make payments to the Administrative Agent for the account of the Letter of Credit Issuer with respect to Letters of Credit shall be irrevocable and not subject to counterclaim, set-off or other defense or any other qualification or exception whatsoever and shall be made in accordance with the terms and conditions of this Agreement under all circumstances.

(f) If any payment received by the Administrative Agent for the account of the Letter of Credit Issuer pursuant to Section 3.3(c) is requited to be returned under any of the circumstances described in Section 3.20 (including pursuant to any settlement entered into by the Letter of Credit Issuer in its discretion), each Lender shall pay to the Administrative Agent for the account of the Letter of Credit Issuer its Revolving Credit Commitment Percentage thereof on demand of the Administrative Agent, *plus* interest thereon from the date of such demand to the date such amount is returned by such Lender, at a rate per annum equal to the applicable Overnight Rate from time to time in effect. The obligations of the Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

3.4 Agreement to Repay Letter of Credit Drawings.

(a) Each Borrower hereby jointly and severally agrees to reimburse the Letter of Credit Issuer, by making payment with respect to any drawing under any Letter of Credit in Dollars. Any such reimbursement shall be made by the Borrower to the Administrative Agent in immediately available funds for any payment or disbursement made by the Letter of Credit Issuer under any Letter of Credit (each such amount so paid until reimbursed, an **"Unpaid Drawing"**) no later than the date that is one Business Day after the date on which the Borrower Representative receives written notice of such payment or disbursement (the **"Reimbursement Date"**), with interest on the amount so paid or disbursed by the Letter of Credit Issuer, to the extent not reimbursed prior to 5:00 p.m. (New York City time) on the Reimbursement Date, from the Reimbursement Date to the date the Letter of Credit Issuer is reimbursed therefor at a rate per annum that shall at all times be the Applicable Margin for ABR Loans that are Revolving Credit Loans applicable under Section 2.1(b) *plus* the ABR as in effect from time to time, provided that, notwithstanding anything contained in this Agreement to the contrary, (i) unless the Borrower Representative shall have notified the Administrative Agent and the relevant Letter of Credit Issuer prior to 1:00 p.m. (New York City time) on the Reimbursement Date that the Borrower intends to reimburse the relevant Letter of Credit Issuer for the amount of such drawing with funds other than the proceeds of Loans, the Borrower Representative shall be deemed to have given a Notice of Borrowing requesting that, with respect to Letters of Credit, the Lenders make Revolving Credit Loans (which shall be ABR Loans) on the Reimbursement Date in the amount of such drawing and (ii) the Administrative Agent shall promptly notify each LC Participant of such drawing and the amount of its Revolving Credit Loan to be made in respect thereof, and each L/C Participant shall be irrevocably obligated to make a Revolving Credit Loan to the Borrower in Dollars in the manner deemed to have been requested in the amount of its Revolving Credit Commitment Percentage of the applicable Unpaid Drawing by 2:00 p.m. (New York City time) on such Reimbursement Date by making the amount of such Revolving Credit Loan available to the Administrative Agent. Such Revolving Credit Loans shall be made without regard to the Minimum Borrowing Amount. The Administrative Agent shall use the proceeds of such Revolving Credit Loans solely for purpose of reimbursing the Letter of Credit Issuer for the related Unpaid Drawing. In the event that the Borrower fails to Cash Collateralize any Letter of Credit that is outstanding on the L/C Facility Maturity Date, the full amount of the Letters of Credit Outstanding in respect of such Letter of Credit shall be deemed Lo be an Unpaid Drawing subject to the provisions of this Section 3.4 except

that the Letter of Credit Issuer shall hold the proceeds received from the L/C Participants as contemplated above as cash collateral for such Letter of Credit to reimburse any Drawing under such Letter of Credit and shall use such proceeds first, to reimburse itself for any Drawings made in respect of such Letter of Credit following the L/C Facility Maturity Date, second, to the extent such Letter of Credit expires or is returned undrawn while any such cash collateral remains, to the repayment of obligations in respect of any Revolving Credit Loans that have not been paid at such time and third, to the Borrowers or as otherwise directed by a court of competent jurisdiction. Nothing in this Section 3.4(a) shall affect the Borrowers' obligation to repay all outstanding Revolving Credit Loans when due in accordance with the terms of this Agreement.

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

(i) any lack of validity or enforceability of this Agreement or any of the other Credit Documents;

(ii) the existence of any claim, set-off, defense or other right that any Borrower may have at any time against a beneficiary named in a Letter of Credit, any transferee of any Letter of Credit (or any Person for whom any such transferee may be acting), the Administrative Agent, the Letter of Credit Issuer, any Lender or other Person, whether in connection with this Agreement, any Letter of Credit, the transactions contemplated herein or any unrelated transactions (including any underlying transaction between a Borrower and the beneficiary named in any such Letter of Credit);

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

(iv) waiver by the Letter of Credit Issuer of any requirement that exists for the Letter of Credit Issuer's protection and not the protection of a Borrower (or Holdings or other Restricted Subsidiary) or any waiver by the Letter of Credit Issuer which does not in fact materially prejudice such Borrower (or Holdings or other Restricted Subsidiary);

(v) any payment made by the Letter of Credit Issuer in respect of an otherwise complying item presented after the date specified as the expiration date of, or the date by which documents must be received under, such Letter of Credit if presentation after such date is authorized by the UCC, the ISP or the UCP, as applicable;

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

(vii) honor of a demand for payment presented electronically even if such Letter of Credit requires that demand be in the form of a draft; or

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

(c) The Borrowers shall not be obligated to reimburse the Letter of Credit Issuer for any wrongful payment made by the Letter of Credit Issuer under the Letter of Credit issued by it as a result of acts or omissions constituting willful misconduct or gross negligence on the part of the Letter of Credit Issuer as determined in the final non-appealable judgment of a court of competent jurisdiction.

3.5 Increased Costs. If after the Closing Date, the adoption of any applicable law, treaty, rule, or regulation, or any change therein, or any change in the interpretation or administration thereof by any Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof, or actual compliance by the Letter of Credit Issuer or any L/C Participant with any request or directive made or adopted after the Closing Date (whether or not having the force of law), by any such authority, central bank or comparable agency shall either (x) impose, modify or make applicable any reserve, deposit, capital adequacy or similar requirement against letters of credit issued by the Letter of Credit Issuer, or any L/C Participant's L/C Participation therein, or (y) impose on the Letter of Credit Issuer or any L/C Participant any other conditions or costs affecting its obligations under this Agreement in respect of Letters of Credit or L/C Participations therein or any Letter of Credit or such L/C Participant's L/C Participation therein, and the result of any of the foregoing is to increase the actual cost to the Letter of Credit Issuer or such L/C Participant of issuing, maintaining or participating in any Letter of Credit, or to reduce the actual amount of any sum received or receivable by the Letter of Credit issuer or such L/C Participant hereunder (including any increased costs or reductions attributable to Taxes, other than any such increase or reduction attributable to (i) Taxes indemnifiable under Section 5.4 or (ii) Excluded faxes) in respect of Letters of Credit or L/C Participations therein, then, promptly after receipt of written demand to the Borrower Representative by the Letter of Credit Issuer or such L/C Participant, as the case may be (a copy of which notice shall be sen: by the Letter of Credit Issuer or such L/C Participant to the Administrative Agent (with respect to a Letter of Credit issued on account of such Borrower (or Holdings or other Restricted Subsidiary))), such Borrower shall pay to the Letter of Credit Issuer or such L/C Participant such actual additional amount or amounts as will compensate the Letter of Credit Issuer or such L/C Participant for such increased cost or reduction, it being understood and agreed, however, that the Letter of Credit Issuer or an L/C Participant shall not be entitled to such compensation as a result of such Person's compliance with, or pursuant to any request or directive to comply with, any such law, rule or regulation as in effect on the Closing Date. A certificate submitted to the Borrower Representative by the relevant Letter of Credit Issuer or an L/C Participant, as the case may be (a copy of which certificate shall be sent by the Letter of Credit Issuer or such L/C Participant to the Administrative Agent), setting forth in reasonable detail the basis for the determination of such actual additional amount or amounts necessary to compensate the Letter of Credit Issuer or such L/C Participant as aforesaid shall be conclusive and binding on the Borrowers absent clearly demonstrable error.

3.6 New or Successor Letter of Credit Issuer.

(a) The Letter of Credit Issuer may resign as the Letter of Credit Issuer upon 60 days' prior written notice to the Administrative Agent, the Lenders, and the Borrower Representative. The Borrower Representative may replace the Letter of Credit Issuer for any reason upon written notice to the Administrative Agent and the Letter of Credit Issuer. The Borrower Representative may add Letter of Credit Issuers at any time upon notice to the Administrative Agent. It the Letter of Credit Issuer shall

resign or be replaced, or if the Borrower Representative shall decide to add a new Letter of Credit Issuer under this Agreement, then the Borrower Representative may appoint from among the Lenders a successor issuer of Letters of Credit or a new Letter of Credit Issuer, as the case may be, or, with the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed), another successor or new issuer of Letters of Credit, whereupon such successor issuer accepting such appointment shall succeed to the rights, powers and duties of the replaced or resigning Letter of Credit Issuer under this Agreement and the other Credit Documents, or such new issuer of Letters of Credit accepting such appointment shall be granted the rights, powers and duties of the Letter of Credit Issuer hereunder, and the term Letter of Credit Issuer shall mean such successor or such new issuer of Letters of Credit effective upon such appointment. At the time such resignation or replacement shall become effective, the Borrowers shall pay to the resigning or replaced Letter of Credit Issuer all accrued and unpaid fees applicable to the Letters of Credit pursuant to Sections 4.1(b) and 4.1(d). The acceptance of any appointment as the Letter of Credit Issuer hereunder whether as a successor issuer or new issuer of Letters of Credit in accordance with this Agreement, shall be evidenced by an agreement entered into by such new or successor issuer of Letters of Credit, in a form reasonably satisfactory to the Borrower Representative and the Administrative Agent and, from and after the effective date of such agreement, such new or successor issuer of Letters of Credit shall become the Letter of Credit Issuer hereunder. After the resignation or replacement of the Letter of Credit Issuer hereunder, the resigning or replaced Letter of Credit Issuer shall remain a party hereto and shall continue to have all the rights and obligations of the Letter of Credit Issuer under this Agreement and the other Credit Documents with respect to Letters of Credit issued by it prior to such resignation or replacement, but shall not be required to issue additional Letters of Credit. In connection with any resignation or replacement pursuant to this clause (a) (but, in case of any such resignation, only to the extent that a successor issuer of Letter's of Credit shall have been appointed), either (i) the Borrower Representative, the resigning or replaced Letter of Credit Issuer and the successor issuer of Letters of Credit shall arrange to have any outstanding Letters of Credit issued by the resigning or replaced Letter of Credit Issuer replaced with Letters of Credit issued by the successor issuer of Letters of Credit or (ii) the Borrower Representative shall cause the successor issuer of Letters of Credit, if such successor issuer is reasonably satisfactory to the replaced or resigning Letter of Credit Issuer, to issue "back-stop" Letters of Credit naming the resigning or replaced Letter of Credit Issuer as beneficiary for each outstanding Letter of Credit issued by the resigning or replaced Letter of Credit Issuer, which new Letters of Credit shall be denominated in the same currency as, and shall have a face amount equal to, the Letters of Credit being back-stopped and the sole requirement for drawing on such new Letters of Credit shall be a drawing on the corresponding back-stopped Letters of Credit. After any resigning or replaced Letter of Credit Issuer's resignation or replacement as Letter of Credit Issuer, the provisions of this Agreement relating to the Letter of Credit Issuer shall inure to its benefit as to any actions taken or omitted to be taken by it (A) while it was the Letter of Credit issuer under this Agreement or (B) at any time with respect to Letters of Credit issued by such Letter of Credit Issuer.

(b) To the extent there are, at the time of any resignation or replacement as set forth in clause (a) above, any outstanding Letters of Credit, nothing herein shall be deemed to impact or impair any rights and obligations of any of the parties hereto with respect to such outstanding Letters of Credit (including, without limitation, any obligations related to the payment of Fees or the reimbursement or funding of amounts drawn), except that the Borrowers, the resigning or replaced Letter of Credit Issuer and the successor issuer of Letters of Credit shall have the obligations regarding outstanding Letters of Credit described in clause (a) above.

3.7 Role of Letter of Credit Issuer. Each Lender and each Borrower agree that, in paying any drawing under a Letter of Credit, the Letter of Credit Issuer shall not have any responsibility to obtain any document (other than any sight draft, certificates and documents expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering any such document. None of the Letter of Credit Issuer, the

Administrative Agent, any of their respective Affiliates nor any correspondent, participant or assignee of the Letter of Credit Issuer shall be liable to any Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the Required Lenders; (ii) any action taken or omitted in the absence of gross negligence or willful misconduct as determined in the final non-appealable judgment of a court of competent jurisdiction; or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or Issuer Document. The Borrowers hereby assume all risks of the acts or omissions of any beneficiary or transferee with respect to its use of any Letter of Credit; provided that this assumption is not intended to, and shall not, preclude the Borrowers' pursuit of such rights and remedies as they may have against the beneficiary or transferee at law or under any other agreement. None of the Letter of Credit Issuer, the Administrative Agent, any of their respective Affiliates nor any correspondent, participant or assignee of the Letter of Credit Issuer shall be liable or responsible for any of the matters described in Section 3.3(b); provided that anything in such Section to the contrary notwithstanding, the Borrowers may have a claim against the Letter of Credit Issuer, and the Letter of Credit Issuer may be liable to the Borrowers, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by the Borrowers which the Borrowers prove were caused by the Letter of Credit Issuer's willful misconduct or gross negligence or the Letter of Credit Issuer's willful failure to pay under any Letter of Credit after the presentation to it by the beneficiary of a sight draft and certificate(s) strictly complying with the terms and conditions of a Letter of Credit in each case as determined in the final non-appealable judgment of a court of competent jurisdiction. In furtherance and not in limitation of the foregoing, the Letter of Credit Issuer may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, and the Letter of Credit Issuer shall not be responsible for the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign a Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason.

The Letter of Credit Issuer may send a Letter of Credit or conduct any communication to or from the beneficiary via the Society for Worldwide Interbank Financial Telecommunication (**"SWIFT"**) message or overnight courier, or any other commercially reasonable means of communicating with a beneficiary.

3.8 Cash Collateral.

(a) Certain Credit Support Events. Upon the written request of the Administrative Agent or the Letter of Credit Issuer, if (i) as of the L/C Facility Maturity Date, any L/C Obligation for any reason remains outstanding, (ii) the Borrowers shall be required to provide Cash Collateral pursuant to Section 2.1(e), 3.1(b), 3.4(a), 3.12, 5.2, 11.13 or 11.14, or (iii) the provisions of Section 2.16(a)(v) are in effect, the Borrowers shall immediately (in the case of clause (ii) above) or within one Business Day (in all other cases) following any written request by the Administrative Agent or the Letter of Credit issuer, provide Cash Collateral in an amount not less than the applicable Minimum Collateral Amount (determined in the case of Cash Collateral provided pursuant to clause (iii) above, after giving effect to Section 2,16(a)(iv) and any Cash Collateral provided by the Defaulting Lender).

(b) Grant of Security Interest. The Borrowers, and to the extent provided by any Defaulting Lender, such Defaulting Lender, hereby grant to (and subject to the control of) the Administrative Agent, for the benefit of the Administrative Agent, the Letter of Credit Issuer and the Lenders, and agree to maintain, a first priority security interest in all such cash, deposit accounts and all balances therein as described in Section 3.8(a), and all other property so provided as collateral pursuant hereto, and in all proceeds of the foregoing, all as security for the obligations to which such Cash Collateral may be applied pursuant to Section 3.8(c). If at any time the Administrative Agent determines that Cash Collateral is subject to any right or claim of any Person other than the Administrative Agent or the Letter of Credit

Issuer as herein provided, other than Permitted Liens, or that the total amount of such Cash Collateral is less than the Minimum Collateral Amount, the Borrowers will, promptly upon written demand by the Administrative Agent, pay or provide to the Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency. Cash Collateral shall be maintained in blocked, interest bearing deposit accounts with the Administrative Agent. The Borrowers shall pay on demand therefor from time to time all customary account opening, activity and other administrative fees and charges in connection with the maintenance and disbursement of Cash Collateral.

(c) Application. Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under any of this Section 3.8 or Sections 2.16, 5.2, or 11.13 in respect of Letters of Credit shall be held and applied to the satisfaction of the specific L/C Obligations, obligations to fund participations therein (including, as to Cash Collateral provided by a Defaulting Lender, any interest accrued on such obligation) and other obligations for which the Cash Collateral was so provided, prior to any other application of such property as may otherwise be provided for herein.

(d) Cash Collateral (or the appropriate portion thereof) provided to reduce Fronting Exposure or to secure other obligations shall be released promptly following (i) the elimination of the applicable Fronting Exposure or other obligations giving rise thereto (including by the termination of Defaulting Lender status of the applicable Lender (or, as appropriate, its assignee following compliance with Section 13.6(b)(ii)) or there is no longer existing an Event of Default) or (ii) the determination by the Administrative Agent and the Letter of Credit Issuer that there exists excess Cash Collateral.

3.9 Applicability of ISP and UCP. Unless otherwise expressly agreed by the Letter of Credit Issuer and the applicable Borrower when a Letter of Credit is issued, (i) the rules of the ISP shall apply to each standby Letter of Credit, and (ii) the rules of the Uniform Customs and Practice for Documentary Credits, as most recently published by the International Chamber of Commerce at the time of issuance, shall apply to each commercial Letter of Credit. Notwithstanding the foregoing, the Letter of Credit Issuer shall not be responsible to such Borrower for, and the Letter of Credit Issuer's rights and remedies against such Borrower shall not be impaired by, any action or inaction of the Letter of Credit Issuer required or permitted under any law, order, or practice that is required or permitted to be applied to any Letter of Credit or this Agreement, including the applicable law or any order of a jurisdiction where the Letter of Credit Issuer or the beneficiary is located, the practice staled in the ISP or UCP, as applicable, or in the decisions, opinions, practice statements, or official commentary of the ICC Banking Commission, the Bankers Association for Finance and Trade - International Financial Services Association (BAFT-IFSA), or the Institute of International Banking Law & Practice, whether or not any Letter of Credit chooses such law or practice.

3.10 Conflict with Issuer Documents. In the event of any conflict between the terms hereof and the terms of any Issuer Document, the terms hereof shall control and any grant of security interest in any Issuer Documents shall be void.

3.11 Letters of Credit Issued for Restricted Subsidiaries. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, Holdings or a Restricted Subsidiary, the Borrowers shall be jointly and severally obligated to reimburse the Letter of Credit Issuer hereunder for any and all drawings under such Letter of Credit. The Borrowers hereby acknowledge that the issuance of Letters of Credit for the account of Holdings or any other Restricted Subsidiaries inures to the benefit of each Borrower and that each Borrower's business derives substantial benefits from the businesses of Holdings and the other Restricted Subsidiaries.

3.12 Provisions Related to Extended Revolving Credit Commitments. If the Letter of Credit Expiration Date in respect of any tranche of Revolving Credit Commitments occurs prior to the expiry

date of any Letter of Credit, then (i) if consented to by the Letter of Credit Issuer which issued such Letter of Credit, if one or more other tranches of Revolving Credit Commitments in respect of which the Letter of Credit Expiration Date shall not have so occurred are then in effect, such Letters of Credit for which consent has been obtained shall automatically be deemed to have been issued (including for purposes of the obligations of the Lenders to purchase participations therein and to make Revolving Credit Loans and payments in respect thereof pursuant to Sections 3.3 and 3.4) under (and ratably participated in by Lenders pursuant to) the Revolving Credit Commitments in respect of such non terminating tranches up to an aggregate amount not to exceed the aggregate amount of the unutilized Revolving Credit Commitments thereunder at such time (it being understood that no partial face amount of any Letter of Credit may be so reallocated) and (ii) to the extent not reallocated pursuant to immediately preceding clause (i), the Borrowers shall Cash Collateralize any such Letter of Credit in accordance with Section 3.8. Upon the maturity date of any tranche of Revolving Credit Commitments, the sublimit for Letters of Credit may be reduced as agreed between the Letter of Credit Issuer and the Borrower Representative, without the consent of any other Person.

Section 4. Fees

4.1 Fees.

(a) Without duplication, the Borrowers jointly and severally agree to pay to the Administrative Agent in Dollars, for the account of each Lender (in each case pro rata according to the respective Revolving Credit Commitments of all such Lenders), a commitment fee (the **"Commitment Fee"**) for each day from the Closing Date to the Revolving Credit Termination Date. Each Commitment Fee shall be payable (x) quarterly in arrears on the last Business Day of each March. June, September, and December (for the three-month period (or portion thereof) ended on such day for which no payment has been received) and (y) on the Revolving Credit Termination Date (for the period ended on such date for which no payment has been received pursuant to clause (x) above), and shall be computed for each day during such period at a rate per annum equal to the Commitment Fee Rate in effect on such day on the Available Commitment in effect on such day.

(b) Without duplication, the Borrowers jointly and severally agree to pay to the Administrative Agent in Dollars for the account of the Lenders pro rata on the basis of their respective Letter of Credit Exposure, a fee in respect of each Letter of Credit issued on any Borrower's or any of the other Restricted Subsidiaries' behalf (the **"Letter of Credit Fee"**), for the period from the date of issuance of such Letter of Credit to the termination date of such Letter of Credit computed at the per annum rate for each day equal to the Applicable Margin for Term SOFR Rate Revolving Credit Loans applicable under Section 2.1(b). Except as provided below, such Letter of Credit Fees shall be due and payable (x) quarterly in arrears on the last Business Day of each March, June, September, and December and (y) on the date upon which the Total Revolving Credit Commitment terminates and the Letters of Credit Outstanding shall have been reduced to zero.

(c) Without duplication, the Borrowers jointly and severally agree to pay to the Administrative Agent in Dollars, for its own account, administrative agent fees as have been previously agreed in writing or as may be agreed in writing from time to time.

(d) Without duplication, the Borrowers jointly and severally agree to pay to the Letter of Credit Issuer a fee in Dollars in respect of each Letter of Credit issued by it to a Borrower (the **"Fronting Fee"**) (i) with respect to each commercial Letter of Credit, at the rate of 0.125%, computed on the amount of such Letter of Credit, and (ii) with respect to each standby Letter of Credit, for the period from the date of issuance of such Letter of Credit to the termination date of such Letter of Credit, computed at the rate for each day equal to 0.125% per annum on the average daily Stated Amount of such Letter of Credit (or

at such other rate per annum as agreed in writing between the Borrower Representative and the Letter of Credit Issuer). Such Fronting Fees shall be due and payable (x) quarterly in arrears on the first Business Day after the end of each of March, June, September and December and (y) on the date upon which the Total Revolving Credit Commitment terminates and the Letters of Credit Outstanding shall have been reduced to zero.

(e) Without duplication, the Borrowers jointly and severally agree to pay directly to the Letter of Credit Issuer in Dollar's upon each issuance or renewal of, drawing under, and/or amendment of, a Letter of Credit issued by it such amount as shall at the time of such issuance or renewal of, drawing under, and/or amendment be the processing charge that the Letter of Credit Issuer is customarily charging for issuances or renewals of, drawings under or amendments of, letters of credit issued by it.

(f) Notwithstanding the foregoing, the Borrowers shall not be obligated to pay any amounts to any Defaulting Lender pursuant to this Section 4.1.

4.2 Voluntary Reduction of Revolving Credit Commitments.

(a) Upon at least two (2) Business Days' prior written notice to the Administrative Agent at the Administrative Agent's Office (which notice the Administrative Agent shall promptly transmit to each of the Lenders), the Borrowers shall have the right, without premium or penalty, on any day, to terminate or permanently reduce Revolving Credit Commitments in whole or in part; provided that (a) any such reduction shall apply proportionately and permanently to reduce the Revolving Credit Commitment of each of the Lenders of any applicable Class and any such reduction or termination shall be accompanied by any repayment of Revolving Credit Loans required under Section 5.2(b), except that (i) notwithstanding the foregoing, in connection with the establishment on any date of any Extended Revolving Credit Commitments pursuant to Section 2,14(g), the Revolving Credit Commitments of any one or more Lenders providing any such Extended Revolving Credit Commitments on such date shall be reduced in an amount equal to the amount of Revolving Credit Commitments so extended on such date (provided that after giving effect to any such reduction and to the repayment of any Revolving Credit Loans made on such date, the Revolving Credit Exposure of any such Lender does not exceed the Revolving Credit Commitment thereof and (ii) the Borrowers may at their election permanently reduce the Revolving Credit Commitment of a Defaulting Lender to $0 without affecting the Revolving Credit Commitments of any other Lender, and (b) after giving effect to such termination or reduction and to any prepayments of the Loans made on the date thereof in accordance with this Agreement, the aggregate amount of the Lenders' Revolving Credit Exposures shall not exceed the Line Cap and the aggregate amount of the Lenders' Revolving Credit Exposures in respect of any Class shall not exceed the aggregate Revolving Credit Commitment of such Class. Each such reduction shall be in the principal amount of $5,000,000 or any integral multiple thereof (or if less, the remaining applicable amount at the time of such termination or reduction). Each such reduction or termination shall (i) be applied ratably to each Lender holding the Revolving Credit Commitments and (ii) be irrevocable at the effective time of any such termination or reduction. The Borrowers shall pay to the Administrative Agent for application as provided herein (i) at the effective time of any such termination (but not any partial reduction), all earned and unpaid fees under the Fee Letter and the Commitment Fee accrued on the Revolving Credit Commitments so terminated.

(b) Upon at least two (2) Business Days' prior written notice to the Administrative Agent Office (which notice the Administrative Agent shall promptly transmit to each of the Lenders), the Borrowers shall have the right, without premium or penalty, on any day, to terminate or permanently reduce the then applicable amount set forth in clause (a) of the definition of Overadvance Borrowing Base in whole or in part. Each partial reduction of the Overadvance Borrowing Base shall be in the principal amount of $ 1,000,000 or any integral multiple thereof (or if less, the remaining applicable amount at the

time of such termination or reduction). Any such reduction shall be accompanied by any repayment of Revolving Credit Loans required under Section 5.2(b).

(c) At any time on or after the first anniversary of the Closing Date and so long as the Overadvance Borrowing Base has been permanently reduced to $0, upon at least two (2) Business Days' prior written notice to the Administrative Agent Office (which notice the Administrative Agent shall promptly transmit to each of the Lenders), the Borrowers shall have the right, without premium or penalty, on any day, to terminate or permanently reduce the then applicable amount set forth in clause (a) of the definition of Tranche B Borrowing Base in whole or in part. Each partial reduction of the Overadvance Borrowing Base shall be in the principal amount of $1,000,000 or any integral multiple thereof (or if less, the remaining applicable amount at the time of such termination or reduction). Any such reduction shall be accompanied by any repayment of Revolving Credit Loans required under Section 5.2(b).

4.3 Mandatory Termination of Commitments.

(a) The Revolving Credit Commitment shall terminate at 5:00 p.m. (New York City time) on the Revolving Credit Maturity Date.

(b) The Swingline Commitment shall terminate at 5:00 p.m. (New York City time) on the Swingline Maturity Date.

Section 5. Payments

5.1 Voluntary Prepayments.

(a) The Borrowers shall have the right to prepay Loans, including Revolving Credit Loans and Swingline Loans, as applicable, without premium or penalty, in whole or in part from time to time on the following terms and conditions: (a) the Borrower Representative shall give the Administrative Agent at the Administrative Agent's Office written notice of its intent to make such prepayment, the amount of such prepayment and (in the case of Term SOFR Rate Loans) the specific Borrowing(s) pursuant to which made, which notice shall be given by the Borrower Representative no later than 12:00 Noon (New York City time) (i) in the case of Term SOFR Rate Loans, three Business Days prior to, (ii) in the case of ABR Loans, one Business Day prior to or (iii) in the case of Swingline Loans, on, the date of such prepayment and shall promptly be transmitted by the Administrative Agent to each of the Lenders or the Swingline Lender, as the case may be; (b) each partial prepayment of (i) any Borrowing of Term SOFR Rate Loans shall be in a minimum amount of $1,000,000 and in multiples of $500,000 in excess thereof, (ii) any ABR Loans (other than Swingline Loans) shall be in a minimum amount of $500,000 and in multiples of $100,000 in excess thereof and (iii) Swingline Loans shall be in a minimum amount of $500,000 and in multiples of $100,000 in excess thereof, provided that no partial prepayment of Tenn SOFR Rate Loans made pursuant to a single Borrowing shall reduce the outstanding Term SOFR Rate Loans made pursuant to such Borrowing to an amount less than the applicable Minimum Borrowing Amount for such Term SOFR Rate Loans and (c) in the case of any prepayment of form SOFR Rate Loans pursuant to this Section 5.1 on any day other than the last day of an Interest Period applicable thereto, the Borrower shall, promptly after receipt of a written request by any applicable Lender (which request shall set forth in reasonable detail the basis for requesting such amount), pay to the Administrative Agent for the account of such Lender any amounts required pursuant to Section 2.11. At the Borrower Representative's election in connection with any prepayment pursuant to this Section 5.1, such prepayment shall not be applied to any Revolving Credit Loan of a Defaulting Lender.

(b) Application to Revolving Credit Loans. Each prepayment of Revolving Credit Loans (x) shall be applied first, to the outstanding Overadvance Loans, second, to outstanding Tranche A Loans and third, to outstanding Tranche B Loans; provided that, with respect to any termination or permanent reduction of the then applicable amount set forth in clause (a) of the definition of Tranche B Borrowing Base in accordance with Section 4.2(c), the Borrower shall prepay the Tranche B Loans then outstanding without first repaying the Tranche A Loans then outstanding up to the amount of such reduction of, if such amount is reduced to $0, the entire principal amount of the then outstanding Tranche B Loans, (y) after giving effect to clause (x), each prepayment of any Loans made pursuant to a Borrowing shall be applied pro rata among such Loans; and (z) notwithstanding the provisions of the preceding clauses (x) or (y) no prepayment of Revolving Loans shall be applied to the Revolving Credit Loans of any Defaulting Lender unless otherwise agreed in writing by the Borrower Representative. With respect to each prepayment of Revolving Credit Loans, the Borrower Representative may designate the Types of Loans that are to be prepaid and the specific Borrowing(s) pursuant to which made. In the absence of a designation by the Borrower Representative as described in the preceding sentence with respect to the Type of Loans that are to be prepaid, the Administrative Agent shall, subject to the above, make such designation in its reasonable discretion with a view, but no obligation, to minimize breakage costs owing under Section 2.11. The voluntary prepayments set forth in this Section 5.2 shall not reduce the aggregate amount of Revolving Credit Commitments and amounts prepaid may be reborrowed.

5.2 Mandatory Prepayments,

(a) [Reserved].

(b) Repayment of Revolving Credit Loans.

(i) Except with respect to Protective Advances permitted under Section 2.1(f), if on any date the aggregate amount of the Lenders' Revolving Credit Exposures for any reason exceeds the Line Cap, then in effect, the Borrowers shall forthwith repay within one (1) Business Day after the date on which the Borrower Representative receives notice of such excess, Revolving Loans in an amount equal to such excess. If after giving effect to the prepayment of all outstanding Revolving Loans, the Lenders' Revolving Credit Exposures exceed the Line Cap then in effect, the Borrowers shall Cash Collateralize the Letters of Credit Outstanding in relation to such Class to the extent of such excess within one (1) Business Day alter the date on which the Borrower Representative receives notice of such excess.

(ii) During a Cash Dominion Period, upon the receipt of the Net Cash Proceeds from an Asset Sale Prepayment Event, the Borrowers shall, within three (3) Business Days after receipt of the Net Cash Proceeds of such Asset Sale Prepayment Event, prepay, in accordance with clause (e) below, Revolving Credit Loans with an equivalent principal amount equal to 100% of the Net Cash Proceeds from such Asset Sale Prepayment Event.

(c) [Reserved].

(d) [Reserved].

(e) Application to Revolving Credit Loans. With respect to each prepayment of Revolving Credit Loans required by Section 5.2(b), the Borrower Representative may designate (i) the Types of Loans that are to be prepaid and the specific Borrowing(s) pursuant to which made and (ii) the Revolving Loans to he prepaid, provided that (x) each prepayment shall be applied first, ratably to outstanding Swingline Loans and Unpaid Drawings, second to the prepayment of outstanding Overadvance Loans, third, to the prepayment of outstanding Tranche A Loans and fourth, to the prepayment of outstanding Tranche B Loans, (y) after giving effect to clause (x), each prepayment of any Loans made pursuant to a

Borrowing shall be applied pro rata among such Loans; and (z) notwithstanding the provisions of the preceding clauses (x) or (y), no prepayment of Revolving Loans shall be applied to the Revolving Credit Loans of any Defaulting Lender unless otherwise agreed in writing by the Borrower Representative. In the absence of a designation by the Borrower Representative as described in the preceding sentence, the Administrative Agent shall, subject to the above, make such designation in its reasonable discretion with a view, but no obligation, to minimize breakage costs owing under Section 2.11. The mandatory prepayments set forth in this Section 5.2 shall not reduce the aggregate amount of Revolving Credit Commitments and amounts prepaid may be reborrowed in accordance with the terms hereof.

5.3 Method and Place of Payment.

(a) Except as otherwise specifically provided herein, all payments under this Agreement shall be made by the Borrowers, without set-off, counterclaim or deduction of any kind, to the Administrative Agent for the ratable account of the Lenders entitled thereto (or, in the case of the Swingline Loans to the Swingline Lender) or the Letter of Credit Issuer entitled thereto, as the case may be. not later than 2:00 p.m. (New York City time), in each case, on the date when due and shall be made in immediately available funds at the Administrative Agent's Office or at such other office as the Administrative Agent shall specify for such purpose by notice to the Borrower Representative (or, in the case of the Swingline Loans, at such office as the Swingline Lender shall specify for such purpose by Notice to the Borrower Representative), it being understood that written or facsimile notice by the Borrower Representative to the Administrative Agent to make a payment from the funds in the Borrowers' account at the Administrative Agent's Office shall constitute the making of such payment to the extent of such funds held in such account. All repayments or prepayments of any Loans (whether of principal, interest or otherwise) hereunder shall be made in Dollars. The Administrative Agent will thereafter cause to be distributed on the same day (if payment was actually received by the Administrative Agent prior to 2:00 p.m. (New York City time) or, otherwise, on the next Business Day) like funds relating to the payment of principal or interest or Fees ratably to the Lenders entitled thereto.

(b) Any payments under this Agreement that are made later than 2:00 p.m. (New York City time) may be deemed to have been made on the next succeeding Business Day in the Administrative Agent's sole discretion (or, in the case of the Swingline Loans, at the Swingline Lender's sole discretion). Whenever any payment to be made hereunder shall be stated to be due on a day that is not a Business Day, the due date thereof shall be extended to the next succeeding Business Day and, with respect to payments of principal, interest shall be payable during such extension at the applicable rate in effect immediately prior to such extension.

5.4 Net Payments.

(a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes.

(i) Any and all payments by or on account of any obligation of any Credit Party hereunder or under any other Credit Document shall to the extent permitted by applicable laws be made free and clear of and without reduction or withholding for any Taxes.

(ii) If any Credit Party, the Administrative Agent or any other applicable Withholding Agent shall be required by applicable law to withhold or deduct any T axes from any payment, then (A) such Withholding Agent shall withhold or make such deductions as are reasonably determined by such Withholding Agent to be required by applicable law, (B) such Withholding Agent shall timely pay the full amount withheld or deducted to the relevant Governmental Authority, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes or Other Taxes, the sum payable by the applicable Credit Party

shall be increased as necessary so that after any required withholding or deductions have been made (including withholding or deductions applicable to additional sums payable under this Section 5.4) each Lender (or, in the case of a payment to the Administrative Agent for its own account, the Administrative Agent) receives an amount equal to the sum it would have received had no such withholding or deductions been made.

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

(c) Tax Indemnifications. Without limiting the provisions of subsection (a) or (b) above, the Borrowers shall indemnify the Administrative Agent and each Lender, and shall make payment in respect thereof within 15 days after demand therefor, for the full amount of Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section 5.4) payable by the Administrative Agent or such Lender, as the case may be, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of any such payment or liability (along with a written statement setting forth in reasonable detail the basis and calculation of such amounts) delivered to the Borrower Representative by a Lender, or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error. If the Borrower Representative reasonably believes that any such Indemnified Taxes or Other Taxes were not correctly or legally asserted, the Administrative Agent and/or each affected Lender will use reasonable efforts to cooperate with the Borrower Representative in pursuing a refund of such Indemnified Taxes or Other Taxes so long as such efforts would not, in the sole determination of the Administrative Agent or affected Lender, result in any additional costs, expenses or risks or be otherwise disadvantageous to it.

(d) Evidence of Payments. After any payment of Taxes by any Credit Party or the Administrative Agent to a Governmental Authority as provided in this Section 5.4. the Borrower Representative shall deliver to the Administrative Agent or the Administrative Agent shall deliver to the Borrower Representative, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by laws to report such payment or other evidence of such payment reasonably satisfactory to the Borrower Representative or the Administrative Agent, as the case may be.

(c) Status of Lenders and Tax Documentation.

(i) Each Lender shall deliver to the Borrower Representative and to the Administrative Agent, at such time or times reasonably requested by the Borrower Representative or the Administrative Agent, such properly completed and executed documentation prescribed by applicable laws or by the taxing authorities of any jurisdiction and such other reasonably requested information as will permit the Borrower Representative or the Administrative Agent, as the case may be, to determine (A) whether or not any payments made hereunder or under any other Credit Document are subject to Taxes, (B) if applicable, the required rate of withholding or deduction, and (C) such Lender's entitlement to any available exemption from, or reduction of, applicable Taxes in respect of any payments to be made to such Lender by any Credit Party pursuant to any Credit Document or otherwise to establish such Lender's status for withholding tax purposes in the applicable jurisdiction. Any documentation and information required to be delivered by a Lender pursuant to this Section 5.4(c) (including any specific documentation set forth in subsection (ii) below) shall be delivered by such Lender (i) on or prior to the Closing

Date (or on or prior to the date it becomes a party to this Agreement), (ii) on or before any date on which such documentation expires or becomes obsolete or invalid, (iii) after the occurrence of any change in the Lender's circumstances requiring a change in the most recent documentation previously delivered by it to the Borrower Representative and the Administrative Agent, and (iv) from time to time thereafter if reasonably requested by the Borrower Representative or the Administrative Agent, and each such Lender shall promptly notify in writing the Borrower Representative and the Administrative Agent if such Lender is no longer legally eligible to provide any documentation previously provided.

(ii) Without limiting the generality of the foregoing:

(A) any Lender that is a "United States person" within the meaning of Section 7701(a)(30) of the Code (a "**U.S. Lender**") shall deliver to the Borrower Representative and the Administrative Agent executed originals of Internal Revenue Service Form W-9 or such other documentation or information prescribed by applicable laws or reasonably requested by the Borrower Representative or the Administrative Agent as will enable the Borrower Representative or the Administrative Agent, as the case may be, to determine whether or not such Lender is subject to backup) withholding or information reporting requirements;

(B) each Non-U.S. Lender that is entitled under the Code or any applicable treaty to an exemption from or reduction of U.S. federal withholding tax with respect to any payments hereunder or under any other Credit Document shall deliver to the Borrower Representative and the Administrative Agent (in such number of copies as shall be requested by the recipient) whichever of the following is applicable:

(1) executed originals of Internal Revenue Service Form W-8BEN (or any successor form thereto) claiming eligibility for benefits of an income tax treaty to which the United States is a party;

(2) executed originals of Internal Revenue Service Form W-8ECI (or any successor form thereto);

(3) in the case of a Non-U.S. Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate, substantially in the form of Exhibit J-1, J-2, J-3 or J-4, as applicable, (a "**Non-Bank Tax Certificate**"), to the effect that such Non-U.S. Lender is not (A) a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (B) a "10 percent shareholder" of a Borrower within the meaning of Section 881(c)(3)(B) of the Code, or (C) a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code and that no payments under any Credit Document are effectively connected with such Non-U.S. Lender's conduct of a United States trade or business and (y) executed originals of Internal Revenue Service Form W-8BEN (or any successor thereto);

(4) where such Lender is a partnership (for U.S. federal income tax purposes) or otherwise not a beneficial owner (e.g., where such Lender has sold a participation), IRS Form W-8IMY (or any successor thereto) and all required supporting documentation (including, where one or more of the underlying beneficial

owner(s) is claiming the benefits of the portfolio interest exemption, a Non-Bank Tax Certificate of such beneficial owner(s)) (provided that, if the Non-U.S. Lender is a partnership and not a participating Lender, the Non-Bank Tax Certificate(s) may be provided by the Non-U.S. Lender on behalf of the direct or indirect partner(s)); or

(5) executed originals of any other form prescribed by applicable laws as a basis for claiming exemption from or a reduction in United States federal withholding tax together with such supplementary documentation as may be prescribed by applicable laws to permit the Borrower Representative or the Administrative Agent to determine the withholding or deduction required to be made;

(C) if a payment made to a Lender under any Credit Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower Representative and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower Representative or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower Representative or the Administrative Agent as may be necessary for the Borrower Representative and the Administrative Agent to comply with their obligations under FATCA, to determine whether such Lender has complied with such Lender's obligations under FATCA or to determine the amount, if any, to deduct and withhold from such payment. Solely for purposes of this clause (C), FATCA shall include any amendments made to FATCA after the date of this Agreement; and

(D) If the Administrative Agent is a "United States person" (as defined in Section 7701(a)(30) of the Code), it shall provide the Company with two duly completed original copies of Internal Revenue Service Form W-9. If the Administrative Agent is not a "United States person" (as defined in Section 7701(a)(30) of the Code), it shall provide (I) Internal Revenue Service Form W-8ECI with respect to payments to be received by it as a beneficial owner and (2) Internal Revenue Service Form W-8IMY (together with required accompanying documentation) with respect to payments to be received by it on behalf of the Lenders.

(iii) Notwithstanding anything to the contrary in this Section 5.4, no Lender or the Administrative Agent shall be required to deliver any documentation that it is not legally eligible to deliver.

(f) Treatment of Certain Refunds. If the Administrative Agent or any Lender determines, in its sole discretion exercised in good faith, that it has received a refund of any Indemnified Taxes or Other Taxes as to which it has been indemnified by any Credit Party or with respect to which any Credit Party has paid additional amounts pursuant to this Section 5.4, the Administrative Agent or such Lender (as applicable) shall promptly pay to the Borrowers an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by the Credit Parties under this Section 5.4 with respect to the Indemnified Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket

expenses (including any Taxes) incurred by the Administrative Agent or such Lender, as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); provided that the Borrowers, upon the request of the Administrative Agent or such Lender, agree to repay the amount paid over to the Borrowers (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent or such Lender in the event the Administrative Agent or such Lender is required to repay such refund to such Governmental Authority. In such event, the Administrative Agent or such Lender, as the case may be, shall, at the Borrower Representative's request, provide the Borrower Representative with a copy of any notice of assessment or other evidence of the requirement to repay such refund received from the relevant taxing authority (provided that the Administrative Agent or such Lender may delete any information therein that it deems confidential). This subsection shall not be construed to require the Administrative Agent or any Lender to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to any Credit Party or any other Person.

(g) For the avoidance of doubt, for purposes of this Section 5.4. the term Lender includes the Letter of Credit Issuer and the Swingline Lender and the term "applicable law" includes FATCA.

(h) Each party's obligations under this Section 5.4 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under the Credit Documents.

5.5 Computations of Interest and Fees.

(a) Except as provided in the next succeeding sentence, interest on Term SOFR Rate Loans shall be calculated on the basis of a 360-day year for the actual days elapsed. Interest on ABR Loans shall be calculated on the basis of a 365- (or 366-, as the case may be) day year for the actual days elapsed.

(b) Fees and the average daily Stated Amount of Letters of Credit shall be calculated on the basis of a 360-day year for the actual days elapsed.

5.6 Limit on Rate of Interest.

(a) No Payment Shall Exceed Lawful Rate. Notwithstanding any other term of this Agreement, the Borrowers shall not be obliged to pay any interest or other amounts under or in connection with this Agreement or otherwise in respect of the Obligations in excess of the amount or rate permitted under or consistent with any applicable law, rule or regulation.

(b) Payment at Highest Lawful Rate. If the Borrowers are not obliged to make a payment that they would otherwise be required to make, as a result of Section 5.6(a), the Borrowers shall make such payment to the maximum extent permitted by or consistent with applicable laws, rules, and regulations.

(c) Adjustment if Any Payment Exceeds Lawful Rate. If any provision of this Agreement or any of the other Credit Documents would obligate the Borrowers to make any payment of interest or other amount payable to any Lender in an amount or calculated at a rate that would be prohibited by any applicable law, rule or regulation, then notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law, such adjustment to be effected, to the extent necessary, by reducing the amount or rate of interest required to be paid by the Borrowers to the affected

Lender under Section 2.8; provided that to the extent lawful, the interest or other amounts that would have been payable but were not payable as a result of the operation of this Section shall be cumulated and the interest payable to such Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount together with interest thereon at the Federal Funds Effective Rate to the date of repayment, shall have been received by such Lender.

Notwithstanding the foregoing, and after giving effect to all adjustments contemplated thereby, if any Lender shall have received from the Borrowers an amount in excess of the maximum permitted by any applicable law, rule or regulation, then the Borrowers shall be entitled, by notice in writing to the Administrative Agent to obtain reimbursement tom that Lender in an amount equal to such excess, and pending such reimbursement, such amount shall be deemed to be an amount payable by that Lender to the Borrowers.

Section 6. Conditions Precedent to Initial Borrowing

The initial Borrowing under this Agreement is subject to the satisfaction of the following conditions precedent, except as otherwise agreed between the Company and the Administrative Agent.

6.1 Credit Documents.

The Administrative Agent (or its counsel) shall have received:

(a) this Agreement, executed and delivered by a duly Authorized Officer of Holdings and the Company:

(b) the Guarantee, executed and delivered by a duly Authorized Officer of Holdings;

(c) the Pledge Agreement, executed and delivered by a duly Authorized Officer of each of Holdings and the Company;

(d) the Security Agreement, executed and delivered by a duly Authorized Officer of each of Holdings and the Company; and

(e) the ABL/Term Intercreditor Agreement, executed and delivered by the parties thereto.

6.2 Collateral. Except for any items referred to on Schedule 9.14(d):

(a) All outstanding equity interests in whatever form of each Borrower and each Restricted Subsidiary that is directly owned by or on behalf of any Credit Party and required to be pledged pursuant to the Security Documents shall have been pledged pursuant thereto;

(b) The Collateral Agent shall have received the certificates representing securities of the Borrowers and of each Credit Party's Wholly Owned Restricted Subsidiaries to the extent required to be delivered under the Security Documents and pledged under the Security Documents to the extent certificated, accompanied by instruments of transfer and undated stock powers endorsed in blank; and

(c) All Uniform Commercial Code financing statements, reasonably requested by the Collateral Agent to be filed, registered or recorded to create the Liens intended to be created by any Security Document and perfect such Liens to the extent required by, and with the priority

required by, such Security Document shall have been delivered to the Collateral Agent for filing, registration or recording;

provided that each of the requirements set forth in this Section 6.2, except to the extent that a Lien on such Collateral may he perfected solely (x) by the filing of a financing statement under the Uniform Commercial Code or (y) by the delivery of stock certificates or other certificates, if any, of the Equity Interests of the Company to the extent possession of such stock certificates or other certificates perfects a security interest therein) shall not constitute conditions precedent to the initial Borrowing on the Closing Date after the Company's use of commercially reasonable efforts to provide such items on or prior to the Closing Date or without undue burden or expense if the Company agrees to deliver, or cause to be delivered, such documents and instruments, or take or cause to be taken such other actions as may be required to perfect such security interests within 90 days after the Closing Date (subject to extensions approved by the Administrative Agent in its reasonable discretion).

6.3 Legal Opinions. The Administrative Agent (or its counsel) shall have received the executed legal opinions, in customary form, of Kirkland & Ellis LLP, special New York counsel to the Credit Parties, and Proskauer Rose LLP, special Massachusetts counsel to the Credit Parties. Holdings and the Company hereby instruct and agree to instruct the other Credit Parties to have such counsel deliver such legal opinions.

6.4 Equity Investments. Equity Investments, which, to the extent constituting Capital Stock other than common Capital Stock, shall be on terms and conditions and pursuant to documentation reasonably satisfactory to the Joint Lead Arrangers and Bookrunners to the extent material to the interests of the Lenders, in an amount not less than the Minimum Equity Amount shall have been made.

6.5 Closing Certificates. The Administrative Agent (or its counsel) shall have received a certificate of each of Holdings and the Company, dated the Closing Date, substantially in the form of Exhibit E, with appropriate insertions, executed by the President or any Vice President and the Secretary or any Assistant Secretary of Holdings or the Company, as applicable, and attaching the documents referred to in Section 6-6.

6.6 Authorization of Proceedings of Holdings and the Company; Corporate Documents. The Administrative Agent shall have received (i) a copy of the resolutions of the board of directors or other managers of Holdings and the Company (or a duly authorized committee thereof) authorizing (a) the execution, delivery, and performance of the Credit Documents (and any agreements relating thereto) to which it is a party and (b) in the case of the Company, the extensions of credit contemplated hereunder, (ii) the Certificate of Incorporation and By-Laws, Certificate of Formation and Operating Agreement or other comparable Organizational Documents, as applicable, of Holdings and the Company, and (iii) signature and incumbency certificates (or other comparable documents evidencing the same) of the Authorized Officers of Holdings and the Company executing the Credit Documents to which it is a party.

6.7 Fees. The Agents and Lenders shall have received, substantially simultaneously with the funding of the First Lien Term Loans and Second Lien Loans, fees and, to the extent invoiced at least three business days prior to the Closing Date (except as otherwise reasonably agreed by the Borrower Representative) expenses in the amounts previously agreed in writing to be received on the Closing Date (which amounts may, at the Borrower Representative's option, be offset against the proceeds of the First Lien Term Loans).

6.8 Representations and Warranties. On the Closing Date, the Acquired Company Representations and the Specified Representations shall be true and correct in all material respects.

6.9 Solvency Certificate. On the Closing Date, the Administrative Agent shall have received a certificate from the Chief Executive Officer, President, the Chief Financial Officer, the Treasurer, the Vice President-Finance, a Director, a Manager, or any other senior financial officer of the Borrower Representative to the effect that after giving effect to the consummation of the Transactions, the Company, together with the Restricted Subsidiaries on a consolidated basis, is Solvent.

6.10 Acquisition. Substantially concurrently with the initial Credit Event hereunder, the Acquisition shall have been consummated in all material respects in accordance with the terms of the Acquisition Agreement (or the Joint Lead Arrangers and Bookrunners shall be reasonably satisfied with the arrangements in place for the consummation of the Acquisition reasonably promptly after the initial Credit Event hereunder and shall have received confirmation from representatives of the Company that such actions shall be taken promptly after the initial Credit Event hereunder).

6.11 Patriot Act. The Joint Lead Arrangers and Bookrunners shall have received such documentation and information as is reasonably requested in writing at least ten days prior to the Closing Date by the Administrative Agent about Holdings, the Borrowers and the other Guarantors to the extent the Administrative Agent and Holdings in good faith mutually agree is required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the Patriot Act.

6.12 Pro Forma Balance Sheet. The Joint Lead Arrangers shall have received a pro forma consolidated balance sheet and related pro forma consolidated statements of operations (collectively, the "**Pro Forma Financial Statements**") of the Company as of and for the twelve-month period ending October 27, 2013, prepared after giving effect to the Transactions as if the Transactions had occurred as of such date (in the case of such balance sheet) or at the beginning of such period (in the case of such other statements of income), which need not be prepared in compliance with Regulation S-X of the Securities Act of 1933, as amended, or include adjustments for purchase accounting (including adjustments of the type contemplated by ASC 805).

6.13 Financial Statements. The Joint Lead Arrangers and Bookrunners shall have received the Historical Financial Statements.

6.14 No Company Material Adverse Effect. Since December 23, 2013, there shall not have occurred any Company Material Adverse Effect.

6.15 Refinancing. After giving effect to the Transactions, the Company and its Restricted Subsidiaries shall have no material outstanding Indebtedness other than Indebtedness hereunder, under the First Lien Term Facility, under the Second Lien Facility or Indebtedness permitted to be incurred and remain outstanding under the Acquisition Agreement or the Credit Documents.

6.16 Initial Borrowing Base Certificate. The Administrative Agent shall have received the initial Borrowing Base Certificate meeting the requirements hereof.

6.17 Notice of Borrowing; Letter of Credit Request.

(a) Prior to the making of any Revolving Credit Loan and any Swingline Loan on the Closing Date, the Administrative Agent shall have received a Notice of Borrowing meeting the requirements of Section 2.3.

(b) Prior to the issuance of any Letter of Credit on the Closing Date, the Administrative Agent and the Letter of Credit Issuer shall have received a Letter of Credit Request meeting the requirements of Section 3.2(a).

(c) After giving effect to any requested Credit Event on the Closing Date, the aggregate Revolving Credit Exposure does not exceed the Line Cap.

For purposes of determining compliance with the conditions specified in Section 6 on the Closing Date, 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 Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

Section 7. Conditions Precedent to All Credit Events after the Closing Date.

The agreement of each Lender to make any Loan requested to be made by it on any date after the Closing Date (excluding Mandatory Borrowings and Revolving Credit Loans required to be made by the Lenders in respect of Unpaid Drawings pursuant to Sections 3.3 and 3.4) and the obligation of the Letter of Credit Issuer to issue Letters of Credit on any date after the Closing Date is subject to the satisfaction (or waiver) of the following conditions precedent:

7.1 No Default; Representations and Warranties. At the time of each Credit Event and also after giving effect thereto (a) no Default or Event of Default shall have occurred and be continuing and (b) all representations and warranties made by any Credit Party contained herein or in the other Credit Documents shall be true and correct in all material respects with the same effect as though such representations and warranties had been made on and as of the date of such Credit Event (except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date).

7.2 Notice of Borrowing; Letter of Credit Request.

(a) Prior to the making of each Revolving Credit Loan (other than any Revolving Credit Loan made pursuant to Section 3.4(a)) and each Swingline Loan, the Administrative Agent shall have received a Notice of Borrowing meeting the requirements of Section 2.3.

(b) Prior to the issuance of each Letter of Credit, the Administrative Agent and the Letter of Credit Issuer shall have received a Letter of Credit Request meeting the requirements of Section 3.2(a).

(c) After giving effect to any requested Credit Event, the aggregate Revolving Credit Exposure docs not exceed the Line Cap.

The acceptance of the benefits of each Credit Event shall constitute a representation and warranty by each Credit Party to each of the Lenders that all the applicable conditions specified in Section 7 above have been satisfied as of that time.

Section 8. Representations and Warranties

In order to induce the Lenders to enter into this Agreement, to make the Loans and issue or participate in Letters of Credit as provided for herein, the Company makes the following representations and warranties to the Lenders, all of which shall survive the execution and delivery of this Agreement and the making of the Loans and the issuance of the Letters of Credit (it being understood that the following

representations and warranties shall be deemed made with respect to any Foreign Subsidiary only to the extent relevant under applicable law); provided that, on the Closing Date, each such Person's representations under this Section 8 and warranties shall be limited to the Specified Representations:

8.1 Corporate Status. Each Credit Party (a) is a duly organized and validly existing corporation, limited liability company or other entity in good standing (if applicable) under the laws of the jurisdiction of its organization and has the corporate, limited liability company or other organizational power and authority to own its property and assets and to transact the business in which it is engaged and (b) has duly qualified and is authorized to do business and is in good standing (if applicable) in all jurisdictions where it is required, to be so qualified, except where the failure to be so qualified could not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

8.2 Corporate Power and Authority. Each Credit Party has the corporate or other organizational power and authority to execute, deliver and carry out the terms and provisions of the Credit Documents to which it is a party and has taken all necessary corporate or other organizational action to authorize the execution, delivery and performance of the Credit Documents to which it is a party. Each Credit Party has duly executed and delivered each Credit Document to which it is a party and each such Credit Document constitutes the legal, valid, and binding obligation of such Credit Party enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and subject to general principles of equity.

8.3 No Violation. Neither the execution, delivery or performance by any Credit Party of the Credit Documents to which it is a party nor compliance with the terms and provisions thereof nor the consummation of the Acquisition and the other transactions contemplated hereby or thereby will (a) contravene any applicable provision of any material law, statute, rule, regulation, order, writ, injunction or decree of any court or governmental instrumentality that would, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect or (b) violate any provision of the certificate of incorporation, by laws, articles or other Organizational Documents of such Credit Party or any of the Restricted Subsidiaries.

8.4 Litigation. There are no actions, suits or proceedings pending or, to the knowledge of the Company, threatened in writing against the Company or any of the Restricted Subsidiaries that would, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

8.5 Margin Regulations. Neither the making of any Loan hereunder nor the use of the proceeds thereof will violate the provisions of Regulation T, U or X of the Board.

8.6 Governmental Approvals. The execution, delivery and performance of each Credit Document does not require any consent or approval of, registration or filing with, or other action by, any Governmental Authority, except for (i) such as have been obtained or made and are in full force and effect, (ii) filings, consents, approvals, registrations and recordings in respect of the Liens created pursuant to the Security Documents (and to release existing Liens), and (iii) such licenses, approvals, authorizations, registrations, filings or consents the failure of which to obtain or make could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

8.7 Investment Company Act. None of Holdings, the Borrowers, or any other Restricted Subsidiary is required to be registered as an "investment company" under the Investment Company Act of 1940, as amended.

8.8 True and Complete Disclosure.

(a) None of the written factual information and written data (taken as a whole) heretofore or contemporaneously furnished by or on behalf of the Company or any of its Restricted Subsidiaries or any of their respective authorized representatives to the Administrative Agent, any Joint Lead Arranger, and/or any Lender on or before the Closing Date (including all such written information and data contained in (i) the Confidential Information Memorandum (as updated prior to the Closing Date) concerning the Company and its Subsidiaries and (ii) the Credit Documents) for purposes of or in connection with this Agreement or any transaction contemplated herein contained any untrue statement of any material fact or omitted to state any material fact necessary to make such information and data (taken as a whole) not materially misleading at such time in light of the circumstances under which such information or data was furnished (after giving effect to all supplements and updates), it being understood and agreed that for purposes of this Section 8.8(a), such factual information and data shall not include pro forma financial information, projections, estimates (including financial estimates, forecasts, and other forward-looking information) or other forward looking information and information of a general economic or general industry nature.

(b) The projections (including financial estimates and forecasts) contained in the information and data referred to in paragraph (a) above were based on good faith estimates and assumptions believed by such Persons to be reasonable at the time made, it being recognized by the Lenders that such projections as to future events are not to be viewed as facts or a guarantee of performance, are subject to significant uncertainties and contingencies, many of which are beyond the control of the Company and its Subsidiaries and that actual results during the period or periods covered by any such projections may differ from the projected results and such differences may be material.

8.9 Financial Condition; Financial Statements.

(a) (i) The Historical Financial Statements and (ii) the unaudited consolidated financial statement of the Acquired Company and Operating Companies, consisting of the unaudited consolidated balance sheet of the Acquired Company and Operating Companies as of December 29, 2013, and the related unaudited consolidated statements of income, changes in stockholders' equity and cash flows for the twelve month period ending on December 29, 2013, in each case present fairly in all material respects the consolidated financial position of the Acquired Company and the Operating Companies at the respective dates of said information, statements and results of operations for the respective periods covered thereby, The Pro Forma Financial Statements, copies of which have heretofore been furnished to the Administrative Agent, have been prepared based on the Historical Financial Statements and have been prepared in good faith, based on assumptions believed by the Company to be reasonable as of the date of delivery thereof, and present fairly in all material respects on a Pro Forma Basis the estimated financial position of Borrower and its Subsidiaries as at October 27, 2013 (as it the Transactions had been consummated on such date) and their estimated results of operations as if the Transactions had been consummated on October 27, 2013. The financial statements referred to in clause (a)(ii) of this Section 8.9 have been prepared in accordance with GAAP consistently applied except to the extent provided in the notes to said financial statements.

(b) There has been no Material Adverse Effect since the Closing Date.

Each Lender and the Administrative Agent hereby acknowledges and agrees that the Company and its Subsidiaries may be required to restate historical financial statements as the result of the implementation of changes in GAAP or IFRS, or the respective interpretation thereof, and that such restatements will not result in a Default or an Event of Default under the Credit Documents.

8.10 Compliance with Laws. Each Credit Party is in compliance with all Requirements of Law applicable to it or its property, except where the failure to be so in compliance could not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

8.11 Tax Matters. Except as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (a) the Company and each of the Restricted Subsidiaries has filed all Tax returns required to be filed by it and has timely paid all Taxes payable by it (whether or not shown on a Tax return and including in its capacity as withholding agent) that have become due, other than those being contested in good faith and by proper proceedings if it has maintained adequate reserves (in the good faith judgment of management of the Company or such Restricted Subsidiary, as applicable) with respect thereto in accordance with GAAP and (b) each of the Company and each of the Restricted Subsidiaries has paid, or has provided adequate reserves (in the good faith judgment of management of the Company or such Restricted Subsidiary, as applicable) in accordance with GAAP for the payment of all Taxes not yet due and payable. There is no current or proposed Tax assessment, deficiency or other claim against the Company or any Restricted Subsidiary that would reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

8.12 Compliance with ERISA. Except as could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect, no ERISA Event has occurred or is reasonably expected to occur.

8.13 Subsidiaries. Schedule 8.13 lists each Subsidiary of Holdings and the Company, in each case, existing on the Closing Date, after giving effect to the Transactions.

8.14 Intellectual Property. Each of the Company and the Restricted Subsidiaries owns or has the right to use all Intellectual Property that is used in or otherwise necessary for the operation of their respective businesses as currently conducted, except where the failure of the foregoing could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect. The operation of their respective businesses by the Company and the Restricted Subsidiaries docs not infringe upon, misappropriate, violate or otherwise conflict with the Intellectual Property of any third party, except as could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

8.15 Environmental Laws.

(a) Except as set forth on Schedule 8.15, or as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect: (i) each of the Company and the Restricted Subsidiaries and their respective operations and properties are in compliance with all applicable Environmental Laws; (ii) none of the Company nor any Restricted Subsidiary has received written notice of any Environmental Claim; (iii) none of the Company or any Restricted Subsidiary is conducting any investigation, removal, remedial or other corrective action pursuant to any Environmental Law at any location; and (iv) to the knowledge of the Borrower Representative, no underground or above ground storage tank or related piping, or any impoundment or other disposal area containing Hazardous Materials is located at, on or under any Real Estate currently owned or leased by the Company or any of the Restricted Subsidiaries.

(b) Except as set forth on Schedule 8.15, none of the Company or any of the Restricted Subsidiaries has treated, stored, transported, Released or arranged for disposal or transport for disposal or treatment of Hazardous Materials at, on, under or from any currently or, formerly owned or operated property nor, to the knowledge of the Borrower Representative, has there been any other Release of

Hazardous Materials at, on, under or from any such properties, in each case, in a manner that would reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

8.16 Properties.

(a) Each of the Company and the Restricted Subsidiaries has good and valid record title to, valid leasehold interests in, or rights to use, all properties that are necessary for the operation of their respective businesses as currently conducted and as proposed to be conducted, free and clear of all Liens (other than any Liens permitted by this Agreement) and except where the failure to have such good title or interest could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect and (b) no Mortgage encumbers improved Real Estate that is located in an area that has been identified by the Secretary of Housing and Urban Development as an area having special flood hazards within the meaning of the National Flood Insurance Act of 1968, as amended, unless flood insurance available under such Act has been obtained in accordance with Section 9.3(b).

(b) As of the Closing Date, no Credit Party owns any real property having a Fair Market Value in excess of $5,000,000.

(c) Schedule 8.16(c) sets forth all leases or subleases of real property by any Credit Party in effect as of the Closing Date.

8.17 Solvency. On the Closing Date (after giving effect to the Transactions, including the making of the First Lien Term Loans and the Second Lien Loans) immediately following the making of the Loans and after giving effect to the application of the proceeds of such Loans, the Company on a consolidated basis with the Restricted Subsidiaries will be Solvent.

8.18 Patriot Act. On the Closing Date, the use of proceeds of the Loans will not be used by Holdings, the Company and its Subsidiaries in violation of the PATRIOT Act in any material respect.

8.19 Security Interest in Collateral. Subject to the terms of the last paragraph of Section 6.2, the provisions of this Agreement and the other Credit Documents create legal, valid, and enforceable Liens on all of the Collateral in favor of the Collateral Agent, for the benefit itself and the other Secured Parties, subject, as to enforceability, to applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally and to general principles of equity and principles of good faith and dealing (provided that, with respect to the creation and perfection of security interests with respect to Indebtedness, Capital Stock and Stock Equivalents of Foreign Subsidiaries, only to the extent enforceability of such obligation with respect to which Capital Stock and Stock Equivalents of Foreign Subsidiaries is governed by the Uniform Commercial Code), and upon the making of such filings and taking of such other actions required to be taken hereby or by the applicable Credit Documents (including the filing of appropriate financing statements with the office of the Secretary of State of the state of organization of each Credit Party, the filing of appropriate notices with the U.S. Patent and Trademark Office and the U.S. Copyright Office, and the proper recordation of Mortgages and fixture filings with respect to any Mortgaged Property, in each case in favor of the Collateral Agent for the benefit of the Secured Parties and the delivery to the Collateral Agent of any stock certificates or promissory notes required to be delivered pursuant to the applicable Credit Documents), such Liens constitute perfected and continuing Liens on the Collateral of the type required by the Security Documents securing the Obligations to the extent such Liens may be perfected by such filings and the taking of such other actions.

8.20 Anti-Terrorism Laws.

(a) To the extent applicable, each of Holdings, the Borrower and its Subsidiaries is in compliance, in all material respects, with the Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto.

(b) No part of the proceeds of the Loans will be used by Holdings, the Company or any of their Subsidiaries, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain retain or direct business obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended.

(c) None of Holdings, the Company or any Restricted Subsidiary nor, to the knowledge of the Borrower Representative, any director, officer or employee of Holdings, the Company or any Restricted Subsidiary, (i) is a person on the list of "*Specially Designated Nationals and Blocked Persons*" or (ii) is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("OFAC"); and the Borrower will not directly or indirectly use the proceeds of the Loans or otherwise knowingly make available such proceeds to any Person, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

8.21 Borrowing Base Certificates. The information set forth in each Borrowing Base Certificate is true and correct in all material respects and has been prepared in all material respects in accordance with the requirements of this Agreement.

Section 9. Affirmative Covenants.

The Company hereby covenants and agrees that on the Closing Date and thereafter, until the Commitments, the Swingline Commitment and each Letter of Credit have terminated or been Cash Collateralized in accordance with the terms of this Agreement and the Loans and Unpaid Drawings, together with interest, Fees and all other Obligations incurred hereunder (other than contingent indemnity obligations, Secured Hedge Obligations and Secured Cash Management Obligations and Letters of Credit Cash Collateralized in accordance with the terms of this Agreement), are paid in full:

9.1 Information Covenants. The Borrower Representative will furnish to the Administrative Agent (which shall promptly make such information available to the Lenders in accordance with its customary practice):

(a) Annual Financial Statements. As soon as available and in any event within five days after the date on which such financial statements are required to be filed with the SEC (after giving effect to any permitted extensions) (or, if such financial statements are not required to be filed with the SEC, on or before the date that is 90 days after the end of each such fiscal year (120 days in the case of fiscal years 2013 and 2014), the consolidated balance sheets of the Company and the Restricted Subsidiaries as at the end of such fiscal year, and the related consolidated statements of operations and cash flows for such fiscal year, and commencing with fiscal year 2015, setting forth comparative consolidated figures for the preceding fiscal years, all in reasonable detail (together with customary management discussion and analysis) and prepared in accordance with GAAP, and, in each case, certified by independent certified public accountants of recognized national standing whose opinion shall not be qualified as to the scope of audit or as to the status of the Company or any of the Material Subsidiaries (or group of Subsidiaries that together would constitute a Material Subsidiary) as a going concern (other than any exception, explanatory paragraph or qualification, that is expressly solely with respect to, or expressly

resulting solely from, (i) an upcoming maturity date under any Indebtedness of the Company and its Subsidiaries occurring within one year from the time such opinion is delivered or (ii) any potential inability to satisfy a financial maintenance covenant on a future date or in a future period); provided, that if at the end of any applicable fiscal year there are any Unrestricted Subsidiaries, Borrower Representative shall also furnish the related consolidating balance sheets of the Company and the Restricted Subsidiaries as at the end of such fiscal year, and the related consolidating statements of operations and cash flows for such fiscal year, in each case, reflecting the adjustments necessary to eliminate such Unrestricted Subsidiaries from the consolidated balance sheets of the Company and the Restricted Subsidiaries as at the end of such fiscal year, and the related consolidated statements of operations and cash flows for such fiscal year; provided further, that no such consolidating financial statements provided hereunder shall be required to be audited.

(b) Quarterly Financial Statements. As soon as available and in any event within five days after the date on which such financial statements are required to be filed with the SEC (after giving effect to any permitted extensions) with respect to each of the first three quarterly accounting periods in each fiscal year of the Company (or, if such financial statements are not required to be filed with the SEC, on or before the date that is 45 days after the end of each such quarterly accounting period (60 days for the first three fiscal quarters ending after the Closing Date)), the consolidated balance sheets of the Company and the Restricted Subsidiaries as at the end of such quarterly period and the related consolidated statements of operations for such quarterly accounting period and for the elapsed portion of the fiscal year ended with the last day of such quarterly period, and the related consolidated statement of cash flows for such quarterly accounting period and for the elapsed portion of the fiscal year ended with the last day of such quarterly period, and commencing with the quarter ending June 30, 2015 setting forth comparative consolidated figures for the related periods in the prior fiscal year or, in the case of such consolidated balance sheet, for the last day of the related period in the prior fiscal year, all of which shall be certified by an Authorized Officer of the Company as fairly presenting in all material respects the financial condition, results of operations and cash flows of the Company and its Restricted Subsidiaries in accordance with GAAP (except as noted therein), subject to changes resulting from normal year-end adjustments and the absence of footnotes.

(c) Budgets. Within 90 days (120 days in the case of fiscal year 2015) after the commencement of each fiscal year of the Company beginning with fiscal year 2015, a budget of the Company in reasonable detail on a quarterly basis for such fiscal year as customarily prepared by management of the Company for its internal use consistent in scope with the financial statements provided pursuant to Section 9.1(a), setting forth the principal assumptions upon which such budget is based (collectively, the "**Projections**"), which Projections shall in each case be accompanied by a certificate of an Authorized Officer of the Company stating that such Projections have been prepared in good faith on the basis of the assumptions stated therein, which assumptions were based on good faith estimates and assumptions believed by such Persons to be reasonable at the time of preparation of such Projections, it being recognized by the Lenders that such Projections and assumptions as to future events are not to be viewed as facts or a guarantee of performance, are subject to significant uncertainties and contingencies, many of which are beyond the control of the Company and its Subsidiaries and that actual results during the period or periods covered by any such Projections may differ from the projected results and such differences may be material.

(d) Officer's Certificates. Not later than five days after the delivery of the financial statements provided for in Sections 9.1(a) and (b), a certificate of an Authorized Officer of the Company to the effect that no Event of Default exists or, if any Event of Default does exist,

specifying the nature and extent thereof, as the case may be, which certificate shall set forth (i) a specification of any change in the identity of the Restricted Subsidiaries and Unrestricted Subsidiaries as at the end of such fiscal year or period, as the case may be, from the Restricted Subsidiaries and Unrestricted Subsidiaries, respectively, provided to the; Lenders on the Closing Date or the most recent fiscal year or period, as the case may be and (ii) a reasonably detailed calculation of the Fixed Charge Coverage Ratio and, to the extent then applicable, compliance with the provisions of Section 10.11. At the time of the delivery of the financial statements provided for in Section 9.1(a), a certificate of an Authorized Officer of the Company setting forth changes to the legal name, jurisdiction of formation, type of entity and organizational number (or equivalent) to the Person organized in a jurisdiction where an organizational identification number is required to be included in a Uniform Commercial Code financing statement, in each case for each Credit Party or confirming that there has been no change in such information since the Closing Date or the date of the most recent certificate delivered pursuant to this clause (d), as the case may be.

(c) Notice of Events of Default or Litigation. Promptly after an Authorized Officer of the Company or any of the Restricted Subsidiaries obtains knowledge thereof, notice of (i) the occurrence of any event that constitutes an Event of Default, which notice shall specify the nature thereof, the period of existence thereof and what action the Company proposes to take with respect thereto, (ii) any litigation or governmental proceeding pending against the Company or any of the Subsidiaries that would reasonably be expected to be determined adversely and, if so determined, to result in a Material Adverse Effect, (iii) any judgment or decree entered against (or judgment lien on the assets of) the Credit Parties involving a liability of $1,000,000 or more and (iv) any litigation or governmental proceeding pending against the Company or any of the Restricted Subsidiaries that would reasonably be expected to be determined adversely and, if so determined, would result in a liability of $1,000,000 or more.

(f) Environmental Matters. Promptly after an Authorized Officer of the Company or any of the Restricted Subsidiaries obtains knowledge of any one or more of the following environmental matters, unless such environmental matters could not reasonably be expected to result in a Material Adverse Effect, notice of:

(i) any pending or threatened Environmental Claim against any Credit Party or any Real Estate; and

(ii) the conduct of any investigation, or any removal, remedial or other corrective action in response to the actual or alleged presence, Release or threatened Release of any Hazardous Material on, at, under or from any Real Estate.

All such notices shall describe in reasonable detail the nature of the claim, investigation or removal, remedial or other corrective action in response thereto. The term "**Real Estate**" shall mean land, buildings, facilities and improvements owned or leased by any Credit Party.

(g) Other Information. Promptly upon filing thereof, copies of any filings (including on Form 10-K, 10-Q or 8-K) or registration statements with, and reports to, the SEC or any analogous Governmental Authority in any relevant jurisdiction by the Company or any of the Restricted Subsidiaries (other than amendments to any registration statement (to the extent such registration statement, in the form it becomes effective, is delivered to the Administrative Agent), exhibits to any registration statement and, if applicable, any registration statements on Form S-8) and copies of all financial statements, proxy statements, notices, and reports that the Company or any of the Restricted Subsidiaries shall send to the holders of any publicly issued debt of the

Company and/or any of the Restricted Subsidiaries, in their capacity as such holders, lenders or agents (in each case to the extent not theretofore delivered to the Administrative Agent pursuant to this Agreement) and, with reasonable promptness, such other information (financial or otherwise) as the Administrative Agent on its own behalf or on behalf of any Lender (acting through the Administrative Agent) may reasonably request in writing from time to time; provided, that none of the Company nor any Restricted Subsidiary will be required to disclose or permit the inspection or discussion of, any document, information or other matter (i) that constitutes non-financial trade secrets or non-financial proprietary information, (ii) in respect of which disclosure to the Administrative Agent or any Lender (or their respective contractors) is prohibited by law, or any binding agreement or (iii) that is subject to attorney client or similar privilege or constitutes attorney work product.

Notwithstanding the foregoing, the obligations in clauses (a) and (b) of this Section 9.1 may be satisfied with respect to financial information of the Company and the Restricted Subsidiaries by furnishing (A) the applicable financial statements of the Borrowers or any direct or indirect parent of the Company or (B) the Company's (or any direct or indirect parent thereof), as applicable, Form 10-K or 10-Q, as applicable, filed with the SEC; provided that, with respect to each of subclauses (A) and (B) of this paragraph, to the extent such information relates to a parent of the Company, such information is accompanied by consolidating or other information that explains in reasonable detail the differences between the information relating to such parent, on the one hand, and the information relating to the Company and the Restricted Subsidiaries on a standalone basis, on the other hand.

(h) Borrowing Base Certificates. The Borrower Representative will furnish to the Administrative Agent a certificate in the form of Exhibit N (a "Borrowing Base Certificate") showing the Borrowing Base, each Borrowing Base Certificate to be certified as complete and correct in all material respects on behalf of the Borrower Representative by a Financial Officer of the Borrower Representative, as follows:

(i) on the 20th day of each month (the "Borrowing Base Delivery Date"), the Borrower Representative shall furnish a Borrowing Base Certificate as of the close of business on the immediately preceding calendar month;

(ii) more frequently (but not more frequently than weekly) as shall be reasonably determined by the Administrative Agent during the Accelerated Borrowing Base Delivery Period, the Borrower Representative shall furnish a Borrowing Base Certificate by a subsequent date reasonably determined by the Administrative Agent;

(iii) at any time any Overadvance Loans are outstanding, Borrower Representative may deliver Borrowing Base Certificates more frequently than monthly (as required by clause (h)(i)), but not more frequently than weekly unless otherwise agreed by the Administrative Agent, and the Borrowing Base shall be computed upon the Administrative Agent's receipt of such Borrowing Base Certificate; provided, that Borrowers shall then be required to maintain the frequency of delivery of such Borrowing Base Certificates for the immediately following thirty (30) day period; and

(iv) upon any Asset Sale of ABL Priority Collateral included in the Borrowing Base, if the Net Cash Proceeds thereof are in excess of $2,500,000, the Lead Borrower shall also furnish an updated Borrowing Base Certificate promptly upon the receipt of such Net Cash Proceeds.

All calculations of Excess Availability in any Borrowing Base Certificate shall originally be made by the Borrowers and certified by a Financial Officer of the Borrower Representative, provided that the Administrative Agent may from time to time review and with notice to the Borrower Representative adjust any such calculation to the extent the calculation is not made in accordance with this Agreement or does not accurately reflect the Borrowing Base Reserve or to adjust the Borrowing Base Reserves in its Credit Judgment.

The Borrower Representative will furnish to the Administrative Agent at the time of delivery of each Borrowing Base Certificate such information as the Administrative Agent may reasonably request with respect to customer deposits, agings, freight/duty payables and gift card balances, a schedule of rent expenses by organized by location and a schedule of inventory organized by location.

Documents required to be delivered pursuant to clauses (a), (b), and (g) of this Section 9.1 (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the earliest date on which (i) the Company posts such documents, or provides a link thereto on the Company's website on the Internet; (ii) such documents are posted on the Company's behalf on IntraLinks/IntraAgency or another website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent), or (iii) such financial statements and/or other documents are posted on the SEC's website on the internet at www.sec.gov; provided, that, (A) the Borrower Representative shall, at the request of the Administrative Agent, continue to deliver copies (which delivery may be by electronic transmission) of such documents to the Administrative Agent and (B) the Borrower Representative shall notify (which notification may be by facsimile or electronic transmission) the Administrative Agent of the posting of any such documents on any website described in this paragraph. Each Lender shall be solely responsible for timely accessing posted documents or requesting delivery of paper copies of such documents from the Administrative Agent and maintaining its copies of such documents.

9.2 Books, Records, Inspections, Audit Rights and Appraisals.

(a) The Company will, and will cause each Restricted Subsidiary to, permit officers and designated representatives of the Administrative Agent to visit and inspect any of the properties or assets of the Company and any such Subsidiary in whomsoever's possession to the extent that it is within such party's control to permit such inspection (and shall use commercially reasonable efforts to cause such inspection to be permitted to the extent that it is not within such party's control to permit such inspection), and to examine the books and records of the Company and any such Subsidiary and discuss the affairs, finances and accounts of the Company and of any such Subsidiary with, and be advised as to the same by, its and their officers and independent accountants, all at such reasonable times and intervals and to such reasonable extent as the Administrative Agent may desire (and subject, in the case of any such meetings or advice from such independent accountants, to such accountants' customary policies and procedures); provided that, subject to clause (b) below and excluding any such visits and inspections during the continuation of an Event of Default, (1) the Administrative Agent shall not exercise such rights more than one time in any calendar year, which such visit will be at the Company's expense and (2) notwithstanding anything to the contrary in this Section 9.2, none of the Company or any of the Restricted Subsidiaries will be required to disclose, permit the inspection, examination or making copies or abstracts of, or discussion of, any document, information or other matter that (x) constitutes non-financial trade secrets or non-financial proprietary information, (y) in respect of which disclosure to the Administrative Agent or any Lender (or their respective representatives or contractors) is prohibited by law or any binding agreement or (z) is subject to attorney-client or similar privilege or constitutes attorney work product; provided, further, that when an Event of Default exists, the Administrative Agent (or any of its respective representatives or independent contractors) may do any of the foregoing at the

expense of the Company at any time during normal business hours and upon reasonable advance notice. The Administrative Agent shall give the Company the opportunity to participate in any discussions with the Company's independent public accountants.

(b) The Borrower Representative will from time to time upon the request of the Administrative Agent, permit the Administrative Agent or professionals (including consultants and appraisers) retained by the Administrative Agent, on reasonable prior notice and during normal business hours, to conduct appraisals and commercial finance examinations, including, without limitation, of (i) the Borrowers' practices in the computation of the Borrowing Base, and (ii) the assets included in the Borrowing Base and related financial information such as, but not limited to, gross margins, payables, accruals and reserves. Subject to the following limitations, the Borrowers shall pay the reasonable out-of-pocket fees and expenses of the Administrative Agent and such professionals with respect to such evaluations, examinations and appraisals:

(i) the Administrative Agent may conduct (A) one (1) commercial finance examination in each calendar year for the Credit Parties, at the Credit Parties' expense and (B) one (1) additional commercial finance examination in a calendar year at any time in such year if either (x) any Overadvance Loans are outstanding or (y) Excess Availability for a period of five (5) consecutive Business Days is below 20% of the Line Cap, at the Borrowers' expense. Notwithstanding anything to the contrary contained herein, after the occurrence and during the continuance of any Event of Default, the Administrative Agent may cause such additional commercial finance examinations to be taken for each of the Credit Parties as the Administrative Agent, in its reasonable discretion, determines are necessary or appropriate (each, at the expense of the Credit Parties); and

(ii) the Administrative Agent may conduct (A) one (1) appraisal of the Inventory in each calendar year for the Credit Parties, at the Credit Parties' expense and (B) one (1) additional appraisal of the Inventory in a calendar year at any time in such year if either (x) any Overadvance Loans are outstanding or (y) Excess Availability for a period of five (5) consecutive Business Days is below 20% of the Line Cap, at the Borrowers' expense. Notwithstanding anything to the contrary contained herein, after the occurrence and during the continuance of any Event of Default, the Administrative Agent may cause such additional appraisals of the Inventory to be taken for each of the Credit Parties as the Administrative Agent, in its reasonable discretion, determines are necessary or appropriate (each, at the expense of the Credit Parties).

9.3 Maintenance of Insurance. (a) The Company will, and will cause each Material Subsidiary to, at all times maintain in full force and effect, pursuant to self-insurance arrangements or with insurance companies that the Company believes (in the good faith judgment of the management of the Company) are financially sound and responsible at the time the relevant coverage is placed or renewed, insurance in at least such amounts (after giving effect to any self-insurance which the Company believes (in the good faith judgment of management of the Company) is reasonable and prudent in light of the size and nature of its business and the availability of insurance on a cost-effective basis) and against at least such risks (and with such risk retentions) as the Company believes (in the good faith judgment of management of the Company) is reasonable and prudent in light of the size and nature of its business and the availability of insurance on a cost-effective basis; and will furnish to the Administrative Agent, promptly following written request from the Administrative Agent, information presented in reasonable detail as to the insurance so carried and (b) with respect to each Mortgaged Property, the Company will obtain flood insurance in such total amount as may reasonably be required by the Collateral Agent, if at any time the area in which any improvements located on any Mortgaged Property is designated a "special flood hazard area" in any Flood Insurance Rate Map published by the Federal Emergency Management Agency (or any successor agency), and otherwise comply with the National

Flood Insurance Program as set forth in the Flood Disaster Protection Act of 1973, as amended from time to time. Each such policy of insurance shall (i) name the Collateral Agent, on behalf of the Secured Parties as an additional insured thereunder as its interests may appear and (ii) in the case of each casualty insurance policy, contain a loss payable clause or endorsement that names the Collateral Agent, on behalf of the Secured Parties as the loss payee thereunder.

9.4 Payment of Taxes. The Company will pay and discharge, and will cause each of the Restricted Subsidiaries to pay and discharge, all material Taxes imposed upon it (including in its capacity as a withholding agent) or upon its income or profits, or upon any properties belonging to it, prior to the date on which material penalties attach thereto, and all lawful material claims in respect of any Taxes imposed, assessed or levied that, if unpaid, could reasonably be expected to become a material Lien upon any properties of the Company or any of the Restricted Subsidiaries; provided that neither the Company nor any of the Restricted Subsidiaries shall be required to pay any such Tax that is being contested in good faith and by proper proceedings if it has maintained adequate reserves (in the good faith judgment of management of the Company) with respect thereto in accordance with GAAP and the failure to pay could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

9.5 Preservation of Existence; Consolidated Corporate Franchises. The Company will, and will cause each Material Subsidiary to, take all actions necessary (a) to preserve and keep in full force and effect its existence, organizational rights and authority and (b) to maintain its rights, privileges (including its good standing (if applicable)), permits, licenses and franchises necessary in the normal conduct of its business, in each case, except to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect; provided, however, that the Company and its Subsidiaries may consummate any transaction permitted under Permitted Investments and Sections 10.2, 10.3. 10.4, or 10.5.

9.6 Compliance with Statutes, Regulations, Etc. The Company will, and will cause each Restricted Subsidiary to, (a) comply with all applicable laws, rules, regulations, and orders applicable to it or its property, including, without limitation, applicable laws administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury and the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations promulgated thereunder, and all governmental approvals or authorizations required to conduct its business, and to maintain all such governmental approvals or authorizations in full force and effect, (b) comply with, and use commercially reasonable efforts to ensure compliance by all tenants and subtenants, if any, with, all Environmental Laws, and obtain and comply with and maintain, and use commercially reasonable efforts to ensure that all tenants and subtenants obtain and comply with and maintain, any and all licenses, approvals, notifications, registrations or permits required by Environmental Laws, and (c) conduct and complete all investigations, studies, sampling and testing, and all remedial, removal, and other actions required under Environmental Laws and promptly comply with all lawful orders and directives of all Governmental Authorities regarding Environmental Laws, other than such orders and directives which are being timely contested in good faith by proper proceedings, except in each case of (a), (b), and (c) of this Section 9.6. where the failure to do so could not reasonably be expected to result in a Material Adverse Effect.

9.7 ERISA. (a) The Company will furnish to the Administrative Agent promptly following receipt thereof, copies of any documents described in Sections 101(k) or 101(1) of ERISA that any Credit Party may request with respect to any Multiemployer Plan to which a Credit Party is obligated to contribute; provided that if the Credit Parties have not requested such documents or notices from the administrator or sponsor of the applicable Multiemployer Plan, then, upon reasonable request of the Administrative Agent, the Credit Parties shall promptly make a request for such documents or notices from such administrator or sponsor and the Borrower Representative shall provide copies of such documents and notices to the Administrative Agent promptly after receipt thereof; and further provided,

that the rights granted to the Administrative Agent in this Section shall be exercised not more than once during a 12-month period, and (b) the Company will notify the Administrative Agent promptly following the occurrence of any ERISA Event that, alone or together with any other ERISA Events that have occurred, would reasonably be expected to result in liability of any Credit Party that could reasonably be expected to have a Material Adverse Effect.

9.8 Maintenance of Properties. The Company will, and will cause each of the Restricted Subsidiaries to, keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear, casualty, and condemnation excepted, except to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect.

9.9 Maintenance of Cash Management Systems.

(a) Annexed hereto as Schedule 9.9(a) is a list all deposit accounts and securities accounts (including any DDAs) that to the best knowledge of the Authorized Officers of the Credit Parties, are maintained by the Credit Parties as of the Closing Date, including with respect to each financial institution at which such account is maintained, (i) the name and address of such financial institution, (ii) the account number(s) maintained with such financial institution, and (iii) a contact person at such financial institution.

(b) Annexed hereto as Schedule 9.9(b) is a list describing, as of the Closing Date, all arrangements to which any Credit Party is a party with respect to the payment to such Credit Party of the proceeds of all credit card and debit card charges for sales by such Credit Party.

(c) On or prior to the date that is 90 days after the Closing Date (or such later date as the Administrative Agent shall reasonably agree), to the extent not previously delivered, each Credit Party shall:

(i) deliver to the Administrative Agent notifications (each, a "Credit Card Notification") substantially in the form attached hereto as Exhibit O which have been executed on behalf of such Credit Party and addressed to such Credit Party's credit card and debit card clearinghouses and processors listed on Schedule 9.9(b);

(ii) enter into a blocked account agreement (each, a "Blocked Account Agreement"), reasonably satisfactory to the Collateral Agent, with any Blocked Account Bank, including, without limitation, with respect to the deposit accounts and securities accounts existing as of the Closing Date listed on Schedule 9.9(a) (but excluding any Excluded Deposit Account) attached hereto (collectively, the "Blocked Accounts"); and

(iii) a Borrower shall have established a concentration account in its name (the "Concentration Account") with a Blocked Account Bank reasonably acceptable to the Administrative Agent, and entered into a Blocked Account Agreement, reasonably satisfactory to the Collateral Agent, with respect to the Concentration Account.

(d) Each Credit Card Notification and Blocked Account Agreement with respect to any DDA's or other deposit accounts shall require, during the continuance of a Cash Dominion Period (and delivery of notice thereof from the Collateral Agent to the Blocked Account Banks), the ACH or wire transfer on each Business Day (and whether or not there is then an outstanding balance in the Loan Account) to the Concentration Account of all available cash receipts (the "Cash Receipts") from:

(i) the sale of Inventory and other Collateral (whether or not constituting an Asset Sale Prepayment Event);

(ii) all proceeds of collections of Accounts (whether or not constituting an Asset Sale Prepayment Event);

(iii) all Net Cash Proceeds on account of any Asset Sale Prepayment Event of ABL Priority Collateral;

(iv) each Blocked Account (including all cash deposited therein from each DDA); and

(v) the cash proceeds of all credit card and debit card charges.

(vi) In addition, the Blocked Account Agreement for the Concentration Account shall provide, among other things, that during the continuation of a Cash Dominion Period, the bank at which such Concentration Account is maintained shall, upon receipt of notice by the Collateral Agent make daily sweeps from the Concentration Account into the Collateral Agent's account for application to the Obligations.

(c) Any cash or Cash Equivalents or Cash Receipts owned by any Credit Party (other than Excluded Deposit Accounts or such other accounts which the Administrative Agent may agree) shall be deposited to a Blocked Account that is subject to a Blocked Account Agreement. In addition to the foregoing, during the continuance of a Cash Dominion Period, at the reasonable request of the Collateral Agent, the Credit Parties shall provide the Collateral Agent with information and account statements with respect to the Blocked Accounts.

(f) The Credit Parties may close all deposit accounts and securities accounts (including any DDAs or Blocked Accounts) and/or open new deposit accounts and securities accounts (including any DDAs or Blocked Accounts, subject to the execution and delivery to the Collateral Agent of appropriate Blocked Account Agreements (except with respect to any Excluded Deposit Accounts or unless expressly waived by the Administrative Agent) consistent with the provisions of this Section 9.9 and otherwise reasonably satisfactory to the Collateral Agent. The Credit Parties shall furnish the Administrative Agent with prior written notice of their intention (x) to open any deposit accounts (other than any Excluded Deposit Account) and securities accounts (including any DDAs and Blocked Accounts) and the Administrative Agent shall promptly notify the Borrower Representative as to whether the Collateral Agent shall require a Blocked Account Agreement with the Person with whom such account will be maintained. Unless consented to in writing by the Administrative Agent, the Borrowers shall not enter into any agreements with credit card processors other than the ones expressly contemplated herein unless contemporaneously therewith, a Credit Card Notification, is executed and delivered to the Administrative Agent and (y) to close any Blocked Account.

(g) The Credit Parties may also maintain one or more disbursement accounts (the "Disbursement Accounts") to be used by the Credit Parties for disbursements and payments (including payroll) in the ordinary course of business or as otherwise permitted hereunder.

(h) During the continuance of a Cash Dominion Period, the Blocked Accounts and the Concentration Account shall at all times be under the sole dominion and control of the Collateral Agent. Each Credit Party hereby acknowledges and agrees that during the continuance of a Cash Dominion Period, (i) such Credit Party has no right of withdrawal from any Blocked Account or the Concentration Account, (ii) the funds on deposit in any Blocked Account or the Concentration Account

shall at all times continue to be collateral security for all of the Obligations, and (iii) the funds on deposit in any Blocked Account or the Concentration Account shall be applied as provided in this Agreement. In the event that, notwithstanding the provisions of this Section 9.9, during the continuation of a Cash Dominion Period, any Credit Party receives or otherwise has dominion and control of any Cash Receipts, such Cash Receipts shall he held in trust by such Credit Party for the Collateral Agent, shall not be commingled with any of such Credit Party's other funds or deposited in any account of such Credit Party and shall promptly be deposited into the Concentration Account or dealt with in such other fashion as such Credit Party may be instructed by the Collateral Agent.

(i) All amounts received by the Administrative Agent under this Section 9.9 during a Cash Dominion Period shall be applied in the manner set forth in Section 5.2(c) and in the priority set forth in Section 11.14 and such amounts held by Administrative Agent at any time when all of the Obligations then due have been repaid or Cash Collateralized shall be remitted to the operating account of a Credit Party designated by the Borrowers.

(j) The Collateral Agent shall promptly (but in any event within one (1) Business Day) furnish written notice to each Person with whom a Blocked Account is maintained of any termination of a Cash Dominion Period.

9.10 Physical Inventories. The Credit Parties, at their own expense, shall conduct a physical inventory to be undertaken in each twelve (12) month period (or alternatively, periodic cycle counts) consistent with historical practices, conducted following such methodology as is consistent with the methodology used in the immediately preceding inventory (or cycle count) or as otherwise may be reasonably satisfactory to the Administrative Agent. Following the completion of such inventory, the Borrowers shall promptly post such results to the Credit Parties' stock ledgers and general ledgers, as applicable.

9.11 Additional Guarantors and Grantors. Subject to any applicable limitations set forth in the Security Documents, the Company will cause each direct or indirect Subsidiary (other than any Excluded Subsidiary) formed or otherwise purchased or acquired after the Closing Date (including pursuant to a Permitted Acquisition and upon the formation of any Subsidiary that is a Division Successor), and each other Subsidiary that ceases to constitute an Excluded Subsidiary, within 45 days from the date of such formation, acquisition or cessation, as applicable (or such longer period as the Administrative Agent may agree in its reasonable discretion), and the Company may at its option cause any Subsidiary, to execute a supplement to each of the Guarantee, the Pledge Agreement and the Security Agreement in order to become a Guarantor under the Guarantee and a grantor under such Security Documents or, to the extent reasonably requested by the Collateral Agent, enter into a new Security Document substantially consistent with the analogous existing Security Documents and otherwise in form and substance reasonably satisfactory to such Collateral Agent and take all other action reasonably requested by the Collateral Agent to grant a perfected (with respect to Collateral consisting of Intellectual Property, if and to the extent required under the Security Agreement) security interest in its assets to substantially the same extent as created by the Credit Parties on the Closing Date. For the avoidance of doubt, no Credit Party or any Domestic Restricted Subsidiary shall be required to take any action outside the United States to perfect any security interest in the Collateral (including the execution of any agreement, document or other instrument governed by the law of any jurisdiction other than the United States, any State thereof or the District of Columbia).

9.12 Pledge of Additional Stock and Evidence of Indebtedness. Subject to any applicable limitations set forth in the Security Documents and other than (x) when in the reasonable determination of the Administrative Agent and the Borrower Representative (as agreed to in writing), the cost or other consequences of doing so would be excessive in view of the benefits to be obtained by the Lenders

therefrom or (y) to the extent doing so would result in material adverse tax consequences as reasonably determined by the Borrower Representative in consultation with the Administrative Agent, the Company will cause (i) all certificates representing Capital Stock and Stock Equivalents of any Restricted Subsidiary (other than any Excluded Stock and Stock Equivalents) held directly by the Company or any Guarantor, (ii) all evidences of Indebtedness in excess of $2,500,000 received by the Company or any of the Guarantors in connection with any disposition of assets pursuant to Section 10.4(b), and (iii) any promissory notes executed after the Closing Date evidencing indebtedness in excess of $2,500,000 of the Company or any Subsidiary that is owing to the Company or any Guarantor, in each case, to be delivered to tire Collateral Agent as security for the Obligations accompanied by undated instruments of transfer executed in blank pursuant to the terms of the Security Documents. Notwithstanding the foregoing any promissory note among die Company and/or its Subsidiaries need not be delivered to the Collateral Agent so long as (i) a global intercompany note superseding such promissory note has been delivered to the Collateral Agent, (ii) such promissory note is no: delivered to any other party other than the Company or its Subsidiaries, in each case, owed money thereunder, and (iii) such promissory note indicates on its face that it is subject to the security interest of the Collateral Agent.

9.13 Use of Proceeds. The Borrowers will use the proceeds of the Loans made and Letters of Credit issued hereunder (a) in an aggregate amount not to exceed $5,500,000 to effect the Transactions (including working capital and/or purchase price adjustments), (b) to replace, backstop or cash collateralize existing letters of credit, (c) to the extent required to account for any "flex" original issue discount and/or upfront fees required pursuant to the Fee Letter, and (d) for working capital purposes. After the Closing Date, the Borrowers will use the proceeds of the Loans to finance working capital of the Borrowers and their Subsidiaries and for general corporate purposes of the Borrowers and their Subsidiaries (including for capital expenditures, acquisitions and other Investments, Restricted Payments and any other transaction not prohibited by the Credit Documents).

9.14 Further Assurances.

(a) Subject to the terms of Sections 9.11 and 9.12, this Section 9.14 and the Security Documents, the Company will, and will cause each other Credit Party to, execute any and all further documents, financing statements, agreements, and instruments, and take all such further actions (including the filing and recording of financing statements, fixture filings, mortgages, deeds of trust, and other documents) that may be required under any applicable law, or that the Collateral Agent or the Required Lenders may reasonably request, in order to grant, preserve, protect, and perfect (with respect to Collateral consisting of Intellectual Property, if and to the extent required under the Security Agreement) the validity and priority of the security interests created or intended to be created by the applicable Security Documents, all at the expense of the Company and the Restricted Subsidiaries. Each Credit Party shall give the Collateral Agent and the Administrative Agent prompt (and in any event within 5 Business Days (or such later period as agreed by the Administrative Agent)) notice o: any change to its legal name, jurisdiction of formation, type of entity and organizational number (or equivalent).

(b) Subject to any applicable limitations set forth in the Security Documents and other than (x) when in the reasonable determination of the Administrative Agent and the Company (as agreed to in writing), the cost or other consequences of doing so would he excessive in view of the benefits to be obtained by the Lenders therefrom or (y) to the extent doing so would result in material adverse tax consequences as reasonably determined by the Borrower Representative in consultation with the Administrative Agent, if any assets (other than Excluded Property) (including any real estate or improvements thereto or any interest therein bu: excluding Capital Stock and Stock Equivalents of any Subsidiary and excluding any real estate which the Borrower or applicable Credit Party intends to dispose of pursuant to a Permitted Sale Leaseback so long as actually disposed of within 270 days of acquisition (or such longer period as the Administrative Agent may reasonably agree)) with a book value in excess of

$5,000,000 (at the time of acquisition) are acquired by the Company or any other Credit Party after the Closing Date (other than assets constituting Collateral under a Security Document that become subject to the Lien of the applicable Security Document upon acquisition thereof) that are of a nature secured by a Security Document or that constitute a fee interest in real property in the United States, the Company will notify the Collateral Agent, and, if requested by the Collateral Agent, the Company will cause such assets to be subjected to a Lien securing the Obligations and will take, and cause the other applicable Credit Parties to take, such actions as shall be necessary or reasonably requested by the Collateral Agent, as soon as commercially reasonable but in no event later than 90 days, unless extended by the Administrative Agent in its sole discretion, to grant and perfect such Liens consistent with the applicable requirements of the Security Documents, including actions described in clause (a) of this Section 9.14.

(c) Any Mortgage delivered to the Administrative Agent in accordance with the preceding clause (b) shall, if requested by the Collateral Agent, be received as soon as commercially reasonable but in no event later than 90 days (except as set forth in the preceding clause (b)), unless extended by the Administrative Agent in its sole discretion and accompanied by (x) a policy or policies (or an unconditional binding commitment therefor to be replaced by a final title policy) of title insurance issued by a nationally recognized title insurance company, in such amounts as reasonably acceptable to the Administrative Agent not to exceed the Fair Market Value of the applicable Mortgaged Property, insuring the Lien of each Mortgage as a valid third Lien on the Mortgaged Property described therein, free of any other Liens except as expressly permitted by Section 10.2 or as otherwise permitted by the Administrative Agent and otherwise in form and substance reasonably acceptable to the Administrative Agent and the Borrower Representative, together with such endorsements, coinsurance and reinsurance as the Administrative Agent may reasonably request but only to the extent such endorsements are (i) available in the relevant jurisdiction (provided in no event shall the Administrative Agent request a creditors' rights endorsement) and (ii) available at commercially reasonable rates, (y) an opinion of local counsel to the applicable Credit Party in form and substance reasonably acceptable to the Administrative Agent, (z) a completed "Life of Loan" Federal Emergency Management Agency Standard Flood Hazard Determination, and if any improvements on such Mortgaged Property are located in a special flood hazard area, (i) a notice about special flood hazard area status and flood disaster assistance duly executed by the applicable Credit Parties and (ii) certificates of insurance evidencing the insurance required by Section 9.3 in form and substance reasonably satisfactory to the Administrative Agent, and (aa) an ALTA survey in a form and substance reasonably acceptable to the Collateral Agent or such existing survey together with a no-change affidavit sufficient for the title company to remove all standard survey exceptions from the Title Policy related to such Mortgaged Property and issue the endorsements required in (x) above.

(d) The Company agrees that it will deliver, or will cause to be delivered, to the Administrative Agent, the items described on Schedule 9.14(d) on the Closing Date by the times specified with respect to such items, or such later time as the Administrative Agent may agree in its sole discretion.

9.15 [Reserved].

9.16 Lines of Business. The Company and the Restricted Subsidiaries, taken as a whole, will not fundamentally and substantively alter the character of their business, taken as a whole, from the business conducted by the Company and the Subsidiaries, taken as a whole, on the Closing Date and other business activities which are extensions thereof or otherwise incidental, synergistic, reasonably related, or ancillary to any of the foregoing (and non-core incidental businesses acquired in connection with any Permitted Acquisition or permitted Investment).

Section 10. Negative Covenants

The Company hereby covenants and agrees that on the Closing Date (immediately after consummation of the Acquisition) and thereafter, until the Commitments, the Swingline Commitment and each Letter of Credit have terminated or been Cash Collateralized in accordance with the terms of this Agreement and the Loans and Unpaid Drawings, together with interest, Fees, and all other Obligations incurred hereunder (other than contingent indemnity obligations. Secured Hedge Obligations and Secured Cash Management Obligations and Letters of Credit, Cash Collateralized in accordance with the terms of this Agreement), are paid in full:

10.1 Limitation on Indebtedness, The Company will not, and will not permit any Restricted Subsidiary to create, incur, issue, assume, guarantee or otherwise become liable, contingently or otherwise (collectively, "**incur**" and collectively, an "**incurrence**") with respect to any Indebtedness (including Acquired Indebtedness) and the Company will not issue any shares of Disqualified Stock and will not permit any Restricted Subsidiary to issue any shares of Disqualified Stock or, in the case of Restricted Subsidiaries that are not Borrowers or Guarantors, preferred stock; provided that the Company may incur Indebtedness (including Acquired Indebtedness) or issue shares of Disqualified Stock, and any Restricted Subsidiary may incur Indebtedness (including Acquired Indebtedness), issue shares of Disqualified Stock and issue shares of preferred stock, in an aggregate amount equal to $20,000,000 plus unlimited additional amounts if, after giving effect to the incurrence of such amount, the Company would be in compliance on a Pro Forma Basis with the Total Debt Leverage Test ; provided further that the amount of Indebtedness (other than Acquired Indebtedness), Disqualified Stock and preferred stock that may be incurred pursuant to the foregoing together with any amounts incurred under Section 10. l(n)(x) by Restricted Subsidiaries that are not Guarantors shall not exceed the greater of (x) $15,000,000 and (y) 30% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at any onetime outstanding.

The foregoing limitations will not apply to:

(a) Indebtedness arising under the Credit Documents;

(b) (x) Indebtedness represented by the Second Lien Facility, Permitted Second Lien Exchange Notes, and any guarantee thereof in an aggregate principal amount not to exceed $80,000,000 (plus all accrued interest, fees and expenses) and (y) Indebtedness that may be incurred pursuant to Sections 2.14 and l0.l(x)(i) of the Second Lien Credit Agreement (as in effect on the Closing Date), in each case, pursuant to the definition of Maximum Incremental facilities Amount in the Second Lien Credit Agreement (as in effect on the Closing Date);

(c) (i) Indebtedness (including any unused commitment) outstanding on the Closing Date listed on Schedule 10.1 and (ii) intercompany Indebtedness (including any unused commitment) outstanding on the Closing Date fisted on Schedule 10.1 (other than intercompany Indebtedness owed by a Credit Party to another Credit Party);

(d) Indebtedness (including Capital Lease Obligations), Disqualified Stock and preferred stock incurred by the Company or any Restricted Subsidiary, to finance the purchase, lease, construction, installation, maintenance, replacement or improvement of property (real or personal) or equipment that is used or useful in a Similar Business, whether through the direct purchase of assets or the Capital Stock of any Person owning such assets and Indebtedness arising from the conversion of the obligations of the Company or any Restricted Subsidiary under or pursuant to any "synthetic lease" transactions to on-balance sheet Indebtedness of the Company or such Restricted Subsidiary, in an aggregate principal amount which, when aggregated with the principal amount of all other Indebtedness, Disqualified Stock

and preferred stock then outstanding and incurred pursuant to this clause (d) and all Refinancing Indebtedness incurred to refinance any other Indebtedness, Disqualified Stock and preferred stock incurred pursuant to this clause (d), does not exceed the greater of (x) SI 5,000,000 and (y) 25% of Consolidated EBI I DA for the most recently ended lest Period (calculated on a Pro Forma Basis) at the time of incurrence; provided that Capitalized Lease Obligations incurred by the Company or any Restricted Subsidiary pursuant to this clause (d) in connection with a Permitted Sale Leaseback shall not be subject to the foregoing limitation so long as the proceeds of such Permitted Sale Leaseback are used by the Company or such Restricted Subsidiary to permanently repay outstanding Indebtedness secured by a Lien on the assets subject to such Permitted Sale Leaseback;

(c) Indebtedness incurred by the Company or any Restricted Subsidiary (including letter of credit obligations consistent with past practice constituting reimbursement obligations with respect to letters of credit issued in the ordinary course of business), in respect of workers' compensation claims, performance or surety bonds, health, disability or other employee benefits or property, casualty or liability insurance or self-insurance or other Indebtedness with respect to reimbursement or indemnification type obligations regarding workers' compensation claims, performance or surety bonds, health, disability or other employee benefits or property, casualty or liability insurance or self-insurance;

(f) Indebtedness arising from agreements of the Company or a Restricted Subsidiary providing for indemnification, adjustment of purchase price, earnout or similar obligations, in each case, incurred or assumed in connection with the acquisition or disposition of any business, assets or a Subsidiary or other Person, other than guarantees of Indebtedness incurred by any Person acquiring all or any portion of such business, assets or a Subsidiary for the purpose of financing such acquisition; provided that such Indebtedness is not reflected on the balance sheet of the Company or any Restricted Subsidiary (contingent obligations referred to in a footnote to financial statements and not otherwise reflected on the balance sheet wilt not be deemed to be reflected as Indebtedness on such balance sheet for purposes of this clause (f));

(g) Indebtedness of the Company to a Restricted Subsidiary; provided that any such Indebtedness owing to a Restricted Subsidiary that Is not a Borrower or a Guarantor is subordinated in right of payment to the Obligations; provided, further, that any subsequent issuance or transfer of any Capital Stock or any other event which results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such Indebtedness (except to another Borrower or another Restricted Subsidiary) shall be deemed, in each case to be an incurrence of such Indebtedness not permitted by this clause;

(h) Indebtedness of a Restricted Subsidiary owing to the Company or another Restricted Subsidiary; provided that (i) if a Borrower or a Guarantor incurs such Indebtedness owing to a Restricted Subsidiary that is not a Borrower or a Guarantor, such Indebtedness is subordinated in right of payment to the Guarantee of such Guarantor and (ii) if a Restricted Subsidiary that is not a Credit Party incurs such Indebtedness owing to a Credit Party, such Investment shall be permitted by Section 10.5; provided, further, that any subsequent transfer of any such Indebtedness (except to the Company or another Restricted Subsidiary) shall be deemed, in each case to be an incurrence of such Indebtedness not permitted by this clause;

(i) shares of preferred stock of a Restricted Subsidiary issued to the Company or another Restricted Subsidiary; provided that any subsequent issuance or transfer of any Capital Stock or any other event which results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such shares of preferred stock (except to the Company or another Restricted

Subsidiary) shall be deemed in each case to be an issuance of such shares of preferred stock not permitted by this clause;

(j) Hedging Obligations (excluding Hedging Obligations entered into for speculative purposes);

(k) obligations in respect of self-insurance, performance, bid, appeal, and surety bonds and completion guarantees and similar obligations provided by the Company or any Restricted Subsidiary or obligations in respect of letters of credit, bank guarantees or similar instruments related thereto, in each case, in the ordinary course of business or consistent with past practice;

(l) (i) Indebtedness, Disqualified Stock and preferred stock of the Company or any Restricted Subsidiary in an aggregate principal amount or liquidation preference up to 100% of the net cash proceeds received by the Company since immediately after the Closing Date from the issue or sale of Equity Interests of the Company or cash contributed to the capital of the Company (in each case, other than Excluded Contributions, proceeds of Disqualified Stock or sales of Equity Interests to the Company or any of its Subsidiaries, proceeds of any Cure Amount or the proceeds of the 2022 Equity Contribution) as determined in accordance with Sections l0.5(a)(iii)(B) and 10.5(a)(iii)(C) of the first Lien Term Loan Agreement (or comparable "builder basket" provision in respect of Refinancing Indebtedness) to the extent such net cash proceeds or cash have not been applied pursuant to such clauses to make Restricted Payments or to make other investments, payments or exchanges pursuant to Section 10.5(b) or to make Permitted Investments (other than Permitted Investments specified in clauses (a) and (c) of the definition thereof) and (ii) Indebtedness, Disqualified Stock or preferred stock of the Company or any Restricted Subsidiary not otherwise permitted hereunder in an aggregate principal amount or liquidation preference, which when aggregated with the principal amount and liquidation preference of all other Indebtedness, Disqualified Stock and preferred stock then outstanding and incurred pursuant to this clause (1)(ii) does not at any one time outstanding exceed the greater of (x) $20,000,000 and (y) 40% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of incurrence (it being understood that any Indebtedness, Disqualified Stock or preferred stock incurred pursuant to this clause (l)(ii) shall cease to be deemed incurred or outstanding for purposes of this clause (1)(ii) but shall be deemed incurred for the purposes of the first paragraph of this Section 10.1 from and after the first date on which the Company or such Restricted Subsidiary could have incurred such Indebtedness, Disqualified Stock or preferred stock under the first paragraph of this Section 10.1 without reliance on this clause (1)(ii));

(m) the incurrence or issuance by the Company or any Restricted Subsidiary of Indebtedness, Disqualified Stock or preferred stock which serves to refinance any Indebtedness, Disqualified Stock or preferred stock incurred as permitted under the first paragraph of this Section 10.1 and clauses (b) and (c) above, clause (l)(i), this clause (m), clause (n) and clause (v) below or any Indebtedness, Disqualified Stock or preferred stock issued to so refinance, replace, refund, extend, renew, defease, restructure, amend, restate or otherwise modify (collectively, "**refinance**") such Indebtedness, Disqualified Stock or preferred stock (the "**Refinancing Indebtedness**") prior to its respective maturity; provided, that such Refinancing Indebtedness (1) has a weighted average life to maturity at the time such Refinancing Indebtedness is incurred which is not less than the remaining weighted average life to maturity of the Indebtedness, Disqualified Stock or preferred stock being refinanced, (2) to the extent such Refinancing Indebtedness refinances (i) Indebtedness that is unsecured or secured by a Lien ranking junior to the Liens securing the Obligations, such Refinancing Indebtedness is unsecured or secured by a Lien ranking junior to the Liens securing the Obligations or (ii) Disqualified Stock or preferred stock, such Refinancing Indebtedness must be Disqualified Stock or preferred stock, respectively, and (3) shall not include Indebtedness, Disqualified Stock or preferred stock of a Subsidiary of the Company that is not a Borrower

or a Guarantor that refinances Indebtedness, Disqualified Stock or preferred stock of a Borrower or a Guarantor;

(n) Indebtedness, Disqualified Stock or preferred stock of (x) the Company or a Restricted Subsidiary incurred or issued to finance an acquisition, merger, or consolidation; provided that the amount of Indebtedness (other than Acquired Indebtedness), Disqualified Stock and preferred stock that may be incurred pursuant to the foregoing, together with any amounts incurred under the first paragraph of this Section 10.1 by Restricted Subsidiaries that are not Guarantors shall not exceed the greater of (A) $15,000,000 and (B) 30% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at any one time outstanding, or (y) Persons that are acquired by the Company or any Restricted Subsidiary or merged into or consolidated with the Company or a Restricted Subsidiary in accordance with the terms hereof (including designating an Unrestricted Subsidiary a Restricted Subsidiary); provided that after giving effect to any such acquisition, merger, consolidation or designation described in this clause (n), the aggregate amount of Indebtedness, Disqualified Stock or preferred stock incurred pursuant to this clause (n) shall not to exceed the sum of (A) $25,000,000 plus (B) unlimited additional amounts if, after giving effect thereto (calculated on a Pro Forma Basis), the Interest Coverage Ratio of the Company and the Restricted Subsidiaries is at least 2.00 to 1.00 for the most recently ended Test Period (calculated on a Pro Forma Basis):

(o) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business;

(p) (i) Indebtedness of the Company or any Restricted Subsidiary supported by a letter of credit, in a principal amount not in excess of the stated amount of such letter of credit so long as such letter of credit is otherwise permitted to be incurred pursuant to this Section 10.1 or (ii) obligations in respect of letters of support, guarantees or similar obligations issued, made or incurred for the benefit of any Subsidiary of the Company to the extent required by law or in connection with any statutory filing or the delivery of audit opinions performed in jurisdictions other than within the United States;

(q) (1) any guarantee by the Company or a Restricted Subsidiary of Indebtedness or other obligations of any Restricted Subsidiary so long as in the case of a guarantee of Indebtedness by a Restricted Subsidiary that is not a Guarantor, such Indebtedness could have been incurred directly by the Restricted Subsidiary providing such guarantee or (2) any guarantee by a Restricted Subsidiary of Indebtedness of the Company;

(r) indebtedness of Restricted Subsidiaries that are not Guarantors in an amount not to exceed, in the aggregate at any one time outstanding, the greater of (x) $5,000,000 and (y) 10% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) (it being understood that any Indebtedness incurred pursuant to this clause (r) shall cease to be deemed incurred or outstanding for purposes of this clause (r) but shall be deemed incurred for the purposes of the first paragraph of this covenant from and after the first date on which such Restricted Subsidiary could have incurred such Indebtedness under the first paragraph of this covenant without reliance on this clause (r));

(s) Indebtedness of the Company or any of the Restricted Subsidiaries consisting of (i) the financing of insurance premiums or (ii) take or pay obligations contained in supply arrangements in each case, incurred in the ordinary course of business or consistent with past practice;

(t) Indebtedness of the Company or any of the Restricted Subsidiaries undertaken in connection with cash management and related activities with respect to any Subsidiary or joint venture in

the ordinary course of business, including with respect to financial accommodations of the type described in the definition of Cash Management Services;

(u) Indebtedness consisting of Indebtedness issued by the Company or any of the Restricted Subsidiaries to future, current or former officers, directors, managers and employees thereof, their respective estates, spouses or former spouses, in each case to finance the purchase or redemption of Equity Interests of the Company or any direct or indirect parent company of the Company to the extent described in clause (4) of Section 10.5(b);

(v) (x) Indebtedness represented by the First Lien Term Facility, Permitted First Lien Exchange Notes and any guarantee thereof in an aggregate principal amount not to exceed $180,000,000 (plus all accrued interest, fees and expenses) and (y) Indebtedness that may be incurred pursuant to Section 2.14 and Section 10.1(x)(i) of the First Lien Tenn Loan Agreement (as in effect on the Amendment No. 1 Effective Dace, after giving effect to the Amendment No. 1 to First Lien Term Loan Agreement), in each case, pursuant to the definition of Maximum Incremental Facilities Amount in the First Lien Term Loan Agreement (as in effect on the Amendment No. 1 Effective Date, after giving effect to the Amendment No. 1 to First Lien Term Loan Agreement);

(w) [Reserved];

(x) [Reserved];

(y) [Reserved];

(z) Indebtedness constituting any part of any Permitted Reorganization; and

(aa) as long as the Payment Conditions are satisfied at the time of incurrence, unsecured Subordinated Indebtedness and other unsecured Indebtedness, in each case, the terms of which do not provide for any scheduled repayment, mandatory repayment, or redemption or sinking fund obligations prior to, at the time of incurrence, the latest Maturity Date (other than, in each case, customary offers or obligations to repurchase upon a change of control, asset sale, or casualty or condemnation event, AHYDO payments and customary acceleration rights after an event of default),

For purposes of determining compliance with this Section 10,1: (i) in the event that an item of Indebtedness, Disqualified Stock or preferred stock (or any portion thereof) meets the criteria of more than one of the categories of permitted Indebtedness, Disqualified Stock or preferred stock described in clauses (a) through (aa) above or is entitled to be incurred pursuant to the first paragraph of this Section 10.1, the Company, in its sole discretion, will classify and may reclassify such item of Indebtedness, Disqualified Stock or preferred stock (or any portion thereof) and will only be required to include the amount and type of such Indebtedness, Disqualified Stock or preferred stock in one of the above clauses or paragraphs; and (ii) at the time of incurrence, the Company will be entitled to divide and classify an item of Indebtedness in more than one of the types of Indebtedness described in this Section 10.1.

Accrual of interest or dividends, the accretion of accreted value, the accretion or amortization of original issue discount and the payment of interest or dividends in the form of additional Indebtedness, Disqualified Stock or preferred stock will not be deemed to be an incurrence of Indebtedness, Disqualified Stock or preferred stock for purposes of this covenant Any Refinancing Indebtedness and any indebtedness incurred to refinance Indebtedness incurred pursuant to clauses (a) and (1)(ii) above shall be deemed to include additional Indebtedness, Disqualified Stock or preferred stock incurred to pay

premiums (including reasonable tender premiums), defeasance costs, fees, and expenses in connection with such refinancing.

For purposes of determining compliance with any Dollar-denominated restriction on the incurrence of Indebtedness, the principal amount of Indebtedness denominated in another currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term debt, or first committed, in the case of revolving credit debt; provided that if such Indebtedness is incurred to refinance other Indebtedness denominated in another currency, and such refinancing would cause the applicable Dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such Dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed (i) the principal amount of such Indebtedness being refinanced plus (ii) the aggregate amount of fees, underwriting discounts, premiums, and other costs and expenses and accrued and unpaid interest incurred in connection with such refinancing.

The principal amount of any Indebtedness incurred to refinance other Indebtedness, it incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing.

This Agreement will not treat (1) unsecured indebtedness as subordinated or junior to secured Indebtedness merely because it is unsecured or (2) senior Indebtedness as subordinated or junior to any other senior Indebtedness merely because it has a junior priority with respect to the same collateral.

10.2 Limitation on Liens.

(a) The Company will not, and will not permit any of the Restricted Subsidiaries to, create, incur, assume or suffer to exist any Lien upon any property or assets of any kind (real or personal, tangible or intangible) of the Company or any Restricted Subsidiary, whether now owned or hereafter acquired (each, a "**Subject Lien**") that secures obligations under any Indebtedness on any asset or property of the Company or any Restricted Subsidiary, except:

(i) in the case of Subject Liens on any Collateral, if such Subject Lien is a Permitted Lien; and

(ii) in the case of any other asset or property, any Subject Lien if (i) the Obligations are equally and ratably secured with (or on a senior basis to, in the case such Subject Lien secures any Junior Debt) the obligations secured by such Subject Lien or (ii) such Subject Lien is a Permitted Lien.

(b) Any Lien created for the benefit of the Secured Parties pursuant to the preceding paragraph shall provide by its terms that such Lien shall be automatically and unconditionally be released and discharged upon the release and discharge of the Subject Lien that gave rise to the obligation to so secure the Obligations.

10.3 Limitation on Fundamental Changes. The Company will not, and will not permit any of the Restricted Subsidiaries to, enter into any merger, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or convey, sell, lease, assign, transfer or otherwise dispose of, all or substantially all its business units, assets or other properties, except that:

(a) so long as no Event of Default has occurred and is continuing or would result therefrom, any Subsidiary of the Company or any other Person may be merged, amalgamated or consolidated with or into the Company; provided that (A) the Company shall be the continuing or surviving corporation or (B) if the Person formed by or surviving any such merger, amalgamation or consolidation is not the Company (such other Person, the "**Successor Borrower**"), (1) the Successor Borrower shall be an entity organized or existing under the laws of the United States, any state thereof, the District of Columbia, (2) the Successor Borrower shall expressly assume all the obligations of the Company under this Agreement and the other Credit Documents in a manner and pursuant to documentation reasonably satisfactory to the Administrative Agent, (3) each Guarantor, unless it is the other party to such merger, amalgamation or consolidation, shall have by a supplement to the Guarantee confirmed that its guarantee thereunder shall apply to any Successor Borrower's obligations under this Agreement, (4) each Subsidiary grantor and each Subsidiary pledgor, unless it is the other party to such merger, amalgamation or consolidation, shall have by a supplement to any applicable Security Document affirmed that its obligations thereunder shall apply to its Guarantee as reaffirmed pursuant to clause (3), (5) each mortgagor of a Mortgaged Property, unless it is the other party to such merger, amalgamation or consolidation, shall have affirmed that its obligations under the applicable Mortgage shall apply to its Guarantee as reaffirmed pursuant to clause (3), (6) the Successor Borrower shall have delivered to the Administrative Agent (x) an officer's certificate of a Responsible Officer stating that such merger, amalgamation, or consolidation and such supplements preserve the enforceability of the Guarantee and the perfection and priority of the Liens under the applicable Security Documents and with respect to the satisfaction of the conditions set forth in clauses (7)(i) and (8) in this Section 9.3(a) and (y) if reasonably requested by the Administrative Agent, an opinion of counsel as to corporate matters and to the effect that the provisions set forth in the preceding clauses (3) through (5) preserve the enforceability of the Guarantee and the perfection of the Liens created under the applicable Security Documents, (7)(i) such transaction does not result in any material adverse tax consequences to any Credit Party and (ii) such transaction does not result in any adverse tax consequences to any Lender (unless reimbursed hereunder) or to the Administrative Agent (unless reimbursed hereunder), (8) no Change of Control shall occur and (9) the Administrative Agent shall have received at least five (5) Business Days' prior written notice of the proposed transaction and the Borrower Representative shall promptly and in any event at least two (2) Business Days' prior to the consummation of the transaction provide all information any Lender or any Agent may reasonably request to satisfy its "know your customer" and other similar requirements necessary for such Person to comply with its internal compliance and regulatory requirements with respect to the proposed Successor Borrower (it being understood that if the foregoing are satisfied, the Successor Borrower will succeed to, and be substituted for, such Borrower under this Agreement);

(b) so long as no Event of Default has occurred and is continuing or would result therefrom, any Subsidiary of the Company or any other Person (in each case, other than the Company) may be merged, amalgamated or consolidated with or into any one or more Subsidiaries of the Company; provided that (i) in the case of any merger, amalgamation or consolidation involving one or more Restricted Subsidiaries, (A) a Restricted Subsidiary shall be the continuing or surviving Person or (B) the Company shall cause the Person formed by or surviving any such merger, amalgamation or consolidation (if other than a Restricted Subsidiary) to become a Restricted Subsidiary, (ii) in the case of any merger, amalgamation or consolidation involving one or more Guarantors, a Guarantor shall be the continuing or surviving Person or the Person formed by or surviving any such merger, amalgamation or consolidation and if the surviving Person is not already a Guarantor, such Person shall execute a supplement to the Guarantee and the relevant Security Documents in form and substance reasonably satisfactory to the Administrative Agent in order to become a Guarantor and pledgor, mortgagor and grantor, as

applicable, thereunder for the benefit of the Secured Parties, and (iii) the Company shall have delivered to the Administrative Agent an officer's certificate stating that such merger, amalgamation or consolidation and any such supplements to any Security Document preserve the enforceability of the Guarantees and the perfection and priority of the Liens under the applicable Security Documents;

(c) the Acquisition may be consummated;

(d) (i) any Restricted Subsidiary that is not a Credit Party may convey, sell, lease, assign, transfer or otherwise dispose of any or all of its assets (upon voluntary liquidation or dissolution or otherwise) to the Company or any other Restricted Subsidiary or (ii) any Credit Party (other than the Company) may convey, sell, lease, assign, transfer or otherwise dispose of any or all of its assets (upon voluntary liquidation or dissolution or otherwise) to any other Credit Party;

(e) any Subsidiary may convey, sell, lease, assign, transfer or otherwise dispose of any or all of its assets (upon voluntary liquidation or dissolution or otherwise) to a Credit Party; provided that the consideration for any such disposition by any Person other than a Guarantor shall not exceed the fair value of such assets;

(f) any Restricted Subsidiary may liquidate or dissolve if the Company determines in good faith that such liquidation or dissolution is in the best interests of the Company and is not materially disadvantageous to the Lenders;

(g) the Company and the Restricted Subsidiaries may consummate a merger, dissolution, liquidation, consolidation, investment or conveyance, sale, lease, assignment or disposition, the purpose of which is to effect a disposition not prohibited by Section 10.4 or an investment permitted pursuant to Section 10.5 or an investment that constitutes a Permitted Investment;

(h) so long as no Event of Default has occurred and is continuing or would result therefrom, the Company or any Restricted Subsidiary may change its legal form;

(i) the Company and the Restricted Subsidiaries may consummate any Permitted Reorganization; and

(j) the Company, the Restricted Subsidiaries and the Unrestricted Subsidiaries may enter into and consummate an Intercompany License Agreement.

10.4 Limitation on Sale of Assets. the Company will not, and will not permit any Restricted Subsidiary to, consummate an Asset Sale, unless:

(a) the Company or such Restricted Subsidiary, as the case may be, receives consideration at the time of such Asset Sale at least equal to the Fair Market Value (as determined at the time of contractually agreeing to such Asset Sale) of the assets sold or otherwise disposed of; and

(b) except in the case of a Permitted Asset Swap, if the property or assets sold or otherwise disposed of have a Fair Market Value in excess of $10,000,000, at least 75% of the

consideration therefor received by the Company or such Restricted Subsidiary, as the case may be, is in the form of cash or Cash Equivalents; provided that the amount of:

(i) any liabilities (as reflected on the Company's most recent consolidated balance sheet or in the footnotes thereto, or if incurred or accrued subsequent to the date of such balance sheet, such liabilities that would have been reflected on the Company's consolidated balance sheet or in the footnotes thereto if such incurrence or accrual had taken place on or prior to the date of such balance sheet, as determined in good faith by the Company) of the Company, other than liabilities that are by their terms subordinated to the Loans, that are assumed by the transferee of any such assets (or are otherwise extinguished in connection with the transactions relating to such Asset Sale) and for which the Company and all such Restricted Subsidiaries have been validly released by all applicable creditors in writing;

(ii) any securities, notes or other obligations or assets received by the Company or such Restricted Subsidiary from such transferee that are converted by the Company or such Restricted Subsidiary into cash or Cash Equivalents, or by their terms are required to be satisfied for cash or Cash Equivalents (to the extent of the cash or Cash Equivalents received), in each case, within 180 days following the closing of such Asset Sale;

(iii) Indebtedness, other than liabilities that are by their terms subordinated to the Loans, that are of any Restricted Subsidiary that is no longer a Restricted Subsidiary as a result of such Asset Sale, to the extent that the Company and all Restricted Subsidiaries have been validly released from any Guarantee of payment of such Indebtedness in connection with such Asset Sale; and

(iv) any Designated Non-Cash Consideration received by the Company or such Restricted Subsidiary in such Asset Sale having an aggregate Fair Market Value, taken together with all other Designated Non-Cash Consideration received pursuant to this clause (iv) that is at that time outstanding, not to exceed the greater of $4,000,000 or 7.0% of Consolidated EBITDA at the time of the receipt of such Designated Non-Cash Consideration, with the Fair Market Value of each item of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value,

shall be deemed to be cash for purposes of this provision and for no other purpose.

10.5 Limitation on Restricted Payments.

(a) the Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly:

(1) declare or pay any dividend or make any payment or distribution on account of the Company's or any Restricted Subsidiary's Equity Interests, including any dividend or distribution payable in connection with any merger or consolidation, other than:

(A) dividends or distributions by the Company payable in Equity Interests (other than Disqualified Stock) of the Company or in options, warrants or other rights to purchase such Equity Interests, or

(B) dividends or distributions by a Restricted Subsidiary so long as, in the case of any dividend or distribution payable on or in respect of any class or series of securities issued by a Subsidiary other than a Wholly-Owned Subsidiary, the Company or a Restricted Subsidiary receives at least its pro rata share of such dividend or distribution in accordance with its Equity Interests in such class or series of securities;

(2) purchase, redeem, defease or otherwise acquire or retire for value any Equity Interests of the Company or any direct or indirect parent company of the Company, including in connection with any merger or consolidation;

(3) make any principal payment on, or redeem, repurchase, defease or otherwise acquire or retire for value in each case, prior to any scheduled repayment, sinking fund payment or maturity, any Junior Debt of the Company or any Restricted Subsidiary, other than (A) Indebtedness permitted under clauses (g) and (h) of Section 10.1, (B) the purchase, repurchase or other acquisition of Junior Debt purchased in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case due within one year of the date of purchase, repurchase or acquisition or (C) AHYDO Payments with respect to Indebtedness permitted under Section 10.1; or

(4) make any Restricted Investment;

(all such payments and other actions set forth in clauses (1) through (4) above (other than any exception thereto) being collectively referred to as "**Restricted Payments**").

(b) The foregoing provisions of Section 10.5(a) will not prohibit:

(1) the payment of any dividend or distribution or the consummation of any irrevocable redemption within 60 days after the date of declaration thereof or the giving of such irrevocable notice, as applicable, if at the date of declaration or the giving of such notice such payment would have complied with the provisions of this Agreement;

(2) (a) the redemption, repurchase, retirement or other acquisition of any Equity Interests ("**Retired Capital Stock**") or Junior Debt of the Company or any Restricted Subsidiary, or any Equity Interests of any direct or indirect parent company of the Company, in exchange for, or out of the proceeds of the substantially concurrent sale (other than to a Restricted Subsidiary) of, Equity Interests of the Company or any direct or indirect parent company of the Company to the extent contributed to the Company (in each case, other than any Disqualified Stock) ("**Refunding Capital Stock**") and (b) if immediately prior to the retirement of Retired Capital Stock, the declaration and payment of dividends thereon was permitted under clause (6) of this Section 10.5(b), the declaration and payment of dividends on the Refunding Capital Stock (other than Refunding Capital Stock the proceeds of which were used to redeem, repurchase, retire or otherwise acquire any Equity Interests of any direct or indirect parent company of the Company) in an aggregate amount per year no greater than the aggregate amount of

dividends per annum that was declarable and payable on such Retired Capital Stock immediately prior to such retirement;

(3) the prepayment, redemption, defeasance, repurchase or other acquisition or retirement for value of Junior Debt of the Company or a Restricted Subsidiary made by exchange for, or out of the proceeds of the substantially concurrent sale of, new Indebtedness of the Company, or a Restricted Subsidiary, as the case may be, which is incurred in compliance with Section 10.1 so long as: (A) the principal amount (or accreted value, if applicable) of such new Indebtedness docs not exceed the principal amount of (or accreted value, if applicable), plus any accrued and unpaid interest on the Junior Debt being so redeemed, defeased, repurchased, exchanged, acquired or retired for value, plus the amount of any premium (including reasonable tender premiums), defeasance costs and any reasonable fees and expenses incurred in connection with the issuance of such new Indebtedness, (B) if such Junior Debt is subordinated to the Obligations, such new Indebtedness is subordinated to the Obligations or the applicable Guarantee at least to the same extent as such Junior Debt so purchased, exchanged, redeemed, defeased, repurchased, acquired or retired for value, (C) such new Indebtedness has a final scheduled maturity date equal to or later than the final scheduled maturity date of the Junior Debt being so redeemed, defeased, repurchased, exchanged, acquired or retired, (D) if such Junior Debt so purchased, exchanged, redeemed, repurchased, acquired or retired for value is (i) unsecured then such new Indebtedness shall be unsecured or (ii) is secured by a Lien ranking junior to the Liens securing the Obligations then such new Indebtedness shall be unsecured or secured by a Lien ranking junior to the Liens securing the Obligations, and (E) such new Indebtedness has a weighted average life to maturity equal to or greater than the remaining weighted average life to maturity of the Junior Debt being so redeemed, defeased, repurchased, exchanged, acquired or retired;

(4) a Restricted Payment to pay for the repurchase, retirement or other acquisition or retirement for value of Equity Interests (other than Disqualified Stock) of the Company or any direct or indirect parent company of the Company held by any future, present or former employee, director, manager or consultant of the Company, any of its Subsidiaries or any direct or indirect parent company of the Company, or their estates, descendants, family, spouse or former spouse pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement, or any stock subscription or shareholder agreement (including, for the avoidance of doubt, any principal and interest payable on any notes issued by the Company or any direct or indirect parent company of the Company in connection with such repurchase, retirement or other acquisition), including any Equity Interests rolled over by management of the Company or any direct or indirect parent company of the Company in connection with the Transactions; provided that, except with respect to non-discretionary purchases, the aggregate Restricted Payments made under this clause (4) subsequent to the Closing Date do not exceed in any calendar year $5,000,000 (with unused amounts in any calendar year being carried over to succeeding calendar years subject to maximum aggregate Restricted Payments under this clause (without giving effect to the following proviso) of $10,000,000 in any calendar year); provided, further, that such amount in any calendar year may be increased by an amount not to exceed: (A) the cash proceeds from the sale of Equity Interests (other than Disqualified Stock) of the Company and, to the extent contributed to the Company, the cash proceeds from the sale of Equity Interests of any direct or indirect parent company of the Company, in each case to any future, present or former employees, directors, managers or consultants of the

Company, any of its Subsidiaries or any direct or indirect parent company of the Company that occurs after the Closing Date, to the extent the cash proceeds from the sale of such Equity Interests have not otherwise been applied to the payment of Restricted Payments by virtue of clause (iii) of Section 10.5(a) of the First Lien Term Loan Agreement (or comparable "builder basket" provision in respect of Refinancing Indebtedness) and are not used for any Cure Amount and are used to make such Restricted Payment within ninety (90) days of the receipt of such cash proceeds, plus (B) the cash proceeds of key man life insurance policies received by the Company and the Restricted Subsidiaries after the Closing Date which are used to make such Restricted Payment within ninety (90) days of the receipt of such cash proceeds, less (C) the amount of any Restricted Payments previously made pursuant to clauses (A) and (B) of this clause (4); and provided, further, that cancellation of Indebtedness owing to the Company or any Restricted Subsidiary from any future, present or former employees, directors, managers or consultants of the Company, any direct or indirect parent company of the Company or any Restricted Subsidiary, or their estates, descendants, family, spouse or former spouse pursuant in connection with a repurchase of Equity Interests of the Company or any direct or indirect parent company of the Company will not be deemed to constitute a Restricted Payment for purposes of this Section 10.5 or any other provision of this Agreement;

(5) the declaration and payment of dividends to holders of any class or series of Disqualified Stock of the Company or any Restricted Subsidiary or any class or series of preferred stock of any Restricted Subsidiary, in each case, issued in accordance with Section 10.1 to the extent such dividends are included in the definition of Fixed Charges;

(6) [reserved];

~~(7) [reserved];~~

(7) Investments in Unrestricted Subsidiaries having an aggregate Fair Market Value, taken together with all other Investments made pursuant to this clause (7) that are at the time outstanding, without giving effect to the sale of an Unrestricted Subsidiary to the extent the proceeds of such sale do not consist of cash, Cash Equivalents or marketable securities, not to exceed the greater of (x) $15,000,000 and (y) 25% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of such Investment (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value), provided that the Payment Conditions have been satisfied with respect thereto;

(8) payments made or expected to be made by the Company or any Restricted Subsidiary in respect of withholding or similar taxes payable upon exercise of Equity Interests by any future, present or former employee, director, manager, or consultant and repurchases of Equity Interests deemed to occur upon exercise of stock options or warrants if such Equity Interests represent a portion of the exercise price of such options or warrants;

~~(9) [reserved];~~

(9) the declaration and payment of dividends on the Company's common stock (or the payment of dividends to any direct or indirect parent company of the Company to fund a payment of dividends on such company's common stock), following consummation of the first public offering of the Company's common stock or the common stock of any direct or indirect parent company of the Company after the Closing Date, of up to 6.00% per annum of the net cash proceeds received by or contributed to the Company in or from any such public offering, other than public offerings with respect to the Company's common stock registered on Form S-8 and other than any public sale constituting an Excluded Contribution;

(10) (x) scheduled or mandatory payments (including any premium) as and when due in respect of Indebtedness under the First Lien Term Facility and the Second Lien Facility and (y) prepayments of principal of and any required premium on loans under the First Lien Term Loan Agreement and Second Lien Term Loan Agreement in connection with the removal of a lender pursuant to Section 13.7 of the First Lien Term Loan Agreement or Second Lien Term Loan Agreement (or any comparable provision in respect of Refinancing Indebtedness) or the payment of any fees in connection with amendments thereto;

(11) other Restricted ~~Investments~~Payments in an aggregate amount taken together with all other Restricted ~~Investments~~Payments made pursuant to this clause not to exceed the greater of (x) $15,000,000 and (y) 30% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time made, provided that the Payment Conditions have been satisfied with respect thereto;

(12) [reserved];

(13) any Restricted Payment made in connection with the Transactions and the fees and expenses related thereto or used to fund amounts owed to Affiliates (including dividends to any direct or indirect parent company of the Company to permit payment by such parent of such amount), to the extent permitted by Section 10.10 (other than clause (b) thereof), and Restricted Payments in respect of working capital adjustments or purchase price adjustments pursuant to the Acquisition Agreement, any Permitted Acquisition or other Permitted Investment and to satisfy indemnity and other similar obligations under the Acquisition Agreement, any Permitted Acquisitions or other Permitted Investments;

(14) other Restricted Payments to the extent that at the time such Restricted Payment is made, the Payment Conditions have been satisfied with respect thereto;

(15) the declaration and payment of dividends by the Company to, or the making of loans to, any direct or indirect parent company of the Company in amounts required for any direct or indirect parent company to pay: (A) franchise and excise taxes, and other fees and expenses, required to maintain its organizational existence, (B) consolidated, combined or similar foreign, federal, state and local income and similar taxes, to the extent that such income taxes are attributable to the income of the Company and the Restricted Subsidiaries and, to the extent of the amount actually received from its Unrestricted Subsidiaries, in amounts required to pay such taxes to the extent attributable to the income of such Unrestricted Subsidiaries, provided that in each case the amount of

such payments with respect to any fiscal year does not exceed the amount that the Company, the Restricted Subsidiaries and the Unrestricted Subsidiaries (to the extent described above) would have been required to pay in respect of such foreign, federal, state and local income taxes for such fiscal year had the Company, the Restricted Subsidiaries and the Unrestricted Subsidiaries (to the extent described above) been a stand-alone taxpayer or stand-alone group (separate from any such direct or indirect parent company of the Company) for all fiscal years ending after the Closing Date, (C) customary salary, bonus, and other benefits payable to officers, employees, directors, and managers of any direct or indirect parent company of the Company to the extent such salaries, bonuses, and other benefits are attributable to the ownership or operation of the Company and the Restricted Subsidiaries, including the Company's proportionate share of such amount relating to such parent company being a public company, (D) general corporate or other operating (including, without limitation, expenses related to auditing or other accounting matters) and overhead costs and expenses of any direct or indirect parent company of the Company to the extent such costs and expenses are attributable to the ownership or operation of the Company and the Restricted Subsidiaries, including the Company's proportionate share of such amount relating to such parent company being a public company, (E) amounts required for any direct or indirect parent company of the Company to pay fees and expenses incurred by any direct or indirect parent company of the Company related to (i) the maintenance by such parent entity of its corporate or other entity existence and (ii) transactions of such parent company of the Company of the type described in clause (xi) of the definition of Consolidated Net Income, (F) cash payments in lieu of issuing fractional shares in connection with the exercise of warrants, options or other securities convertible into or exchangeable for Equity Interests of the Company or any such direct or indirect parent company of the Company, and (G) repurchases deemed to occur upon the cashless exercise of stock options;

(16) the repurchase, redemption or other acquisition for value of Equity Interests of the Company deemed to occur in connection with paying cash in lieu of fractional shares of such Equity Interests in connection with a share dividend, distribution, share split, reverse share split, merger, consolidation, amalgamation or other business combination of the Company, in each case, permitted under this Agreement;

(17) the distribution, by dividend or otherwise, of shares of Capital Stock of, or Indebtedness owed to the Company or a Restricted Subsidiary by, Unrestricted Subsidiaries (other than Unrestricted Subsidiaries, the primary assets of which are cash and/or Cash Equivalents);

(18) ~~[reserved]~~any Restricted Payment constituting any part of a Permitted Reorganization;

(19) ~~[reserved];~~ andthe prepayment, redemption, defeasance, repurchase or other acquisition or retirement for value of First Lien Term Loans and Second Lien Loans in an aggregate amount pursuant to this clause (19) not to exceed the greater of (x) $13,000,000 and (y) 25% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis); and

(20) scheduled payments of principal in respect of any Subordinated Indebtedness (subject to applicable subordination provisions related thereto);

provided that at the time of, and after giving effect to, any Restricted Payment permitted under clauses (11) and (19), no Event of Default shall have occurred and be continuing or would occur as a consequence thereof (or in the case of a Restricted Investment, no Event of Default under Section 11.1 or 11.5 shall have occurred and he continuing or would occur as a consequence thereof).

The Company will not permit any Unrestricted Subsidiary to become a Restricted Subsidiary except pursuant to the last sentence of the definition of Unrestricted Subsidiary. For purposes of designating any Restricted Subsidiary as an Unrestricted Subsidiary, all outstanding Investments by the Company and the Restricted Subsidiaries (except to the extent repaid) in the Subsidiary so designated will be deemed to be Restricted Payments in an amount determined as set forth in the last sentence of the definition of Investment. Such designation will be permitted only if a Restricted Payment in such amount would be permitted at such time, whether pursuant to clauses (7), (11) or (14) of Section 10.5(b), or pursuant to the definition of Permitted Investments, and if such Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. Unrestricted Subsidiaries will not be subject to any of the restrictive covenants set forth in this Agreement.

For purposes of determining compliance with this covenant, in the event that a proposed Restricted Payment or Investment (or a portion thereof) meets the criteria of clauses (1) through (20) and/or one or more of the exceptions contained in the definition of Permitted Investments, the Company will be entitled to classify or later reclassify (based on circumstances existing on the date of such reclassification) such Restricted Payment (or portion thereof) among such clauses (1) through (20), in a manner that otherwise complies with this covenant.

Notwithstanding anything to the contrary contained herein, until the First Lien ~~Initial~~ Term Loans (other than First Lien Term Loans having a maturity date later than the Maturity Date) are repaid in full, the Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly ~~(x) make any Restricted Payment pursuant to clause (3) of Section 10.5(b), (y) make any Restricted Payment pursuant to clause (14) of Section 10.5(b) other than Restricted Investments or (z)~~ make any voluntary principal payment on, or voluntarily redeem, repurchase, defease or otherwise acquire or retire for value in each case, prior to any scheduled repayment, sinking fund payment or maturity, any First Lien ~~Initial~~ Term Loans having a maturity date on or prior to the Maturity Date (other than (i) payments of principal from proceeds of Refinancing Indebtedness in respect thereof or (ii) to the extent that at the time of such payment, redemption, repurchase, defeasance or other acquisition or retirement for value the Payment Conditions are satisfied).

10.6 Limitation on Subsidiary Distributions. The Company will not, and will not permit any of the Restricted Subsidiaries that are not Borrowers or Guarantors to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or consensual restriction on the ability of any such Restricted Subsidiary to:

(a) (i) pay dividends or make any other distributions to the Company or any Restricted Subsidiary on its Capital Stock or with respect to any other interest or participation in, or measured by, its profits or (ii) pay any Indebtedness owed to the Company or any Restricted Subsidiary;

(b) make loans or advances to the Company or any Restricted Subsidiary; or

(c) sell, lease or transfer any of its properties or assets to the Company or any Restricted Subsidiary;

except (in each case) for such encumbrances or restrictions existing under or by reason of:

(i) contractual encumbrances or restrictions in effect on the Closing Date, including pursuant to this Agreement and the related documentation and related Hedging Obligations;

(ii) (x) the Second Lien Credit Documents and the Second Lien Loans and (y) the First Lien Term Loan Credit Documents and the First Lien Term Loans;

(iii) purchase money obligations for property acquired in the ordinary course of business or consistent with past practice and Capitalized Lease Obligations that impose restrictions of the nature discussed in clause (c) above on the property so acquired;

(iv) Requirement of Law or any applicable rule, regulation or order;

(v) any agreement or other instrument of a Person acquired by or merged or consolidated with or into the Company or any Restricted Subsidiary, or of an Unrestricted Subsidiary that is designated a Restricted Subsidiary, or that is assumed in connection with the acquisition of assets from such Person, in each case that is in existence at the time of such transaction (but not created in contemplation thereof), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person and its Subsidiaries, or the property or assets of the Person and its Subsidiaries, so acquired or designated;

(vi) contracts for the sale of assets, including customary restrictions with respect to a Subsidiary of the Company pursuant to an agreement that has been entered into for the sale or disposition of all or substantially all of the Capital Stock or assets of such Subsidiary and restrictions on transfer of assets subject to Permitted Liens;

(vii) (x) secured Indebtedness otherwise permitted to be incurred pursuant to Sections 10 1 and 10.2 that limit the right of the debtor to dispose of the assets securing such Indebtedness and (y) restrictions on transfers of assets subject to Permitted Liens (but, with respect to any such Permitted Lien, only to the extent that such transfer restrictions apply solely to the assets that are the subject of such Permitted Lien);

(viii) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business;

(ix) other Indebtedness, Disqualified Stock or preferred stock of Restricted Subsidiaries permitted to be incurred subsequent to the Closing Date pursuant to the provisions of Section 10.1;

(x) customary provisions in joint venture agreements or arrangements and other similar agreements or arrangements relating solely to such joint venture and the Equity Interests issued thereby;

(xi) customary provisions contained in leases, sub-leases, licenses, sub-licenses or similar agreements, in each case, entered into in the ordinary course of business;

(xii) [reserved]; and

(xiii) any encumbrances or restrictions of the type referred to in clauses (a), (b), and (c) above imposed by any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (i) through (xii) above; provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements, or refinancings (x) are, in the good faith judgment of the Company's board of directors, no more restrictive in any material respect with respect to such encumbrance and other restrictions taken as a whole than those prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing or (y) do not materially impair the Borrowers' ability to pay their respective obligations under the Credit Documents as and when due (as determined in good faith by the Borrower Representative).

10.7 Modifications of Organizational Documents. The Company shall not agree, and shall not permit any of the Restricted Subsidiaries to agree, to any material amendment, restatement, supplement or other modification to, or waiver of, any of its Organizational Documents after the Closing Date in a manner that is materially adverse to the Lenders, except as required by law.

10.8 Permitted Activities. The Company shall not engage in any material operating or business activities; *provided* that the following and any activities incidental thereto shall be permitted in any event: (i) its ownership of the Equity Interests of the Company and activities incidental thereto, including payment of dividends and other amounts in respect of its Equity Interests, (ii) the maintenance of its legal existence (including the ability to incur fees, costs and expenses relating to such maintenance), (iii) the performance of its obligations with respect to the Transactions, the Credit Documents, the First Lien Term Loan Credit Documents, the Second Lien Credit Documents and any other documents governing Indebtedness permitted hereby, (iv) any public offering of its common stock or any other issuance or sale of its Equity Interests, (v) financing activities, including the issuance of securities, incurrence of debt, payment of dividends, making contributions to the capital of the Company and guaranteeing the obligations of the Company, (vi) if applicable, participating in tax, accounting and other administrative matters as a member of the consolidated group of Holding and the Company, (vii) holding any cash or property (but not operate any property), (viii) making of any Restricted Payments or Investments permitted hereunder, (ix) providing indemnification to officers and directors, (x) activities relating to any Permitted Reorganization, (xi) merge, amalgamate or consolidate with or into any direct or indirect parent or subsidiary of Holdings (pursuant to the definition of "Holdings"), (xii) repurchases of Indebtedness through open market purchases and Dutch auctions and (xiii) any activities incidental or reasonably related to the foregoing.

10.9 Fiscal Years. The Company shall not permit, and shall not permit any Restricted Subsidiary to, change its fiscal year to end on dates inconsistent with past practice; provided, however, that the Company may, upon written notice to the Administrative Agent change the financial reporting convention specified above to (x) align the dates of such fiscal year and for any Restricted Subsidiary whose fiscal years end on dates different from those of the Company or (y) any other financial reporting convention reasonably acceptable to the Administrative Agent, in which case the Company and the Administrative Agent will, and are hereby authorized by the Lenders to, make any adjustments to this Agreement that are necessary in order to reflect such change in financial reporting.

10.10 Affiliate Transactions. The Company shall not conduct, and shall not permit the Restricted Subsidiaries to conduct, any transactions with a value in excess of $1,500,000 with any of its Affiliates (other than the Company and the Restricted Subsidiaries or any entity that becomes a Restricted Subsidiary as a result of such transaction) on terms that are substantially less as favorable to the Company

or such Restricted Subsidiary as it would obtain in a comparable arm's-length transaction with a Person that is not an Affiliate, as determined by the board of directors of the Company or such Restricted Subsidiary in good faith; provided that the foregoing restrictions shall not apply to (a)(i) the payment of fees to the Sponsor for management, consulting, and financial services rendered to the Company and the Restricted Subsidiaries pursuant to the Sponsor Management Agreement, (ii) customary investment banking and financial advisory fees paid to the Sponsor for services rendered to the Company and the Subsidiaries in connection with divestitures, acquisitions, financings and other transactions which payments are approved by a majority of the board of directors of the Company in good faith and (iii) indemnification and reimbursement of expenses pursuant to the Sponsor Management Agreement, (b) transactions permitted by Section 10.5, (c) consummation of the Transactions and the payment of the Transaction Expenses, (d) the issuance of Capital Stock or Stock Equivalents of the Company (or any direct or indirect parent thereof) or any of its Subsidiaries not otherwise prohibited by the Credit Documents, (e) loans, advances and other transactions between or among the Company, any Restricted Subsidiary or any joint venture (regardless of the form of legal entity) in which the Company or any Subsidiary has invested (and which Subsidiary or joint venture would not be an Affiliate of the Company but for the Company's or a Subsidiary's ownership of Capital Stock or Stock Equivalents in such joint venture or Subsidiary) to the extent permitted under Section 10, (f) employment and severance arrangements between the Company and the Restricted Subsidiaries and their respective officers, employees or consultants (including management and employee benefit plans or agreements, stock option plans and other compensatory arrangements) in the ordinary course of business (including loans and advances in connection therewith), (g) payments by the Company (and any direct or indirect parent thereof) and the Subsidiaries pursuant to the tax sharing agreements among the Company (and any such parent) and the Subsidiaries that are permitted under Section 10.5(b)(15); provided that in each case the amount of such payments in any fiscal year does not exceed the amount that the Company, the Restricted Subsidiaries and the Unrestricted Subsidiaries (to the extent of the amount received from Unrestricted Subsidiaries) would have been required to pay in respect of such foreign, federal, state and/or local taxes for such fiscal year had the Company, the Restricted Subsidiaries and the Unrestricted Subsidiaries (to the extent described above) paid such taxes separately from any such direct or indirect parent company of the Company, (h) the payment of customary fees and reasonable out of pocket costs to, and indemnities provided on behalf of, directors, managers, consultants, officers, employees of the Company (or any direct or indirect parent thereof) and the Subsidiaries in the ordinary course of business to the extent attributable to the ownership or operation of the Company and the Subsidiaries, (i) transactions undertaken pursuant to membership in a purchasing consortium, (j) transactions pursuant to any agreement or arrangement as in effect as of the Closing Date, or any amendment, modification, supplement or replacement thereto (so long as any such amendment, modification, supplement or replacement is not disadvantageous in any material respect to the Lenders when taken as a whole as compared to the applicable agreement as in effect on the Closing Date as determined by the Borrower Representative in good faith), (k) [reserved], (l) the existence and performance of agreements and transactions with any Unrestricted Subsidiary that were entered into prior to the designation of a Restricted Subsidiary as such Unrestricted Subsidiary to the extent that the transaction was permitted at the time that it was entered into with such Restricted Subsidiary and transactions entered into by an Unrestricted Subsidiary with an Affiliate prior to the redesignation of any such Unrestricted Subsidiary as a Restricted Subsidiary; provided that such transaction was not entered into in contemplation of such designation or redesignation, as applicable, and (m) Affiliate repurchases of loans and commitments pursuant to the terms of the First Lien Term Facility and Second Lien Facility, and the payments and other transactions contemplated therein in respect thereof.

10.11 Financial Covenant. If either (a) Excess Availability at any time is less than the greater of (x) 10.0% of the Line Cap and (y) $10,000,000 or (b) any Overadvance Loans are outstanding at any time (each of the events in clauses (a) and (b), a "Financial Covenant Trigger Event"), Borrowers shall not permit the Fixed Charge Coverage Ratio to be less than 1.00 to 1.00 as of the last day of any Test

Period, commencing with the Test Period ended on or immediately prior to the date that the Financial Covenant Trigger Event occurs and (ii) such requirement to maintain a Fixed Charge Coverage Ratio of at least 1.00 to 1.00 shall no longer apply (a) with respect to any Financial Covenant Trigger Event described in clause (a), if Excess Availability on each day during any period of 30 consecutive calendar days commencing after the date of such Financial Covenant Trigger Event shall be at least the greater of (x) 10.0% of the Line Cap and (y) $10,000,000 and/or (b) with respect to any Financial Covenant Trigger Event described in clause (b), no Overadvance Loans are outstanding, after which time the requirement to comply with the Consolidated Fixed Charge Coverage Ratio shall not apply unless a subsequent Financial Covenant Trigger Event occurs.

Section 11. Events of Default

Upon the occurrence of any of the following specified events (each an "**Event of Default**"):

11.1 Payments. Any Borrower shall (a) default in the payment when due of any principal of the Loans, (b) default, and such default shall continue for five or more Business Days, in the payment when due of any interest on the Loans or Unpaid Drawings, or (c) default, and such default shall continue for ten or more Business Days, in the payment when due of any Fees or of any other amounts owing hereunder or under any other Credit Document; or

11.2 Representations, Etc. (a) On the Closing Date, any Specified Representation shall be false or incorrect in any material respect as of the Closing Date and (b) after the Closing Date, any representation, warranty or statement made or deemed made by any Credit Party herein or in any other Credit Document or any certificate delivered or required to be delivered pursuant hereto or thereto shall prove to be untrue in any material respect on the date as of which made or deemed made, and, to the extent capable of being cured, such incorrect representation or warranty shall remain incorrect for a period of 30 days after written notice thereof from the Administrative Agent to the Borrower Representative; or

11.3 Covenants. Any Credit Party shall:

(a) default in the due performance or observance by it of any term, covenant or agreement contained in Section 9.1(e)(i), Section 9.5 (solely with respect to the Company), Section 9.9, Section 9.14(d) or Section 10; provided that any Event of Default under Section 10.11 is subject to the provisions of Section 11.15; or

(b) default in the due performance or observance by it of any term, covenant or agreement contained in Section 9.1(d), Section 9.2(b) or Section 9.1(h) and such default shall continue unremedied for a period of at least five (5) Business Days (or, solely in the case of Section 9.1(h)(ii), 2 Business Days it Borrowing Base Certificates are required to be delivered weekly); or

(c) default in the due performance or observance by it of any term, covenant or agreement (other than those referred to in Section 11.1 or 11.2 or clause (a) or (b) of this Section 11.3) contained in this Agreement or any Security Document and such default shall continue unremedied for a period of at least 30 days after receipt of written notice by the Company from the Administrative Agent or the Required Lenders; or

11.4 Default Under Other Agreements. (a) Holdings, the Company or any of the Restricted Subsidiaries shall (i) default in any payment with respect to any Indebtedness (other than the Obligations) in excess of $20,000,000 in the aggregate, for Holdings, the Company and such Restricted Subsidiaries, beyond the period of grace and following all required notices, if any, provided in the instrument or

agreement under which such Indebtedness was created or (ii) default in the observance or performance of any agreement or condition relating to any such Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist (after giving effect to all applicable grace period and delivery of all required notices) (other than, with respect to Indebtedness consisting of any Hedge Agreements, termination events or equivalent events pursuant to the terms of such Hedge Agreements (it being understood that clause (i) shall apply to any failure to make any payment in excess of $20,000,000 that is required as a result of any such termination or similar event and that is not otherwise being contested in good faith)), the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Indebtedness (or a trustee or agent on behalf of such holder or holders) to cause, any such Indebtedness to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity; or (b) without limiting the provisions of clause (a) above, any such Indebtedness shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment or as a mandatory prepayment (and, with respect to Indebtedness consisting of any Hedge Agreements, other than due to a termination event or equivalent event pursuant to the terms of such Hedge Agreements (it being understood that clause (a)(i) above shall apply to any failure to make any payment in excess of $20,000,000 that is required as a result of any such termination or equivalent event and that is not otherwise being contested in good faith)), prior to the stated maturity thereof; provided that clauses (a) and (b) shall not apply to (x) secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness, if such sale or transfer is permitted hereunder and under the documents providing for such Indebtedness, (y) Indebtedness which is convertible into Equity Interests and converts to Equity Interests in accordance with its terms and such conversion is not prohibited hereunder, or (z) any breach or default that is (I) remedied by Holdings, the Company or the applicable Restricted Subsidiary or (II) waived (including in the form of amendment) by the required holders of the applicable item of Indebtedness, in either case, prior to the acceleration of Loans pursuant to this Section 11; or

11.5 Bankruptcy, Etc. Except as otherwise permitted by Section 10.3, Holdings, the Company or any other Material Subsidiary shall commence a voluntary case, proceeding or action concerning itself under (a) Title II of the United Stales Code entitled "Bankruptcy," or (b) in the case of any Foreign Subsidiary that is a Material Subsidiary, any domestic or foreign law relating to bankruptcy, judicial management, insolvency, liquidation, receivership, reorganization, administration or relief of debtors in effect in its jurisdiction of incorporation, in each case as now or hereafter in effect, or any successor thereto (collectively, the "**Bankruptcy Code**"); or an involuntary case, proceeding or action is commenced against Holdings, the Company or any other Material Subsidiary and the petition is not controverted within 30 days after commencement of the case, proceeding or action; or an involuntary case, proceeding or action is commenced against Holdings, the Company or any other Material Subsidiary and the petition is not dismissed within 60 days after commencement of the case, proceeding or action; or a custodian (as defined in the Bankruptcy Code), judicial manager, compulsory manager, receiver, receiver manager, trustee, liquidator, administrator, administrative receiver or similar Person is appointed for, or takes charge of, all or substantially all of the property of Holdings, the Company or any other Material Subsidiary; or Holdings, the Company or any other Material Subsidiary commences any other voluntary proceeding or action under any reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency, winding-up, administration or liquidation or similar law of any jurisdiction whether now or hereafter in effect relating to Holdings, the Company or any other Material Subsidiary; or there is commenced against Holdings, the Company or any other Material Subsidiary any such proceeding or action that remains undismissed for a period of 60 days; or Holdings, the Company or any other Material Subsidiary is adjudicated bankrupt; or any order of relief or other order approving any such case or proceeding or action is entered; or Holdings, the Company or any other Material Subsidiary suffers any appointment of any custodian receiver, receiver manager, trustee, administrator or the like for it or any substantial part of its property to continue undischarged or unstayed for a period of 60 days; or

Holdings, the Company or any other Material Subsidiary makes a general assignment for the benefit of creditors; or

11.6 ERISA. (a) An ERISA Event shall have occurred, (b) a trustee shall be appointed by a United States district court to administer any Pension Plan(s), (c) the PBGC shall institute proceedings to terminate any Pension Plan(s), (d) any Credit Party or any of their respective ERISA Affiliates shall have been notified by the sponsor of a Multiemployer Plan that it has incurred or will be assessed Withdrawal Liability to such Multiemployer Plan and such entity does not have reasonable grounds for contesting such Withdrawal Liability or is not contesting such Withdrawal Liability in a timely and appropriate manner or (c) any other event or condition of noncompliance with applicable Legal Requirements shall occur or exist with respect to a Plan; and in each case in clauses (a) through (c) above, such event or condition, together with all other such events or conditions, if any, would reasonably be expected to result in a Material Adverse Effect; or

11.7 Guarantee. Any Guarantee provided by any Credit Party or any material provision thereof shall cease to be in full force or effect (other than pursuant to the terms hereof and thereof) or any such Guarantor thereunder or any other Credit Party shall deny or disaffirm in writing any such Guarantor's obligations under the Guarantee; or

11.8 Security Documents. Any Security Document pursuant to which the Capital Stock or Stock Equivalents of any Borrower or any Subsidiary is pledged or any material provision thereof shall cease to be in full force or effect (other than pursuant to the terms hereof or thereof, as a result of acts or omissions of the Collateral Agent or any Lender or as a result of the Collateral Agent's failure to maintain possession of any Stock or Stock Equivalents that have been previously delivered to it) or any pledgor thereunder or any Credit Party shall deny or disaffirm in writing any pledgor's obligations under any Security Document; or

11.9 Security Agreement. The Security Agreement or any other Security Document pursuant to which the assets of Holdings, the Company or any other Material Subsidiary are pledged as Collateral or any material provision thereof shall cease to be in full force or effect (other than pursuant to the terms hereof or thereof, as a result of acts or omissions of the Collateral Agent in respect of certificates, promissory notes or instruments actually delivered to it or as a result of the Collateral Agent's failure to file a Uniform Commercial Code continuation statement) or any grantor thereunder or any Credit Party shall deny or disaffirm in writing any grantor's obligations under the Security Agreement or any other Security Document; or

11.10 Mortgages. Any Mortgage or any material provision of any Mortgage relating to any material portion of the Collateral shall cease to be in full force or effect (other than pursuant to the terms hereof or thereof or as a result of acts or omissions of the Collateral Agent or any Lender) or any mortgagor thereunder or any Credit Party shall deny or disaffirm in writing any mortgagor's obligations under any Mortgage; or

11.11 Judgments. One or more final judgments or decrees shall be entered against Holdings, the Company or any of the Restricted Subsidiaries involving a liability of $20,000,000 or more in the aggregate for all such judgments and decrees for Holdings, the Company and the Restricted Subsidiaries (to the extent not covered by insurance or indemnities as to which the applicable insurance company or third party has not denied coverage) and any such judgments or decrees shall not have been satisfied, vacated, discharged or stayed or bonded pending appeal within 60 consecutive days after the entry thereof; or

11.12 Change of Control. A Change of Control shall occur.

11.13 Remedies Upon Event of Default. If an Event of Default occurs and is continuing, the Administrative Agent shall, upon the written request of the Required Lenders, by written notice to the Company, take any or all of the following actions, without prejudice to the rights of the Administrative Agent or any Lender to enforce its claims against Holdings and the Borrowers, except as otherwise specifically provided for in this Agreement (provided that, if an Event of Default specified in Section 11.5 shall occur with respect to any Borrower or Holdings, the result that would occur upon the giving of written notice by the Administrative Agent as specified in clauses (i), (ii), (iii), and (iv) below shall occur automatically without the giving of any such notice): (i) declare the Total Revolving Credit Commitment and Swingline Commitment terminated, whereupon the Revolving Credit Commitment and Swingline Commitment, if any, of each Lender or the Swingline Lender, as the case may be, shall forthwith terminate immediately and any Fees theretofore accrued shall forthwith become due and payable without any other notice of any kind; (ii) declare the principal of and any accrued interest and fees in respect of all Loans and all Obligations to be, whereupon the same shall become, forthwith due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by each Borrower to the extent permitted by applicable law; (iii) terminate any Letter of Credit that may be terminated in accordance with its terms; and/or (iv) direct the Borrowers to pay (and each Borrower agrees that upon receipt of such notice, or upon the occurrence of an Event of Default specified in Section 11.5 with respect to any Borrower, it will pay) to the Administrative Agent at the Administrative Agent's Office such additional amounts of cash as are necessary to Cash Collateralize all Letters of Credit Outstanding, to be held as security for the Borrower's respective reimbursement obligations for Drawings that may subsequently occur thereunder; provided, that in the case of an Event of Default under Section 11.3(a) in respect of a failure to observe or perform the covenant under Section 10.11, such actions will be permitted to occur only following the expiration of the ability to effectuate the Cure Right if such Cure Right has not been so exercised.

11.14 Application of Proceeds. Subject to the terms of the ABL/Term Loan Intercreditor Agreement, any amount received by the Administrative Agent or the Collateral Agent from any Credit Party (or from proceeds of any Collateral) during the continuance of a Cash Dominion Period or following any acceleration of the Obligations under this Agreement or any Event of Default with respect to any Credit Party under Section 11.5 shall be applied:

(i) *first,* to the payment of all reasonable and documented costs and expenses incurred by the Administrative Agent or the Collateral Agent in connection with any collection or sale of the Collateral or otherwise in connection with any Credit Document, including all court costs and the reasonable fees and expenses of its agents and legal counsel, the repayment of all Protective Advances and any other advances made by the Administrative Agent or the Collateral Agent hereunder or under any other Credit Document on behalf of any Credit Party and any other Obligations owing to, and reasonable and documented costs or expenses incurred by, the Administrative Agent or the Collateral Agent in connection with the exercise of any right or remedy hereunder or under any other Credit Document or otherwise to the extent payable or reimbursable hereunder or thereunder;

(ii) *second,* to the payment of reasonable and documented costs or expenses incurred by any Lender to the extent reimbursable hereunder;

(iii) *third,* to payment of all accrued unpaid interest on the Obligations and Fees owed to Agents, Lenders, and Letter of Credit Issuers;

(iv) *fourth,* to payment of principal of the Obligations (other than any Obligations any under Secured Cash Management Agreements and Secured Hedge Agreements) including, without limitation, Unpaid Drawings and amounts necessary to Cash Collateralize all Letters of Credit Outstanding on the date of any payment, and to the payment of any Obligations under any Secured Hedge Agreement solely to the extent of any Secured Hedge Reserve established at the request of the Borrowers in connection with entering into of such Secured Hedge Agreement which the Administrative Agent has acknowledged is subject to this clause (iv);

(v) *fifth,* to payment of any other Obligations, including Obligations any under Secured Cash Management Agreements and Secured Hedge Agreements; and

(vi) *sixth,* any surplus then remaining shall be paid to the applicable Credit Parties or their successors or assigns or to whomsoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

provided that any amount applied to Cash Collateralize any Letters of Credit Outstanding that has not been applied to reimbursement of Unpaid Drawings under the applicable Letters of Credit at the time of expiration of all such Letters of Credit shall be applied by the Administrative Agent in the order specified in clauses (i) through (vi) above. In carrying out the foregoing, (i) amounts received shall be applied in the numerical order provided until exhausted prior to the application to the next succeeding category, (ii) each of the Lenders or other Persons entitled to payment shall receive an amount equal to its pro rata share of amounts available to be applied pursuant to clauses (ii) through (v) above, and (iii) amounts applied to the principal of any Loans shall be applied first, to outstanding Swingline Loans, second to outstanding Overadvance Loans, third, to outstanding Tranche A Loans and fourth, to outstanding Tranche B Loans. Notwithstanding the foregoing, amounts received from any Guarantor that is not an "Eligible Contract Participant" (as defined in the Commodity Exchange Act) shall not be applied to its Obligations that are Excluded Swap Obligations.

11.15 Equity Cure. Notwithstanding anything to the contrary contained in this Section 11, in the event that the Company fails to comply with the requirement of the financial covenant set forth in Section 10.11, after the beginning of the relevant fiscal period for which such financial covenant is being measured until the later of (x) the expiration of the 10th day following the date financial statements referred to in Sections 9.1(a) or (b) are required to be delivered in respect of such fiscal period for which such financial covenant is being measured and (y) the 10th day after the Financial Covenant Trigger Event that required the Company to comply with the covenant set forth in Section 10.11 (such later date, the "**Cure Expiration Date**"), any holder of Capital Stock or Stock Equivalents of the Company or any direct or indirect parent of the Company shall have the right to cure such failure (the "**Cure Right**") by causing cash net equity proceeds derived from an issuance of Capital Stock or Stock Equivalents (other than Disqualified Stock, unless reasonably satisfactory to the Administrative Agent) by the Company (or from a contribution to the common equity capital of the Company) to be contributed, directly or indirectly, as cash common equity to the Company, and upon receipt by the Company of such cash contribution (such cash amount being referred to as the "**Cure Amount**") or, if applicable, the Notice of Intent to Cure as set forth below, pursuant to the exercise of such Cure Right, such financial covenant shall be recalculated giving effect to the following pro forma adjustments:

(a) Consolidated EBITDA shall be increased, solely for the purpose of determining the existence of an Event of Default resulting from a breach of the financial covenant set forth in Section 10.11 with respect to any period of four consecutive fiscal quarters that includes the fiscal quarter for which the Cure Right was exercised and not for any other purpose under this Agreement, by an amount equal to the Cure Amount;

(b) if, after giving effect to the foregoing recalculations, the Company shall then be in compliance with the requirements of the financial covenant set forth in Section 10.11, the Company shall be deemed to have satisfied the requirements of the financial covenant set forth in Section 10.11 as of the relevant date of determination with the same effect as though there had been no failure to comply therewith at such date, and the applicable breach or default of such financial covenant that had occurred shall be deemed cured for the purposes of this Agreement; provided that (i) in each period of four consecutive fiscal quarters there shall be at least two fiscal quarters in which no Cure Right is made, (ii) there shall be a maximum of five Cure Rights made during the term of this Agreement, (iii) each Cure Amount shall be no greater than the amount required to cause the Company to be in compliance with the financial covenant set forth in Section 10.11, (iv) all Cure Amounts shall be disregarded for the purposes of any financial ratio determination under the Credit Documents other than for determining compliance with Section 10.11 and (v) there shall be no pro forma reduction in Indebtedness with the proceeds of any Cure Amount for determining compliance with the financial covenant in respect of the fiscal period for which the Cure Right is exercised; and

(c) neither the Administrative Agent, the Collateral Agent nor any Lender or Secured Party shall exercise any remedy under the Credit Documents or applicable law on the basis of an Event of Default caused by the failure to comply with Section 10.11 until after the Cure Expiration Date and the Company has not exercised the Cure Right (except to the extent that the Borrower Representative has confirmed in writing that it does not intend to exercise the Cure Right).

The Company may provide written notice to the Administrative Agent that it intends to exercise the Cure Right (the "**Notice of Intent to Cure**") in advance of receipt of the Cure Amount (it being understood that to the extent such notice is provided in advance of delivery of a Compliance Certificate for the applicable fiscal period, the amount of such net equity proceeds that is designated as the Cure Amount may be lower than specified in the Notice of Intent to Cure to the extent the amount necessary to cure such Event of Default is less than the full amount originally designated). Upon receipt by the Administrative Agent of the Notice of Intent to Cure, the Company shall be deemed to satisfied the requirement of the financial covenant as set forth in clause (b) above; provided that if the Cure Expiration Date has occurred without the Cure Amount having been received and designated, any such Default or Event of Default shall be deemed reinstated. Notwithstanding the foregoing, the Lenders and the LC Issuer shall not be obligated to fund any Loans or honor any Letter of Credit Request until receipt by the Administrative Agent of the Cure Amount.

Section 12. The Agents

12.1 Appointment.

(a) Each Lender hereby irrevocably designates and appoints the Administrative Agent as the agent of such Lender under this Agreement and the other Credit Documents and irrevocably authorizes the Administrative Agent, in such capacity, to take such action on its behalf under the provisions of this Agreement and the other Credit Documents and to exercise such powers and perform such duties as are expressly delegated to the Administrative Agent by the terms of this Agreement and the other Credit Documents, together with such other powers as are reasonably incidental thereto. The provisions of this Section 12 (other than Section 12.1(c) with respect to the Joint Lead Arrangers and Bookrunners and Sections 12.1, 12.9, 12.11 and 12.12 with respect to the Company) are solely for the benefit of the Agents and the Lenders, none of Holdings, the Borrowers or any other Credit Party shall have rights as third party beneficiary of any such provision. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Administrative Agent shall not have any duties or responsibilities, except those expressly

set forth herein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Credit Document or otherwise exist against the Administrative Agent. In performing its functions and duties hereunder, each Agent shall act solely as an agent of Lenders and does not assume and shall not be deemed to have assumed any obligation towards or relationship of agency or trust with or for Holdings, the Borrowers or any of their respective subsidiaries.

(b) The Administrative Agent, each Lender, the Swingline Lender and the Letter of Credit Issuer hereby irrevocably designate and appoint the Collateral Agent as the agent with respect to the Collateral, and each of the Administrative Agent, each Lender, the Swingline Lender and the Letter of Credit Issuer irrevocably authorizes the Collateral Agent, in such capacity, to take such action on its behalf under the provisions of this Agreement and the other Credit Documents and to exercise such powers and perform such duties as are expressly delegated to the Collateral Agent by the terms of this Agreement and the other Credit Documents, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Collateral Agent shall not have any duties or responsibilities except those expressly set forth herein, or any fiduciary relationship with any of the Administrative Agent, the Lenders, the Swingline Lender or the Letter of Credit Issuers, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Credit Document or otherwise exist against the Collateral Agent.

(c) Each of the Syndication Agent, Joint Lead Arrangers and Bookrunners, in its capacity as such, shall not have any obligations, duties or responsibilities under this Agreement but shall be entitled to all benefits of this Section 12.

12.2 Delegation of Duties. The Administrative Agent and the Collateral Agent may each execute any of its duties under this Agreement and the other Credit Documents by or through agents, sub-agents, employees or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. Neither the Administrative Agent nor the Collateral Agent shall be responsible for the negligence or misconduct of any agents, subagents or attorneys-in-fact selected by it in the absence of its gross negligence or willful misconduct (as determined in the final non-appealable judgment of a court of competent jurisdiction).

12.3 Exculpatory Provisions. No Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates shall be (a) liable for any action lawfully taken or omitted to be taken by any of them under or in connection with this Agreement or any other Credit Document (except for its or such Person's own gross negligence or willful misconduct, as determined in the final non-appealable judgment of a court of competent jurisdiction, in connection with its duties expressly set forth herein) or (b) responsible in any manner to any of the Lenders or any participant for any recitals, statements, representations or warranties made by any of Holdings, any Borrower, any other Guarantor, any other Credit Party or any officer thereof contained in this Agreement or any other Credit Document or in any certificate, report, statement or other document referred to or provided for in, or received by such Agent under or in connection with, this Agreement or any other Credit Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Credit Document, or the perfection or priority of any Lien or security interest created or purported to be created under the Security Documents, or for any failure of Holdings, any Borrower, any other Guarantor or any other Credit Party to perform its obligations hereunder or thereunder. No Agent shall be under any obligation to any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Credit Document, or to inspect the properties, books or records of any Credit Party or any Affiliate thereof. The Collateral Agent shall not be under any obligation to the Administrative Agent or any Lender to ascertain or to inquire as to the observance or

performance of any of the agreements contained in, or conditions of, this Agreement or any other Credit Document, or to inspect the properties, books or records of any Credit Party.

12.4 Reliance by Agents. The Administrative Agent and the Collateral Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, resolution, notice, consent, certificate, affidavit, letter, telecopy, telex or teletype message, statement, order or other document or instruction 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 (including counsel to Holdings and the Borrowers), independent accountants and other experts selected by the Administrative Agent or the Collateral Agent. The Administrative Agent may deem and treat the Lender specified in the Register with respect to any amount owing hereunder as the owner thereof for all purposes unless a written notice of assignment, negotiation or transfer thereof shall have been filed with the Administrative Agent. The Administrative Agent and the Collateral Agent shall be fully justified in failing or refusing to take any action under this Agreement or any other Credit Document unless it shall first receive such advice or concurrence of the Required Lenders as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense that may be incurred by it by reason of taking or continuing to take any such action. The Administrative Agent and the Collateral Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement and the other Credit Documents in accordance with a request of the Required Lenders, and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Loans; provided that the Administrative Agent and the Collateral Agent shall not be required to take any action that, in its opinion or in the opinion of its counsel, may expose it to liability or that is contrary to any Credit Document or applicable law.

12.5 Notice of Default. Neither the Administrative Agent nor the Collateral Agent shall be deemed to have knowledge or notice of the occurrence of any Default or Event of Default hereunder unless the Administrative Agent or the Collateral Agent has received written notice from a Lender or the Borrower Representative referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default." In the event that the Administrative Agent receives such a notice, it shall give notice thereof to the Lenders and the Collateral Agent. The Administrative Agent shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Required Lenders; provided that unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable in the best interests of the Lenders except to the extent that this Agreement requires that such action be taken only with the approval of the Required Lenders or each of the Lenders, as applicable.

12.6 Non-Reliance on Administrative Agent, Collateral Agent, and Other Lenders. Each Lender expressly acknowledges that neither the Administrative Agent nor the Collateral Agent nor any of their respective officers, directors, employees, agents, attorneys-in-fact or Affiliates has made any representations or warranties to it and that no act by the Administrative Agent or the Collateral Agent hereinafter taken, including any review of the affairs of Holdings, any Borrower, any other Guarantor or any other Credit Party, shall be deemed to constitute any representation or warranty by the Administrative Agent or the Collateral Agent to any Lender, the Swingline Lender or any Letter of Credit Issuer. Each Lender, the Swingline Lender and the Letter of Credit Issuer represents to the Administrative Agent and the Collateral Agent that it has, independently and without reliance upon the Administrative Agent, the Collateral Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property, financial and other condition and creditworthiness of Holdings, any Borrower, any other Guarantor, and other Credit Party and made its own decision to make its Loans hereunder and enter into this Agreement. Each Lender also represents that it will, independently and without reliance upon the Administrative Agent, the

Collateral 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 analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Credit Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of Holdings, any Borrower, any other Guarantor and any other Credit Party. Except for notices, reports, and other documents expressly required to be furnished to the Lenders by the Administrative Agent hereunder, neither the Administrative Agent nor the Collateral Agent shall have any duty or responsibility to provide any Lender with any credit or other information concerning the business, assets, operations, properties, financial condition, prospects or creditworthiness of Holdings, any Borrower, any other Guarantor or any other Credit Party that may come into the possession of the Administrative Agent or the Collateral Agent any of their respective officers, directors, employees, agents, attorneys-in-fact or Affiliates.

12.7 Indemnification. The Lenders agree to severally indemnify each Agent in its capacity as such (to the extent not reimbursed by the Credit Parties and without limiting the obligation of the Credit Parties to do so), ratably according to their respective portions of the Total Credit Exposure in effect on the date on which indemnification is sought (or, if indemnification is sought after the date upon which the Commitments shall have terminated and the Loans shall have been paid in full, ratably in accordance with their respective portions of the Total Credit Exposure in effect immediately prior to such date), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses, or disbursements of any kind whatsoever that may at any time (including at any time following the payment of the Loans) be imposed on, incurred by or asserted against an Agent in any way relating to or arising out of the Commitments, this Agreement, any of the other Credit Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by the Administrative Agent or the Collateral Agent under or in connection with any of the foregoing; provided that no Lender shall be liable to an Agent for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from such Agent's gross negligence or willful misconduct as determined by a final non-appealable judgment of a court of competent jurisdiction; provided, further, that no action taken by the Administrative Agent in accordance with the directions of the Required Lenders (or such other number or percentage of the Lenders as shall be required by the Credit Documents) shall be deemed to constitute gross negligence or willful misconduct for purposes of this Section 12.7. In the case of any investigation, litigation or proceeding giving rise to any liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever that may at any time occur (including at any time following the payment of the Loans), this Section 12.7 applies whether any such investigation, litigation or proceeding is brought by any Lender or any other Person. Without limitation of the foregoing, each Lender shall reimburse each Agent upon demand for its ratable share of any costs or out-of-pocket expenses (including attorneys' fees) incurred by such Agent in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice rendered in respect of rights or responsibilities under, this Agreement, any other Credit Document, or any document contemplated by or referred to herein, to the extent that such Agent is not reimbursed for such expenses by or on behalf of Holdings or the Borrowers; provided that such reimbursement by the Lenders shall not affect Holdings' or the Borrowers' continuing reimbursement obligations with respect thereto. If any indemnity furnished to any Agent for any purpose shall, in the opinion of such Agent, be insufficient or become impaired, such Agent may call for additional indemnity and cease, or not commence, to do the acts indemnified against until such additional indemnity is furnished; provided, in no event shall this sentence require any Lender to indemnify any Agent against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement in excess of such Lender's pro rata portion thereof; and provided, further, this sentence shall not be deemed to require any Lender to indemnify any Agent against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement resulting

from such Agent's gross negligence or willful misconduct as determined by a final non-appealable judgment of a court of competent jurisdiction. The agreements in this Section 12.7 shall survive the payment of the Loans and all other amounts payable hereunder. The indemnity provided to each Agent under this Section 12.7 shall also apply to such Agent's respective Affiliates, directors, officers, members, controlling persons, employees, trustees, investment advisors and agents and successors.

12.8 Agents in Their Individual Capacities. The agency hereby created shall in no way impair or affect any of the rights and powers of, or impose any duties or obligations upon, any Agent in its individual capacity as a Lender hereunder. Each Agent and its Affiliates may make loans to, accept deposits from and generally engage in any kind of business with Holdings, any Borrower, any other Guarantor, and any other Credit Party as though such Agent were not an Agent hereunder and under the other Credit Documents. With respect to the Loans made by it, each Agent shall have the same rights and powers under this Agreement and the other Credit Documents as any Lender and may exercise the same as though it were not an Agent, and the terms Lender and Lenders shall include each Agent in its individual capacity.

12.9 Successor Agents. (a) Each of the Administrative Agent and the Collateral Agent may at any time give notice of its resignation to the Lenders, the Letter of Credit Issuer and the Borrower Representative. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, subject to the consent of the Borrower Representative (not to be unreasonably withheld or delayed) so long as no Event of Default under Sections 11.1 or 11.5 is continuing, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Agent gives notice of its resignation (the "**Resignation Effective Date**"), then the retiring Agent may on behalf of the Lenders, appoint a successor Agent meeting the qualifications set forth above (including receipt of the Borrower Representative's consent); provided that if the Administrative Agent or the Collateral Agent shall notify the Borrower Representative and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice.

(b) If the Person serving as the Administrative Agent is a Defaulting Lender pursuant to clause (v) of the definition of Lender Default, the Required Lenders may to the extent permitted by applicable law, subject to the consent of the Borrower Representative (not to be unreasonably withheld or delayed), by notice in writing to the Borrower Representative and such Person remove such Person as the Administrative Agent and, in consultation with the Borrower Representative, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days (or such earlier day as shall be agreed by the Required Lenders) (the "**Removal Effective Date**"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable), (1) the retiring or removed agent shall be discharged from its duties and obligations hereunder and under the other Credit Documents (except that in the case of any collateral security held by the Collateral Agent on behalf of the Lenders or the Letter of Credit Issuer under any of the Credit Documents, the retiring or removed Collateral Agent shall continue to hold such collateral security as nominee until such time as a successor Collateral Agent is appointed) and (2) all payments, communications and determinations provided to be made by, to or through the retiring or removed Administrative Agent shall instead be made by or to each Lender and the Letter of Credit Issuer directly, until such time as the Required Lenders appoint a successor Agent as provided for above in this paragraph. Upon the acceptance of a successor's appointment as the Administrative Agent or the Collateral Agent, as the case may be, hereunder, and upon the execution and filing or recording of such

financing statements, or amendments thereto, and such amendments or supplements to the Mortgages, and such other instruments or notices, as may be necessary or desirable, or as the Required Lenders may request, in order to continue the perfection of the Liens granted or purported to be granted by the Security Documents, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) or removed Agent, and the retiring or removed Agent shall be discharged from all of its duties and obligations hereunder or under the other Credit Documents (if not already discharged therefrom as provided above in this Section 12.9). Except as provided above, any resignation or removal of Royal Bank of Canada as the Administrative Agent pursuant to this Section 12.9 shall also constitute the resignation or removal of Royal Bank of Canada as the Collateral Agent. The fees payable by the Borrower Representative (following the effectiveness of such appointment) to such Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower Representative and such successor. After the retiring or removed Agent's resignation or removal hereunder and under the other Credit Documents, the provisions of this Section 12 (including Section 12.7) and Section 13.5 shall continue in effect for the benefit of such retiring or removed Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Agent was acting as an Agent.

(d) Any resignation by or removal of Royal Bank of Canada as the Administrative Agent pursuant to this Section 12.9 shall also constitute its resignation or removal as Swingline Lender and its Affiliate's resignation or removal as the Letter of Credit Issuer. Upon the acceptance of a successor's appointment as the Administrative Agent hereunder, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Letter of Credit Issuer and Swingline Lender (but only if all outstanding Swingline Loans have been paid in full in cash), (b) the retiring Letter of Credit Issuer and Swingline Lender shall be discharged from all of their respective duties and obligations hereunder or under the other Credit Documents, and (c) the successor Letter of Credit Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to the retiring Letter of Credit Issuer to effectively assume the obligations of the retiring Letter of Credit Issuer with respect to such Letters of Credit.

12.10 Withholding Tax. To the extent required by any applicable law, the Administrative Agent may withhold from any payment to any Lender under any Credit Document an amount equivalent to any applicable withholding Tax. If the Internal Revenue Service or any authority of the United States or other jurisdiction asserts a claim that the Administrative Agent did not properly withhold Tax from amounts paid to or for the account of any Lender for any reason (including, because the appropriate form was not delivered, was not properly executed, or because such Lender failed to notify the Administrative Agent of a change in circumstances that rendered the exemption from, or reduction of, withholding Tax ineffective) or if the Administrative Agent reasonably determines that a payment was made to a Lender pursuant to this Agreement without deduction of applicable withholding Tax from such payment, such Lender shall indemnify the Administrative Agent (to the extent that the Administrative Agent has not already been reimbursed by any applicable Credit Party and without limiting the obligation of any applicable Credit Party to do so) fully for all amounts paid, directly or indirectly, by the Administrative Agent as Tax or otherwise, including penalties, additions to Tax and interest, together with all expenses incurred, including legal expenses, allocated staff costs and any out of pocket expenses. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under this Agreement or any other Credit Document against any amount due to the Administrative Agent under this Section 12.10. The agreements in Section 12.10 shall survive the resignation and/or replacement of the Administrative Agent, any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or

discharge of all other Obligations. For the avoidance of doubt, for purposes of this Section 12.10, the term Lender includes the Letter of Credit Issuer and the Swingline Lender.

12.11 Agents Under Security Documents and Guarantee. Each Secured Party hereby further authorizes the Administrative Agent or the Collateral Agent, as applicable, on behalf of and for the benefit of the Secured Parties, to be the agent for and representative of the Secured Parties with respect to the Collateral and the Security Documents. Subject to Section 13.1, without further written consent or authorization from any Secured Party, the Administrative Agent or the Collateral Agent, as applicable, may execute any documents or instruments necessary to (a) release any Lien on any property granted to or held by the Administrative Agent or the Collateral Agent (or any sub-agent thereof) under any Credit Document (i) upon the Maturity Date and the payment in full (or Cash Collateralization) of all Obligations (except for contingent indemnification obligations in respect of which a claim has not yet been made, Secured Hedge Obligations, and Secured Cash Management Obligations), (ii) that is sold or to be sold or transferred as part of or in connection with any sale or other transfer permitted hereunder or under any other Credit Document to a Person that is not a Credit Party or in connection with the designation of any Restricted Subsidiary as an Unrestricted Subsidiary, (iii) if the property subject to such Lien is owned by a Credit Party, upon the release of such Credit Party from its Guarantee otherwise in accordance with the Credit Documents, (iv) as to the extent provided in the Security Documents or (v) if approved, authorized or ratified in writing in accordance with Section 13.1; *provided* that notwithstanding anything to the contrary contained in this Agreement or in any other Credit Document, in no event shall any Guarantor that is a Wholly-Owned Subsidiary as of the Closing Date or as of the date of joinder of such Wholly-Owned Subsidiary as a Guarantor cease to constitute a Guarantor under the Credit Documents solely as a result of such Guarantor ceasing to constitute a Wholly-Owned Subsidiary after the Closing Date (unless either (1) pursuant to a disposition or other asset sale (x) to a Person that is not an Affiliate of the Borrower, (y) for a bona fide business purpose (as determined in good faith by the Borrower) or on terms that are not less favorable to the Borrower than those that would have been obtained in a comparable arm's length transaction with a Person that is not an Affiliate (as determined in good faith by the Borrower) or (z) in connection with which such Person ceases to constitute a Subsidiary or (11) such Person otherwise constitutes an Excluded Subsidiary other than as a result of clause (ii) of the definition of "Excluded Subsidiary" as such clause relates to non-Wholly-Owned Subsidiaries, the sole purpose of such transaction may not be to release such Guarantor from the Guarantees; (b) release any Guarantor from its obligations under the Guarantee if such Person ceases to be a Restricted Subsidiary (or becomes an Excluded Subsidiary) as a result of a transaction or designation permitted hereunder; (c) subordinate any Lien on any property granted to or held by the Administrative Agent or the Collateral Agent under any Credit Document to the holder of any Lien permitted under clauses (v), (vi) (solely with respect to Section 10.1(d)), (vii), and (ix) of the definition of Permitted Lien; or (d) enter into subordination or intercreditor agreements with respect to Indebtedness to the extent the Administrative Agent or the Collateral Agent is otherwise contemplated herein as being a party to such intercreditor or subordination agreement, including the ABL/Term Loan Intercreditor Agreement.

The Collateral Agent shall have its own independent right to demand payment of the amounts payable by any Borrower under this Section 12.11, irrespective of any discharge of the Borrower's obligations to pay those amounts to the other Lenders resulting from failure by them to take appropriate steps in insolvency proceedings affecting any Borrower to preserve their entitlement to be paid those amounts.

Any amount due and payable by the Borrowers to the Collateral Agent under this Section 12.11 shall be decreased to the extent that the other Lenders have received (and are able to retain) payment in full of the corresponding amount under the other provisions of the Credit Documents and any amount due and payable by the Borrowers to the Collateral Agent under those provisions shall be decreased to the

extent that the Collateral Agent has received (and is able to retain) payment in full of the corresponding amount under this Section 12.11.

12.12 Right to Realize on Collateral and Enforce Guarantee. Anything contained in any of the Credit Documents to the contrary notwithstanding, the Company, the Agents, and each Secured Party hereby agree that (i) no Secured Party shall have any right individually to realize upon any of the Collateral or to enforce the Guarantee, it being understood and agreed that all powers, rights, and remedies hereunder may be exercised solely by the Administrative Agent, on behalf of the Secured Parties in accordance with the terms hereof and all powers, rights, and remedies under the Security Documents may be exercised solely by the Collateral Agent, and (ii) in the event of a foreclosure by the Collateral Agent on any of the Collateral pursuant to a public or private sale or other disposition, the Collateral Agent or any Lender may be the purchaser or licensor of any or all of such Collateral at any such sale or other disposition and the Collateral Agent, as agent for and representative of the Secured Parties (but not any Lender or Lenders in its or their respective individual capacities unless Required Lenders shall otherwise agree in writing) shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such public sale, to use and apply any of the Obligations as a credit on account of the purchase price for any collateral payable by the Collateral Agent at such sale or other disposition. No holder of Secured Hedge Obligations or Secured Cash Management Obligations shall have any rights in connection with the management or release of any Collateral or of the obligations of any Credit Party under this Agreement. No holder of Secured Hedge Obligations or Secured Cash Management Obligations that obtains the benefits of any Guarantee or any Collateral by virtue of the provisions hereof or of any other Credit Document shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Credit Document or otherwise in respect of the Collateral (including the release or impairment of any Collateral) other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Credit Documents. Notwithstanding any other provision of this Agreement to the contrary, the Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Obligations arising under Secured Hedge Agreements and Secured Cash Management Agreements, unless the Administrative Agent has received written notice of such Obligations, together with such supporting documentation as the Administrative Agent may request, from the applicable Cash Management Bank or Hedge Bank, as the case may be.

12.13 ABL/Term Loan Intercreditor Agreement Governs. The Administrative Agent, the Collateral Agent, and each Lender (a) hereby agrees that it will be bound by and will take no actions contrary to the provisions of any intercreditor agreement entered into pursuant to the terms hereof, (b) hereby authorizes and instructs the Administrative Agent and the Collateral Agent to enter into each intercreditor agreement (including the ABL/Term Loan Intercreditor Agreement) entered into pursuant to the terms hereof and to subject the Liens securing the Secured Obligations to the provisions thereof and (c) hereby consents to the subordination of the Liens on the Collateral other than the ABL Priority Collateral securing the Obligations on the terms set forth in the ABL/Term Loan Intercreditor Agreement. The foregoing provisions are intended as an inducement to the lenders under the Second Lien Credit Documents and First Lien Credit Documents to extend credit to the Credit Parties and such lenders are intended third party beneficiaries of such provisions. In the event of any conflict or inconsistency between the provisions of each intercreditor agreement (including the ABL/Term Loan Intercreditor Agreement) and this Agreement, the provisions of such intercreditor agreement shall control.

12.14 Erroneous Payments.

(a) If the Administrative Agent notifies a Lender, Letter of Credit Issuer or Secured Party, or any Person who has received funds on behalf of a Lender, Letter of Credit Issuer or Secured Party (any

such Lender, Letter of Credit Issuer, Secured Party or other recipient, a "**Payment Recipient**") that the Administrative Agent has determined in its sole reasonable discretion that any funds received by such Payment Recipient from the Administrative Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Payment Recipient) (any such funds, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "**Erroneous Payment**") and demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Administrative Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Administrative Agent, and such Payment Recipient shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent, in same day funds (in the currency so received), the amount of any such Erroneous Payment (or portion thereof), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with prevailing banking industry rules on interbank compensation from time to time in effect. To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payment received, including without limitation waiver of any defense based on "discharge for value" or any similar doctrine. A notice of the Administrative Agent to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.

(b) Without limiting immediately preceding clause (a), each Payment Recipient hereby further agrees that if it receives an Erroneous Payment from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment sent by the Administrative Agent (or any of its Affiliates) with respect to such Erroneous Payment (the "**Payment Notice**"), or (y) that was not preceded or accompanied by a Payment Notice sent by the Administrative Agent (or any of its Affiliates), then, said Payment Recipient shall be on notice, in each case, that an error has been made with respect to such Erroneous Payment. Each Payment Recipient agrees that, in each such case, or if it otherwise becomes aware an Erroneous Payment (or portion thereof) may have been sent in error, such Payment Recipient shall promptly notify the Administrative Agent of such occurrence and, upon demand from the Administrative Agent, it shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with prevailing banking industry rules on interbank compensation from time to time in effect.

(c) Each Payment Recipient hereby authorizes the Administrative Agent to set off, net and apply any and all amounts at any time owing to such Payment Recipient under any Credit Document, or otherwise payable or distributable by the Administrative Agent to such Payment Recipient from any source, against any amount due to the Administrative Agent under any of the immediately preceding clauses (a) or (b) or under the indemnification provisions of this Agreement.

(d) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Administrative Agent for any reason, after demand therefor by the Administrative Agent (such unrecovered amount, an "**Erroneous Payment Return Deficiency**"), the Borrowers and each other Credit Party hereby agrees that (x) the Administrative Agent shall be subrogated to all the rights of such Payment Recipient with respect to such amount (including, without limitation, the right to sell and assign

the Loans (or any portion thereof), which were subject to the Erroneous Payment Return Deficiency) and (y) an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower or any other Credit Party, except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, (i) comprised of funds received by the Administrative Agent from the Borrowers or any other Credit Party or (ii) the proceeds of realization from the enforcement of one or more of the Credit Documents against or in respect of the Borrowers or one or more of the Credit Parties, in each case, for the purpose of making such Erroneous Payment For the avoidance of doubt, no assignment of an Erroneous Payment Deficiency will reduce the Commitments of any Payment Recipient and such Commitments shall remain available in accordance with the terms of this Agreement, In addition, each party hereto agrees that, except to the extent that the Administrative Agent has sold a Loan (or portion thereof) acquired pursuant to the assignment of an Erroneous Payment Deficiency, and irrespective of whether the Administrative Agent may be equitably subrogated, the Administrative Agent shall be contractually subrogated to all the rights and interests of the applicable Payment Recipient under the Credit Documents with respect to each Erroneous Payment Return Deficiency.

(e) Each party's obligations, agreements and waivers under this Section 12.14 shall survive the resignation or replacement of the Administrative Agent, any transfer of rights or obligations by, or the replacement of, a Lender or Letter of Credit Issuer, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Credit Document.

(f) Notwithstanding anything to the contrary herein or in any other Credit Document, no Credit Party nor any of their respective Affiliates shall have any obligations or liabilities directly or indirectly arising out of this Section 12.14 in respect of any Erroneous Payment (other than with respect to Section 12.14(d)(y) above).

Section 13. Miscellaneous

13.1 Amendments, Waivers, and Releases. Neither this Agreement nor any other Credit Document, nor any terms hereof or thereof, may be amended, supplemented or modified except in accordance with the provisions of this Section 13.1. Except as provided to the contrary under Section 2.14, and other than with respect to any amendment, modification or waiver contemplated in the proviso to clause (i) below, which shall only require the consent of the Lenders expressly set forth therein and not Required Lenders, the Required Lenders may, or, with the written consent of the Required Lenders, the Administrative Agent and/or the Collateral Agent may, from time to time, (a) enter into with the relevant Credit Party or Credit Parties written amendments, supplements or modifications hereto and to the other Credit Documents for the purpose of adding any provisions to this Agreement or the other Credit Documents or changing in any manner the rights of the Lenders or of the Credit Parties hereunder or thereunder or (b) waive in writing, on such terms and conditions as the Required Lenders or the Administrative Agent and/or the Collateral Agent, as the case may be, may specify in such instrument, any of the requirements of this Agreement or the other Credit Documents or any Default or Event of Default and its consequences; provided, however, that each such waiver and each such amendment, supplement or modification shall be effective only in the specific instance and for the specific purpose for which given; and provided, further, that no such waiver and no such amendment, supplement or modification shall (x) (i) forgive or reduce any portion of any Loan or extend the final scheduled maturity date of any Loan or reduce the stated rate (it being understood that only the consent of the Required Lenders shall be necessary to waive any obligation of the Borrowers to pay interest at the "default rate" or amend Section 2.8(c)), or forgive any portion thereof, or extend the date for the payment, of any interest or fee payable hereunder (other than as a result of waiving the applicability of any post-default increase in interest rates), or extend the final expiration date of any Letter of Credit beyond the L/C Facility Maturity

Date, or amend or modify any provisions of Sections 5.3(a) (with respect to the ratable allocation of any payments only) and 13.8(a) and 13.20, or make any Loan, interest. Fee or other amount payable in any currency other than expressly provided herein, in each case without the written consent of each Lender directly and adversely affected thereby; provided that a waiver of any condition precedent in Section 6 or 7 of this Agreement, the waiver of any Default, Event of Default, default interest, mandatory prepayment or reductions, any modification, waiver or amendment to the financial definitions or financial ratios or any component thereof or the waiver of any other covenant shall not constitute an increase of any Commitment of a Lender, a reduction or forgiveness in the interest rates or the fees or premiums or a postponement of any date scheduled for the payment of principal or interest or an extension of the final maturity of any Loan or the scheduled termination date of any Commitment, in each case for purposes of this clause (i), or (ii) consent to the assignment or transfer by any Borrower of its rights and obligations under any Credit Document to which it is a party (except as permitted pursuant to Section 10.3), in each case without the written consent of each Lender directly and adversely affected thereby, or (iii) amend, modify or waive any provision of Section 12 without the written consent of the then-current Administrative Agent and Collateral Agent in a manner that directly and adversely affects such Person, or (iv) amend, modify or waive any provision of Section 3 with respect to any Letter of Credit, or any other provision hereof, without the written consent of the Letter of Credit Issuer to the extent such amendment, modification or waiver directly and adversely affects the Letters of Credit Issuer, or (v) amend, modify or waive any provisions hereof relating to Swingline Loans without the written consent of the Swingline Lender in a manner that directly and adversely affects such Person, or (vi) release all or substantially all of the Guarantors under the Guarantees (except as expressly permitted by the Guarantees, the ABL/Term Loan Intercreditor Agreement or this Agreement) or release all or substantially all of the Collateral under the Security Documents (except as expressly permitted by the Security Documents, the ABL/Term Loan Intercreditor Agreement or this Agreement) without the prior written consent of each Lender, or (vii) reduce the percentages specified in the definitions of the terms "Required Lenders" or "Supermajority Lenders", or amend, modify or waive any provision of this Section 13.1 that has the effect of decreasing the number of Lenders that must approve any amendment, modification or waiver, without the written consent of each Lender, or (viii) amend, modify or waive the definition of the terms "Excess Availability" or "Borrowing Base" or any component definition used therein (including, without limitation, the definitions of "Eligible Credit Card Receivable", "Eligible In-Transit Inventory" and "Eligible Inventory") if, as a result thereof, the amounts available to be borrowed by the Borrowers would be increased without the prior written consent of Supermajority Lenders; provided that the foregoing shall not limit the discretion of the Agents to change, establish or eliminate any Borrowing Base Reserves or to add Accounts and Inventory acquired in a Permitted Acquisition to the Borrowing Base as provided herein, (y) notwithstanding anything to the contrary in clause (x), (i) extend the final expiration date of any Lender's Commitment without the written consent of such Lender, (ii) increase the aggregate amount of the Commitments of any Lender without the written consent of such Lender or (iii) contractually subordinate the Obligations or the Liens securing the Obligations granted under the other Credit Documents, to any other Indebtedness for borrowed money or Lien to secured Indebtedness for borrowed money (other than any Term Priority Collateral) (including, without limitation, any Indebtedness for borrowed money or Lien to secured Indebtedness for borrowed money issued under this Agreement or any other agreement), as the case may be, of any Credit Party (the "Priming Indebtedness") without the written consent of each Lender directly and adversely affected thereby unless each directly and adversely affected Lender has been offered a bona fide opportunity to fund or otherwise provide its pro rata share (based on the amount of Obligations that are directly and adversely affected thereby held by each Lender) of such Indebtedness on the same terms (other than bona fide backstop fees and similar fees and reimbursement of counsel fees and other expenses in connection with the negotiation of the terms of such transaction) as offered to all other providers (or their Affiliates) of such Indebtedness (it being understood that this clause (iii) shall not (A) override the permission for transactions otherwise permitted under this Agreement, (B) restrict an amendment to increase the maximum permitted amount of Indebtedness that is secured by Liens on all or a portion of the Collateral on a senior basis to the Liens securing the

Obligations or (C) apply to the incurrence of debtor-in-possession financing (or similar financing arrangements in insolvency proceedings in non-U.S. jurisdictions), in each case, solely in connection with an exchange of the Loans for such Priming Indebtedness or the repayment of such Loans with the proceeds of such Priming Indebtedness, or (z) in connection with an amendment that addresses solely a repricing transaction in which any Class of Revolving Credit Commitments and Revolving Loans in respect thereof is refinanced with a replacement Class of Revolving Credit Commitments and Revolving Loans in respect thereof bearing (or is modified in such a manner such that the resulting Revolving Credit Commitments and Revolving Loans in respect thereof bear) a lower "effective yield", only the consent of the Lenders holding Revolving Credit Commitments subject to such permitted repricing transaction that will continue as a Lender in respect of the repriced tranche of Revolving Credit Commitments and Revolving Loans in respect thereof or modified Revolving Credit Commitments and Revolving Loans in respect thereof.

Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except (x) that the Commitment of such Lender may not be increased or extended without the consent of such Lender (it being understood that any Commitments or Loans held or deemed held by any Defaulting Lender shall be excluded for a vote of the Lenders hereunder requiring any consent of the Lenders) and (y) for any such amendment, waiver or consent that treats such Defaulting Lender disproportionately from the other Lender of the same Class (other than because of its status as a Defaulting Lender).

Any such waiver and any such amendment, supplement or modification shall apply equally to each of the affected Lenders and shall be binding upon Holdings, the Borrowers, such Lenders, the Administrative Agent and all future holders of the affected Loans. In the case of any waiver, Holdings, the Borrowers, the Lenders and the Administrative Agent shall be restored to their former positions and rights hereunder and under the other Credit Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing, it being understood that no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon. In connection with the foregoing provisions, the Administrative Agent may, but shall have no obligations to, with the concurrence of any Lender, execute amendments, modifications, waivers or consents on behalf of such Lender.

Notwithstanding the foregoing, in addition to any credit extensions and related Joinder Agreement(s) effectuated without the consent of Lenders in accordance with Section 2.14, this Agreement may be amended (or amended and restated) with the written consent of the Required Lenders, the Administrative Agent, Holdings and the Borrowers (a) to add one or more additional credit facilities to this Agreement and to permit the extensions of credit from time to time outstanding thereunder and the accrued interest and fees in respect thereof to share ratably in the benefits of this Agreement and the other Credit Documents with the Loans and the accrued interest and fees in respect thereof and (b) to include appropriately the Lenders holding such credit facilities in any determination of the Required Lenders and other definitions related to such new Loans.

The Lenders hereby irrevocably agree that the Liens granted to the Collateral Agent by the Credit Parties on any Collateral shall be automatically released (i) in full, upon the termination of this Agreement and the payment of all Obligations hereunder (except for (w) contingent indemnification obligations in respect of which a claim has not yet been made, (x) Secured Hedge Obligations, (y) Cash Collateralized Letters of Credit pursuant to arrangements reasonably acceptable to the applicable Letter of Credit Issuer, and (z) Secured Cash Management Obligations), (ii) upon the sale or other disposition of such Collateral (including as part of or in connection with any other sale or other disposition permitted hereunder) to any Person other than another Credit Party, to the extent such sale or other disposition is made in compliance with the terms of this Agreement (and the Collateral Agent may rely conclusively on

a certificate to that effect provided to it by any Credit Party upon its reasonable request without further inquiry), (iii) to the extent such Collateral is comprised of property leased to a Credit Party, upon termination or expiration of such lease, (iv) if the release of such Lien is approved, authorized or ratified in writing by the Required Lenders (or such other percentage of the Lenders whose consent may be required in accordance with this Section 13.1), (v) to the extent the property constituting such Collateral is owned by any Guarantor, upon the release of such Guarantor from its obligations under the applicable Guarantee (in accordance with the second following sentence), (vi) as required to effect any sale or other disposition of Collateral in connection with any exercise of remedies of the Collateral Agent pursuant to the Security Documents, and (vii) if such assets constitute Excluded Property or Excluded Stock or Stock Equivalents. Any such release shall not in any manner discharge, affect, or impair the Obligations or any Liens (other than those being released) upon (or obligations (other than those being released) of the Credit Parties in respect of) all interests retained by the Credit Parties, including the proceeds of any sale, all of which shall continue to constitute part of the Collateral except to the extent otherwise released in accordance with the provisions of the Credit Documents. Additionally, the Lenders hereby irrevocably agree that any Restricted Subsidiary that is a Guarantor shall be released from the Guarantees upon consummation of any transaction resulting in such Subsidiary ceasing to constitute a Restricted Subsidiary. The Lenders hereby authorize the Administrative Agent and the Collateral Agent, as applicable, to execute and deliver any instruments, documents, and agreements necessary or desirable to evidence and confirm the release of any Guarantor or Collateral pursuant to the foregoing provisions of this paragraph, all without the further consent or joinder of any Lender.

Notwithstanding anything herein to the contrary, the Credit Documents may be amended to (i) add syndication or documentation agents and make customary changes and references related thereto and (ii) if applicable, add or modify "parallel debt" language in any jurisdiction in favor of the Collateral Agent or add Collateral Agents, in each case (i) and (ii) with the consent of only the Borrower Representative and the Administrative Agent, and in the case of (ii), the Collateral Agent.

Notwithstanding anything in this Agreement (including, without limitation, this Section 13.1) or any other Credit Document to the contrary, (i) this Agreement and the other Credit Documents may be amended to effect an incremental facility or extension facility pursuant to Section 2.14 (and the Administrative Agent and the Borrower Representative may effect such amendments to this Agreement and the other Credit Documents without the consent of any other party as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Borrower Representative, to effect the terms of any such incremental facility or extension facility); (ii) no Lender consent is required to effect any amendment or supplement to the ABL/Term Loan Intercreditor Agreement or other intercreditor agreement or arrangement permitted under this Agreement that is for the purpose of adding the holders of any Indebtedness as expressly contemplated by the terms of the ABL/Term Loan Intercreditor Agreement or such other Intercreditor agreement or arrangement permitted under this Agreement, as applicable (it being understood that any such amendment or supplement may make such other changes to the applicable intercreditor agreement as, in the good faith determination of the Administrative Agent, are required to effectuate the foregoing; provided that such other changes are not adverse, in any material respect, to the interests of the Lenders taken as a whole); provided, further, that no such agreement shall amend, modify or otherwise directly and adversely affect the rights or duties of the Administrative Agent hereunder or under any other Credit Document without the prior written consent of the Administrative Agent; (iii) any provision of this Agreement or any other Credit Document may be amended by an agreement in writing entered into by the Borrower Representative and the Administrative Agent to (x) cure any ambiguity, omission, mistake, defect or inconsistency (as reasonably determined by the Administrative Agent and the Borrower Representative) and (y) to effect administrative changes of a technical or immaterial nature (including to effect changes to the terms and conditions applicable solely to the Letter of Credit Issuer in respect of issuances of Letters of Credit) and such amendment shall be deemed approved by the Lenders if the Lenders shall have received at least five

Business Days' prior written notice of such change and the Administrative Agent shall not have received, within five Business Days of the date of such notice to the Lenders, a written notice from the Required Lenders stating that the Required Lenders object to such amendment; (iv) guarantees, collateral documents and related documents executed by Credit Parties in connection with this Agreement may be in a form reasonably determined by the Administrative Agent and may be, together with any other Credit Document, entered into, amended, supplemented or waived, without the consent of any other Person, by the applicable Credit Party or Credit Parties and the Administrative Agent or the Collateral Agent in its or their respective sole discretion, to (A) effect the granting, perfection, protection, expansion or enhancement of any security interest in any Collateral or additional property to become Collateral for the benefit of the Secured Parties, (B) as required by local law or advice of counsel to give effect to, or protect any security interest for the benefit of the Secured Parties, in any property or so that the security interests therein comply with applicable requirements of law, or (C) to cure ambiguities, omissions, mistakes or defects (as reasonably determined by the Administrative Agent and the Borrower Representative) or to cause such guarantee, collateral security document or other document to be consistent with this Agreement and the other Credit Documents; and (v) the Administrative Agent and, as applicable, the Borrower Representative may, without the consent of any Lender, enter into amendments or modifications to this Agreement or any of the other Credit Documents or enter into additional Credit Documents as the Administrative Agent deems appropriate in order to implement any Benchmark Replacement or any Benchmark Replacement Conforming Change or otherwise effectuate the terms of Section 2.20 in accordance with the terms thereof.

Notwithstanding anything in this Agreement or any Security Document to the contrary, the Administrative Agent may, in its sole discretion, grant extensions of time for the satisfaction of any of the requirements under Sections 9.11, 9.12 and 9.14 or any Security Documents in respect of any particular Collateral or any particular Subsidiary if it determines that the satisfaction thereof with respect to such Collateral or such Subsidiary cannot be accomplished without undue expense or unreasonable effort or due to factors beyond the control of Holdings, the Company and the Restricted Subsidiaries by the time or times at which it would otherwise be required to be satisfied under this Agreement or any Security Document.

13.2 Notices. Unless otherwise expressly provided herein, all notices and other communications provided for hereunder or under any other Credit Document shall be in writing (including by facsimile transmission). All such written notices shall be mailed, faxed or delivered to the applicable address, facsimile number or electronic mail address, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(a) if to Holdings, any Borrower, the Administrative Agent, the Collateral Agent, the Letter of Credit Issuer or the Swingline Lender, to the address, facsimile number, electronic mail address or telephone number specified for such Person on Schedule 13.2 or to such other address, facsimile number, electronic mail address or telephone number as shall be designated by such party in a notice to the other parties; and

(b) if to any other Lender, to the address, facsimile number, electronic mail address or telephone number specified in its Administrative Questionnaire or to such other address, facsimile number, electronic mail address or telephone number as shall be designated by such party in a notice to Holdings and the Borrower Representative, the Administrative Agent, the Collateral Agent, the Letter of Credit Issuer and the Swingline Lender.

All such notices and other communications shall be deemed to be given or made upon the earlier to occur of (i) actual receipt by the relevant party hereto and (ii) (A) if delivered by hand or by courier, when

signed for by or on behalf of the relevant party hereto; (B) if delivered by mail, three Business Days after deposit in the mails, postage prepaid; (C) if delivered by facsimile, when sent and receipt has been confirmed by telephone; and (D) if delivered by electronic mail, when delivered; provided that notices and other communications to the Administrative Agent or the Lenders pursuant to Sections 2.3, 2.6, 2.9, 4.2 and 5.1 shall not be effective until received.

13.3 No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the Administrative Agent, the Collateral Agent or any Lender, any right, remedy, power or privilege hereunder or under the other Credit Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers, and privileges provided by law.

13.4 Survival of Representations and Warranties. All representations and warranties made hereunder, in the other Credit Documents and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Agreement and the making of the Loans hereunder.

13.5 Payment of Expenses; Indemnification. Holdings and the Borrowers agree (a) to pay or reimburse the Agents for all their reasonable and documented out-of-pocket costs and expenses incurred in connection with the development, preparation and execution and delivery of, and any amendment, supplement, waiver or modification to, this Agreement and the other Credit Documents and any other documents prepared in connection herewith or therewith, and the consummation and administration of the transactions contemplated hereby and thereby, and in the case of legal fees and expenses limited to the reasonable fees, disbursements and other charges of Paul Hastings LLP, as counsel to the Agents and, if reasonably necessary, of a single firm of local counsel in each applicable material jurisdiction, other than allocated costs of in-house counsel, and such other counsel retained with the Company's consent (such consent not to be unreasonably withheld or delayed), (b) to pay or reimburse each Agent for all its reasonable and documented out-of-pocket costs and expenses incurred in connection with the enforcement or preservation of any rights under this Agreement, the other Credit Documents and any such other documents, including, and in the case of (i) legal fees and expenses limited to the reasonable fees, disbursements and other charges of Paul Hastings LLP, as counsel to the Agents and, if reasonably necessary, of a single firm of local counsel in each applicable material jurisdiction, other than allocated costs of in-house counsel, and such other counsel retained with the Company's consent (such consent not to be unreasonably withheld or delayed), (c) to pay, indemnify, and hold harmless each Lender and Agent from, any and all recording and filing fees, and (d) to pay, indemnify, and hold harmless each Lender and Agent and their respective Affiliates (other than Excluded Affiliates), directors, officers, members, controlling persons, employees, trustees, investment advisors, and agents and successors of the foregoing (excluding any Excluded Affiliate, the **"Indemnified Persons")** from and against any and all other liabilities, obligations, losses, damages, penalties, claims, demands, actions, judgments, suits, costs, expenses, or disbursements of any kind or nature whatsoever regardless of whether any such Indemnified Person is a party thereto, in the case of legal fees and expenses, the reasonable and documented fees, disbursements, and other charges of one primary counsel and one local counsel in each relevant jurisdiction to such Indemnified Persons (unless there is an actual or perceived conflict of interest or the availability of different claims or defenses in which case after obtaining the Borrower Representative's consent (which consent shall not be unreasonably withheld or delayed), each such Person may retain its own counsel), arising out of or relating to any claim, litigation, investigation or other proceeding (including any investigation or inquiry related to the foregoing) that is related to the Transactions (Including, without limitation, the Acquisition) or, with respect to the execution, delivery, enforcement, performance, and administration of this Agreement, the other Credit Documents and any such other

documents, including, without limitation, any of the foregoing relating to the violation of, noncompliance with or liability under, any Environmental Law, in each case, applicable to Holdings or any of its Subsidiaries or to any actual or alleged presence, Release or threatened Release of Hazardous Materials involving or attributable to Holdings or any of its Subsidiaries (all the foregoing in this clause (d), collectively, the **"Indemnified liabilities");** provided that Holdings shall have no obligation hereunder to any Indemnified Person with respect to Indemnified Liabilities (i) resulting from disputes between and among Persons otherwise entitled to indemnification or (ii) to the extent it has been determined by a final non-appealable judgment of a court of competent jurisdiction to have resulted from (x) the gross negligence, bad faith, fraud or willful misconduct of such Indemnified Person (or any of such Indemnified Person's affiliates or any of its or their respective officers, directors, employees, agents, controlling persons, members or the successors of any of the foregoing) and (y) a material breach of any Credit Document by such Indemnified Person (or any of such Indemnified Person's affiliates or any of its or their respective officers, directors, employees, agents, controlling persons, members or the successors of any of the foregoing); provided that the Agents (and their related affiliates, officers, directors, employees, agents, controlling persons, advisors and other representatives), to the extent acting in their capacity as such, shall remain indemnified in respect of such disputes to the extent otherwise entitled to be so indemnified hereunder. No Person entitled to indemnification under clause (d) of this Section 13.5 or any other Person party hereto shall be liable for any damages to any other Indemnified Person or party hereto arising from the use by others of any information or other materials obtained through IntraLinks or other similar information transmission systems in connection with this Agreement except to the extent that such damage resulted from willful misconduct or gross negligence of such Indemnified Person, such other Person (or any of such Indemnified Person's or such other Person's affiliates or any of its or their respective officers, directors, employees, agents, controlling persons, members or the successors of any of the foregoing), nor shall any such Person have any liability for any special, punitive, indirect or consequential damages relating to this Agreement or any other Credit Document or arising out of its activities in connection herewith or therewith (whether before or after the Closing Date). In the case of an investigation, litigation or other proceeding to which the indemnity in this Section 13.5 applies, such indemnity shall be effective whether or not such investigation, litigation or proceeding is brought by any Credit Party, its directors, stockholders or creditors or any other Person, whether or not any Indemnified Person is otherwise a party thereto. All amounts payable under this Section 13.5 shall be paid within ten Business Days of receipt by Borrower Representative of an invoice relating thereto setting forth such expense in reasonable retail.

Holdings, the Borrowers, and their Subsidiaries shall not be liable for any settlement of any proceeding effected without the Borrower Representative's written consent (which consent shall not be unreasonably withheld or delayed), but if settled with the Borrower Representative's written consent or it there is a final and non-appealable judgment by a court of competent jurisdiction for the plaintiff in any such proceeding, Holdings, the Borrowers, and the other Guarantors agree to indemnify and hold harmless each Indemnified Person from and against any and all losses, claims, damages, liabilities, and reasonable and documented legal or other out-of-pocket expenses by reason of such settlement or judgment in accordance with and to the extent provided in the other provisions herein.

Holdings, the Borrowers and their Subsidiaries shall not, without the prior written consent of any Indemnified Person (which consent shall not be unreasonably withheld or delayed), effect any settlement of any pending or threatened proceedings in respect of which indemnity could have been sought hereunder by such Indemnified Person unless such settlement (i) includes an unconditional release of such Indemnified Person in form and substance reasonably satisfactory to such Indemnified Person from all liability or claims that are the subject matter of such proceedings and (ii) does not include any statement as to or any admission of fault, culpability, wrongdoing or a failure to act by or on behalf of any Indemnified Person.

Each Indemnified Person, by its acceptance of the benefits of this Section 13.5, agrees to refund and return any and all amounts paid by Holdings and the Borrowers to it if, pursuant to limitations on indemnification set forth in this Section 13.5. such Indemnified Person was not entitled to receipt of such amounts.

The agreements in this Section 13.5 shall survive repayment of the Loans and all other amounts payable hereunder. This Section 13.5 shall not apply with respect to Taxes, other than any Taxes that represent liabilities, obligations, losses, damages, penalties, judgments, costs, expenses, or disbursements, etc., arising from any non-Tax claim.

13.6 Successors and Assigns; Participations and Assignments.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that (i) except as expressly permitted by Section 10.3, the Borrowers may not assign or otherwise transfer any of their rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender (and any attempted assignment or transfer by any Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section 13.6. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants (to the extent provided in clause (c) of this Section 13.6) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the Collateral Agent the Letter of Credit Issuer and the Lenders and each other Person entitled to indemnification under Section 13.5) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) (i) Subject to the conditions set forth in clause (b)(ii) below and Section 13.7, any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans (including participations in L/C Obligations or Swingline Loans) at the time owing to it) with the prior written consent (such consent not be unreasonably withheld or delayed; it being understood that, without limitation, the Borrower Representative shall have the right to withhold or delay its consent to any assignment it, in order for such assignment to comply with applicable law, any Borrower would be required to obtain the consent of, or make any filing or registration with, any Governmental Authority) of:

(A) the Borrower Representative; provided that no consent of the Borrower Representative shall be required for an assignment of Loans or Commitments to any assignee if an Event of Default under Section 11.1 or Section 11.5 (with respect to any Borrower) has occurred and is continuing; provided further that the Borrower Representative shall have been deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received written notice thereof; and

(B) the Administrative Agent, the Swingline Lender and the Letter of Credit Issuer (in each case, not to be unreasonably withheld or delayed); provided, that no consent of the Administrative Agent, the Swingline Lender and the Letter of Credit Issuer shall be required for an assignment of any Revolving Credit Commitments and Revolving Loans to a lender, an Affiliate of a Lender, an Approved Fund or an Affiliated Lender.

Notwithstanding the foregoing, no such assignment shall be made to a natural Person, Excluded Affiliate, Disqualified Lender, Defaulting Lender, Holdings, the Borrowers or any of their Subsidiaries, the Sponsor or any Affiliate of the Sponsor. For the avoidance of doubt, the Administrative Agent shall

bear no responsibility or liability for monitoring and enforcing the list of Persons who are Disqualified Lenders at any time.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans of any Class, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Administrative Agent) shall not be less than $5,000,000 in the case of Revolving Credit Commitments, unless each of the Borrower Representative and the Administrative Agent otherwise consents (which consents shall not be unreasonably withheld or delayed); provided that no such consent of the Borrower Representative shall be required if an Event of Default under Section 11.1 or Section 11.5 (with respect to any Borrower) has occurred and is continuing; provided, further, that contemporaneous assignments by a Lender and its Affiliates or Approved Funds shall be aggregated for purposes of meeting the minimum assignment amount requirements stated above (and simultaneous assignments to or by two or more Related Funds shall be treated as one assignment), if any;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement; provided that this clause shall not be construed to prohibit the assignment of a proportionate part of all the assigning Lender's rights and obligations in respect of one Class of Commitments or Loans;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Acceptance via an electronic settlement system or other method reasonably acceptable to the Administrative Agent, together with a processing and recordation fee in the amount of $3,500; provided that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment; provided, further, that such recordation fee shall not be payable in the case of assignments by any Affiliate of the Joint Lead Arrangers and Bookrunners; and

(D) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an administrative questionnaire in a form approved by the Administrative Agent and the Borrower Representative (the "**Administrative Questionnaire**") and applicable tax forms (as required under Section 5.4(c)).

(iii) Subject to acceptance and recording thereof pursuant to clause (b)(iv) of this Section 13.6, from and after the effective date specified in each Assignment and Acceptance, the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Acceptance, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.10, 2.11, 3.5, 5.4 and 13.5). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 13.6 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 clause (c) of this Section 13.6. For the avoidance of doubt, in case of an assignment to a new Lender pursuant to this Section 13.6, (i) the Administrative Agent, the new Lender and other Lenders shall acquire the same rights and assume the same obligations between themselves as they would have acquired and assumed had the new Lender been

an original Lender signatory to this Agreement with the rights and/or obligations acquired or assumed by it as a result of the assignment and to the extent of the assignment the assigning Lender shall each be released from further obligations under the Credit Documents and (ii) the benefit of each Security Document shall be maintained in favor of the new Lender.

(iv) The Administrative Agent, acting for this purpose as an agent of the Borrowers, shall maintain at the Administrative Agent's Office a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amount of the Loans (and stated interest amounts) and any payment made by the Letter of Credit Issuer wider any Letter of Credit owing to each Lender pursuant to the terms hereof from time to time (the "**Register**"). Further, the Register shall contain the name and address of the Administrative Agent and the lending office through which each such Person acts under this Agreement. The entries in the Register shall be conclusive, absent manifest error, and the Borrowers, the Administrative Agent, the Collateral Agent the Letter of Credit Issuer and the Lenders shall 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 Borrower Representative, the Collateral Agent, the Letter of Credit Issuer, the Administrative Agent and its Affiliates and, with respect to itself, any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of a duly completed Assignment and Acceptance executed by an assigning Lender and an assignee, the assignee's completed Administrative Questionnaire and applicable tax forms (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in clause (b) of this Section 13.6 and any written consent to such assignment required by clause (b) of this Section 13.6, the Administrative Agent shall promptly accept such Assignment and Acceptance and record the information contained therein in the Register. No assignment, whether or not evidenced by a promissory note, shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this clause (b)(v).

(c) (i) Any Lender may, without the consent of the Borrower Representative or the Administrative Agent, the Letter of Credit Issuer or the Swingline Lender sell participations to one or more banks or other entities (other than (x) Holdings and its Subsidiaries, (y) any Disqualified Lender and (z) any Affiliated Lender provided, however, that, notwithstanding clause (y) hereof, participations may be sold to Disqualified Lenders unless a list of Disqualified Lenders has been made available to all Lenders who so request) (each, a **"Participant**") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans owing to it); provided that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (C) the Borrower Representative, the Administrative Agent, the Letter of Credit Issuer, and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, the Administrative Agent shall bear no responsibility or liability for monitoring and enforcing the list of Disqualified Lenders or the sales of participations thereto at any time. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement or any other Credit Document; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in clauses (i) and (vi) of the second proviso to Section 13.1 that affects such Participant. Subject to clause (c)(ii) of this Section 13.6, each Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.10, 2.11, 3.5 and 5.4 to the same extent as if it were a Lender (subject to the limitations and requirements of those Sections as though it were a Lender and had acquired its interest by assignment pursuant to clause

(b) of this Section 13.6, including the requirements of clause (c) of Section 5.4) (it being agreed that any documentation required under Section 5.4(c) shall be provided to the participating Lender). To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 13.8(b) as though it were a Lender; provided such Participant shall be subject to Section 13.8(a) as though it were a Lender.

(ii) A Participant shall not be entitled to receive any greater payment under Section 2.10, 2.11, 3.5 or 5.4 than the applicable Lender would have been entitled to receive absent the sale of such the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower Representative's prior written consent (which consent shall not be unreasonably withheld). Each Lender that sells a participation shall, acting solely for this purpose as an agent of the Borrowers, maintain a register on which it enters the name and address of each participant and the principal amounts (and stated interest amounts) of each Participant's interest in the Loans or other obligations under this Agreement (the "**Participant Register**"), The entries in the Participant Register shall be conclusive, absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. No Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Credit Document) except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations.

(d) Any Lender may, without the consent of the Borrower Representative or the Administrative Agent, at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section 13.6 shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(e) Subject to Section 13.16, the Borrower Representative authorizes each Lender to disclose to any Participant, secured creditor of such Lender or assignee (each, a "**Transferee**") and any prospective Transferee any and all financial information in such Lender's possession concerning the Borrowers and their Affiliates that has been delivered to such Lender by or on behalf of the Borrowers and their Affiliates pursuant to this Agreement or that has been delivered to such Lender by or on behalf of the Borrowers and their Affiliates in connection with such Lender's credit evaluation of the Borrowers and their Affiliates prior to becoming a party to this Agreement.

(f) The words "execution," "signed," "signature," and words of like import in any Assignment and Acceptance shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

(g) SPV Lender. Notwithstanding anything to the contrary contained herein, any Lender (a **"Granting Lender"**) may grant to a special purpose funding vehicle (an "**SPV**"), identified as such in writing from time to time by the Granting Lender to the Administrative Agent and the Borrower Representative, the option to provide to the Borrowers all or any part of any Loan that such Granting Lender would otherwise be obligated to make the Borrowers pursuant to this Agreement; provided that (i)

nothing herein shall constitute a commitment by any SPV to make any Loan and (ii) if an SPV elects not to exercise such option or otherwise fails to provide all or any part of such Loan, the Granting Lender shall be obligated to make such Loan pursuant to the terms hereof. The making of a Loan by an SPV hereunder shall utilize the Commitment of the Granting Lender to the same extent, and as if, such Loan were made by such Granting Lender. Each party hereto hereby agrees that no SPV shall be liable for any indemnity or similar payment obligation under this Agreement (all liability for which shall remain with the Granting Lender). In furtherance of the foregoing, each party hereto hereby agrees (which agreement shall survive the termination of this Agreement) that, prior to the date that is one year and one day after the payment in full of all outstanding commercial paper or other senior indebtedness of any SPV, it shall not institute against, or join any other Person in instituting against, such SPV any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings under the laws of the United Stales or any State thereof. In addition, notwithstanding anything to the contrary contained in this Section 13.6, any SPV may (i) with notice to, but without the prior written consent of, the Borrower Representative and the Administrative Agent and without paying any processing fee therefor, assign all or a portion of its interests in any Loans to the Granting Lender or to any financial institutions (consented to by the Borrower Representative and the Administrative Agent) other than a Disqualified Lender providing liquidity and/or credit support to or for the account of such SPV to support the funding or maintenance of Loans and (ii) subject to Section 13.16, disclose on a confidential basis any non-public information relating to its Loans to any rating agency, commercial paper dealer or provider of any surety, guarantee or credit or liquidity enhancement to such SPV. This Section 13.6(g) may not be amended without the written consent of the SPV. Notwithstanding anything to the contrary in this Agreement but subject to the following sentence, each SPV shall be entitled to the benefits of Sections 2.10, 2.11, 3.5 and 5.4 to the same extent as if it were a Lender (subject to the limitations and requirements of those Sections as though it were a Lender and had acquired its interest by assignment pursuant to clause (b) of this Section 13.6, including the requirements of clause (c) of Section 5.4 (it being agreed that any documentation required under Section 5.4(c) shall be provided to the Granting Lender)). Notwithstanding the prior sentence, an SPV shall not be entitled to receive any greater payment under Section 2.10, 2.11, 3.5 or 5.4 than its Granting Lender would have been entitled to receive absent the grant to such SPV, unless such grant to such SPV is made with the Borrower Representative's prior written consent (which consent shall not be unreasonably withheld).

13.7 Replacements of Lenders Under Certain Circumstances.

(a) The Borrowers shall be permitted (x) to replace any Lender or (y) terminate the Commitment of such Lender or Letter of Credit Issuer, as the case may be, and (1) in the case of a Lender (other than the Letter of Credit Issuer), repay all Obligations of the Borrowers due and owing to such Lender relating to the Loans and participations held by such Lender as of such termination date and (2) in the case of the Letter of Credit Issuer, repay all Obligations of the Borrowers owing to such Letter of Credit Issuer relating to the Loans and participations held by the Letter of Credit Issuer as of such termination date and cancel or backstop on terms satisfactory to such Letter of Credit Issuer any Letters of Credit issued by it that (a) requests reimbursement for amounts owing pursuant to Sections 2.10 or 5.4, (b) is affected in the manner described in Section 2.10(a)(iii) and as a result thereof any of the actions described in such Section is required to be taken, or (c) becomes a Defaulting Lender, with a replacement bank or other financial institution; provided that (i) such replacement does not conflict with any Requirement of Law, (ii) no Event of Default under Sections 11.1 or 11.5 shall have occurred and be continuing at the time of such replacement, (iii) the Borrowers shall repay (or the replacement bank or institution shall purchase, at par) all Loans and other amounts pursuant to Sections 2.10, 2.11, or 5.4, as the case may be, owing to such replaced Lender prior to the date of replacement, (iv) the replacement bank or institution, if not already a Lender, an Affiliate of the Lender, an Affiliated Lender or Approved Fund, and the terms and conditions of such replacement, shall be reasonably satisfactory to the Administrative Agent, (v) the replacement bank or institution, if not already a Lender shall be subject to

the provisions of Section 13.6(b), (vi) the replaced Lender shall be obligated to make such replacement in accordance with the provisions of Section 13.6 (provided that unless otherwise agreed the Borrowers shall be obligated to pay the registration and processing fee referred to therein), and (vii) any such replacement shall not be deemed to be a waiver of any rights that the Borrowers, the Administrative Agent or any other Lender shall have against the replaced Lender.

(b) If any Lender (such Lender, a "**Non-Consenting Lender**") has failed to consent to a proposed amendment, waiver, discharge or termination that pursuant to the terms of Section 13.1 requires the consent of either (i) all of the Lenders directly and adversely affected or (ii) all of the Lenders, and, in each case, with respect to which the Required Lenders (or at least 50.1% of the directly and adversely affected Lenders) shall have granted their consent, then, the Borrowers shall have the right (unless such Non-Consenting Lender grants such consent) to (x) replace such Non-Consenting Lender by requiring such Non-Consenting Lender to assign its Loans, and its Commitments hereunder to one or more assignees reasonably acceptable to the Administrative Agent (to the extent such consent would be required under Section l3.6) or to terminate the Commitment of such Lender or Letter of Credit Issuer, as the case may be, and (1) in the case of a Lender (other than the Letter of Credit Issuer), repay all Obligations of the Borrowers due and owing to such Lender relating to the Loans and participations held by such Lender as of such termination date and (2) in the case of the Letter of Credit Issuer, repay all Obligations of the Borrowers owing to such Letter of Credit Issuer relating to the Loans and participations held by the Letter of Credit Issuer as of such termination date and cancel or backstop on terms satisfactory to such Letter of Credit Issuer any Letters of Credit issued by it); provided that (a) all Obligations hereunder of the Borrowers owing to such Non-Consenting Lender being replaced shall be paid in full to such Non-Consenting Lender concurrently with such assignment including any amounts that such Lender may be owed pursuant to Section 2.11, and (b) the replacement Lender shall purchase the foregoing by paying to such Non-Consenting Lender a price equal to the principal amount thereof plus accrued and unpaid interest thereon, and (c) the Borrowers shall pay to such Non-Consenting Lender the amount, if any, owing to such Lender pursuant to Section 5.1(b). In connection with any such assignment, the Borrowers, the Administrative Agent, such Non-Consenting Lender and the replacement Lender shall otherwise comply with Section 13.6.

13.8 Adjustments; Set-off.

(a) Except as contemplated in Section 13.6 or elsewhere herein, if any Lender (a "**Benefited Lender**") shall at any time receive any payment of all or part of its Loans, or interest thereon, or receive any collateral in respect thereof (whether voluntarily or involuntarily, by set-off, pursuant to events or proceedings of the nature referred to in Section 11.5, or otherwise), in a greater proportion than any such payment to or collateral received by any other Lender, if any, in respect of such other Lender's Loans, or interest thereon, such Benefited Lender shall purchase for cash from the other Lenders a participating interest in such portion of each such other Lender's Loan, or shall provide such other Lenders with the benefits of any such collateral, or the proceeds thereof, as shall be necessary to cause such Benefited Lender to share the excess payment or benefits of such collateral or proceeds ratably with each of the Lenders; provided, however, that if all or any portion of such excess payment or benefits is thereafter recovered from such Benefited Lender, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest.

(b) After the occurrence and during the continuance of an Event of Default, in addition to any rights and remedies of the Lenders provided by law, each Lender shall have the right, without prior notice to the Credit Parties but with the prior consent of the Administrative Agent, any such notice being expressly waived by the Credit Parties to the extent permitted by applicable law, upon any amount becoming due and payable by the Credit Parties hereunder (whether at the stated maturity, by acceleration or otherwise) to set-off and appropriate and apply against such amount any and all deposits (general or

special, time or demand, provisional or final) (other than payroll, trust, tax, fiduciary, and petty cash accounts), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Lender or any branch or agency thereof to or for the credit or the account of the Credit Parties. Each Lender agrees promptly to notify the Credit Parties and the Administrative Agent after any such set-off and application made by such Lender; provided that the failure to give such notice shall not affect the validity of such set off and application.

13.9 Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by facsimile or other electronic transmission), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. A set of the copies of this Agreement signed by all the parties shall be lodged with the Borrower Representative and the Administrative Agent.

13.10 Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

13.11 Integration. This Agreement and the other Credit Documents represent the agreement of Holdings, the Borrowers, the Collateral Agent, the Administrative Agent and the Lenders with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by Holdings, the Borrowers, the Administrative Agent, the Collateral Agent nor any Lender relative to subject matter hereof not expressly set forth or referred to herein or in the other Credit Documents.

13.12 GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK. EACH LETTER OF CREDIT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

13.13 Submission to Jurisdiction; Waivers. Each party hereto irrevocably and unconditionally;

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Credit Documents to which it is a party to the exclusive general jurisdiction of the courts of the State of New York or the courts of the United States for the Southern District of New York, in each case sitting in New York City in the Borough of Manhattan, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives (to the extent permitted by applicable law) any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same or to commence or support any such action or proceeding in any other courts;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such Person at its address set forth on Schedule 13.2 at such other address of which the Administrative Agent shall have been notified pursuant to Section 13.2;

(d) agrees that nothing herein shall affect the right of the Administrative Agent, any Lender or another Secured Party to effect service of process in any other manner permitted by law or to commence legal proceedings or otherwise proceed against Holdings or any Borrower or any other Credit Party in any other jurisdiction; and

(e) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section 13.13 any special, exemplary, punitive or consequential damages.

13.14 Acknowledgments. Each Borrower hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution, and delivery of this Agreement and the other Credit Documents;

(b) (i) the credit facilities provided for hereunder and any related arranging or other services in connection therewith (including in connection with any amendment, waiver or other modification hereof or of any other Credit Document) are an arm's-length commercial transaction between the Borrowers and the other Credit Parties, on the one hand, and the Administrative Agent, the Lenders and the other Agents on the other hand, and the Borrowers and the other Credit Parties are capable of evaluating and understanding and understand and accept the terms, risks and conditions of the transactions contemplated hereby and by the other Credit Documents (including any amendment, waiver or other modification hereof or thereof); (ii) in connection with the process leading to such transaction, each of the Administrative Agent and the other Agents, is and has been acting solely as a principal and is not the financial advisor, agent or fiduciary for the Borrowers, any other Credit Parties or any of their respective Affiliates, stockholders, creditors or employees, or any other Person; (iii) neither the Administrative Agent nor any other Agent has assumed or will assume an advisory, agency or fiduciary responsibility in favor of the Borrowers or any other Credit Party with respect to any of the transactions contemplated hereby or the process leading thereto, including with respect to any amendment, waiver or other modification hereof or of any other Credit Document (irrespective of whether the Administrative Agent or other Agent has advised or is currently advising the Borrowers, the other Credit Parties or their respective Affiliates on other matters) and neither the Administrative Agent or other Agent has any obligation to the Borrowers, the other Credit Parties or their respective Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Credit Documents; (iv) the Administrative Agent, each other Agent and each Affiliate of the foregoing may be engaged in a broad range of transactions that involve interests that differ from those of the Borrowers and their Affiliates, and neither the Administrative Agent nor any other Agent has any obligation to disclose any of such interests by virtue of any advisory, agency or fiduciary relationship; and (v) neither the Administrative Agent nor any other Agent has provided and none will provide any legal, accounting, regulatory or tax advice with respect to any of the transactions contemplated hereby (including any amendment, waiver or other modification hereof or of any other Credit Document) and the Borrowers have consulted their own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate. Each Borrower hereby waives and releases, to the fullest extent permitted by law, any claims that it may have against the Administrative Agent or any other Agent with respect to any breach or alleged breach of agency or fiduciary duty; and

(c) no joint venture is created hereby or by the other Credit Documents or otherwise exists by virtue of the transactions contemplated hereby among the Lenders or among the Borrowers, on the one hand, and any Lender, on the other hand.

13.15 WAIVERS OF JURY TRIAL. EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVE (TO THE EXTENT PERMITTED BY APPLICABLE LAW) TRIAL

BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

13.16 Confidentiality. The Administrative Agent, each other Agent and each Lender (collectively, the "**Restricted Persons**" and, each a "**Restricted Person**") shall treat confidentially all non-public information provided to any Restricted Person by or on behalf of any Credit Party hereunder in connection with such Restricted Person's evaluation of whether to become a Lender hereunder or obtained by such Restricted Person pursuant to the requirements of this Agreement ("**Confidential Information**") and shall not publish, disclose or otherwise divulge such Confidential Information; provided that nothing herein shall prevent any Restricted Person from disclosing any such Confidential Information (a) pursuant to the order of any court or administrative agency or in any pending legal, judicial or administrative proceeding, or otherwise as required by applicable law, rule or regulation or compulsory legal process (in which case such Restricted Person agrees (except with respect to any routine or ordinary course audit or examination conducted by bank accountants or any governmental or bank regulatory authority exercising examination or regulatory authority), to the extent practicable and not prohibited by applicable law, rule or regulation, to inform the Borrower Representative promptly thereof prior to disclosure), (b) upon the request or demand of any regulatory authority having jurisdiction over such Restricted Person or any of its Affiliates (in which case such Restricted Person agrees (except with respect to any routine or ordinary course audit or examination conducted by bank accountants or any governmental or bank regulatory authority exercising examination or regulatory authority) to the extent practicable and not prohibited by applicable law, rule or regulation, to inform the Borrower Representative promptly thereof prior to disclosure), (c) to the extent that such Confidential Information becomes publicly available other than by reason of improper disclosure by such Restricted Person or any of its affiliates or any related parties thereto in violation of any confidentiality obligations owing under this Section 13.16, (d) to the extent that such Confidential Information is received by such Restricted Person from a third party that is not, to such Restricted Person's knowledge, subject to confidentiality obligations owing to any Credit Party or any of their respective subsidiaries or affiliates, (c) to the extent that such Confidential Information was already in our possession prior to any duty or other undertaking of confidentiality or is independently developed by the Restricted Persons without the use of such Confidential Information, (f) to such Restricted Person's affiliates and to its and their respective officers, directors, partners, employees, legal counsel, independent auditors, and other experts or agents who need to know such Confidential Information in connection with providing the Loans or action as an Agent hereunder and who are informed of the confidential nature of such Confidential Information and who are subject to customary confidentiality obligations of professional practice or who agree to be bound by the terms of this Section 13.16 (or confidentiality provisions at least as restrictive as those set forth in this Section 13.16) (with each such Restricted Person, to the extent within its control, responsible for such person's compliance with this paragraph), (g) to potential or prospective Lenders, hedge providers, participants or assignees, in each case who agree (pursuant to customary syndication practice) to be bound by the terms of this Section 13.16 (or confidentiality provisions at least as restrictive as those set forth in this Section 13.16); provided that (i) the disclosure of any such Confidential Information to any Lenders, hedge providers or prospective Lenders, hedge providers or participants or prospective participants referred to above shall be made subject to the acknowledgment and acceptance by such Lender, hedge provider or prospective Lender or participant or prospective participant that such Confidential Information is being disseminated on a confidential basis (on substantially the terms set forth in this Section 13.16 or confidentiality provisions at least as restrictive as those set forth in this Section 13.16) in accordance with the standard syndication processes of such Restricted Person or customary market standards for dissemination of such type of information, which shall in any event require "click through" or other affirmative actions on the part of recipient to access such Confidential Information and (ii) no such disclosure shall be made by such Restricted Person to any person that is at such time a Disqualified Lender, (h) for purposes of establishing a "due diligence" defense, or (i) to rating agencies in connection with obtaining ratings for any Borrower and the Credit Facilities to the extent such rating

agencies are subject to customary confidentiality obligations of professional practice or agree to be bound by the terms of this Section 13.16 (or confidentiality provisions at least as restrictive as those set forth in this Section 13.61). Notwithstanding the foregoing, (i) Confidential Information shall not include, with respect to any Person, information available to it or its Affiliates on a non-confidential basis from a source other than Holdings, its Subsidiaries or their respective Affiliates, (ii) the Administrative Agent shall not be responsible for compliance with this Section 13.16 by any other Restricted Person (other than its officers, directors or employees), (iii) in no event shall any Lender, the Administrative Agent or any other Agent be obligated or required to return any materials furnished by Holdings or any of its Subsidiaries, and (iv) each Agent and each Lender may disclose the existence of this Agreement and the information about this Agreement to market data collectors, similar services providers to the lending industry, and service providers to the Agents and the Lenders in connection with the administration and management of this Agreement and the other Credit Documents.

13.17 Direct Website Communications. Each of Holdings and the Borrowers may, at its option, provide to the Administrative Agent any information, documents and other materials that it is obligated to furnish to the Administrative Agent pursuant to the Credit Documents, including, without limitation, all notices, requests, financial statements, financial, and other reports, certificates, and other information materials, but excluding any such communication that (A) relates to a request for a new, or a conversion of an existing, borrowing or other extension of credit (including any election of an interest rate or interest period relating thereto), (B) relates to the payment of any principal or other amount due under this Agreement prior to the scheduled date therefor, (C) provides notice of any default or event of default under this Agreement or (D) is required to be delivered to satisfy any condition precedent to the effectiveness of this Agreement and/or any borrowing or other extension of credit thereunder (all such non-excluded communications being referred to herein collectively as "**Communications**"), by transmitting the Communications in an electronic/soft medium in a format reasonably acceptable to the Administrative Agent to the Administrative Agent at an email address provided by the Administrative Agent from time to time; provided that (i) upon written request by the Administrative Agent or the Borrower Representative shall deliver paper copies of such documents to the Administrative Agent for further distribution to each Lender until a written request to cease delivering paper copies is given by the Administrative Agent and (ii) the Borrower Representative shall notify (which may be by facsimile or electronic mail) the Administrative Agent of the posting of any such documents and provide to the Administrative Agent by electronic mail electronic versions (i.e., soft copies) of such documents. Each Lender shall be solely responsible for timely accessing posted documents or requesting delivery of paper copies of such documents from the Administrative Agent and maintaining its copies of such documents. Nothing in this Section 13.17 shall prejudice the right of Holdings, the Borrower Representative, the Administrative Agent, any other Agent or any Lender to give any notice or other communication pursuant to any Credit Document in any other manner specified in such Credit Document.

The Administrative Agent agrees that the receipt of the Communications by the Administrative Agent at its e-mail address set forth above shall constitute effective delivery of the Communications to the Administrative Agent for purposes of the Credit Documents. Each Lender agrees that notice to it (as provided in the next sentence) specifying that the Communications have been posted to the Platform shall constitute effective delivery of the Communications to such Lender for purposes of the Credit Documents. Each Lender agrees (A) to notify the Administrative Agent in writing (including by electronic communication) from time to time of such Lender's e-mail address to which the foregoing notice may be sent by electronic transmission and (B) that the foregoing notice may be sent to such e-mail address.

(a) Each of Holdings and the Borrowers further agrees that any Agent may make the Communications available to the Lenders by posting the Communications on Intralinks or a substantially similar electronic transmission system (the "**Platform**"), so long as the access to such Platform (i) is

limited to the Agents, the Lenders and Transferees or prospective Transferees and (ii) remains subject to the confidentiality requirements set forth in Section 13.16.

(b) THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF ANY MATERIALS OR INFORMATION PROVIDED BY THE CREDIT PARTIES (THE "**BORROWER MATERIALS**") OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the **"Agent Parties"** and each an "**Agent Party**") have any liability to any Borrower, any Lender, or any other Person for losses, claims, damages, liabilities, or expenses of any kind (whether in tort, contract or otherwise) arising out of the Borrower Representative's or the Administrative Agent's transmission of Borrower Materials through the internet, except to the extent the liability of any Agent Party resulted from such Agent Party's (or any of its Related Parties' (other than any trustee or advisor)) gross negligence, bad faith or willful misconduct or material breach of the Credit Documents as determined in the final non-appealable judgment of a court of competent jurisdiction.

(c) Each of Holdings and the Borrowers and each Lender acknowledge that certain of the Lenders may be "public-side" Lenders (Lenders that do not wish to receive material non-public information with respect to Holdings, the Borrowers, the Subsidiaries or their securities) and, it documents or notices required to be delivered pursuant to the Credit Documents or otherwise are being distributed through the Platform, any document or notice that Holdings or the Borrower Representative has indicated contains only publicly available information with respect to Holdings or the Borrowers may be posted on that portion of the Platform designated for such public side Lenders. If Holdings or the Borrower Representative has not indicated whether a document or notice delivered contains only publicly available information, the Administrative Agent shall post such document or notice solely on that portion of the Platform designated for Lenders who wish to receive material nonpublic information with respect to Holdings, the Borrowers, the Subsidiaries and their securities. Notwithstanding the foregoing, each of Holdings and the Borrower Representative shall use commercially reasonable efforts to indicate whether any document or notice contains only publicly available information.

13.18 USA PATRIOT Act. Each Lender hereby notifies each Credit Party that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "**Patriot Act**"), it is required to obtain, verify, and record information that identifies each Credit Party, which information includes the name and address of each Credit Party and other information that will allow such Lender to identify each Credit Party in accordance with the Patriot Act.

13.19 Judgment Currency. If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder or any other Credit Document in one currency into another currency, the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the first currency with such other currency on the Business Day preceding that on which final judgment is given. The obligation of the Borrowers in respect of any such sum due from it to the Administrative Agent or the Lenders hereunder or under the other Credit Documents shall, notwithstanding any judgment in a currency (the "**Judgment Currency**") other than that in which such sum is denominated in accordance with the applicable provisions of this Agreement (the "**Agreement Currency**"), be discharged only to the extent that on the Business Day following receipt by the Administrative Agent of any sum adjudged to be so due in the Judgment Currency, the

Administrative Agent may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency. If the amount of the Agreement Currency so purchased is less than the sum originally due to the Administrative Agent from the Borrowers in the Agreement Currency, the Borrowers agree, as a separate joint and several obligation and notwithstanding any such judgment, to indemnify the Administrative Agent or the Person to whom such obligation was owing against such loss. If the amount of the Agreement Currency so purchased is greater than the sum originally due to the Administrative Agent in such currency, the Administrative Agent agrees to return the amount of any excess to the Borrowers (or to any other Person who may be entitled thereto under applicable law).

13.20 Payments Set Aside. To the extent that any payment by or on behalf of Holdings or the Borrowers is made to any Agent or any Lender, or any Agent or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by such Agent or such Lender in its discretion) to be repaid to a trustee, receiver, or any other party, in connection with any proceeding or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender severally agrees to pay to the Administrative Agent upon demand its applicable share of any amount so recovered from or repaid by any Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the applicable Overnight Rate from time to time in effect.

13.21 No Fiduciary Duty. Each Agent, each Lender and their Affiliates (collectively, solely for purposes of this paragraph, the "**Lenders**"), may have economic interests that conflict with those of the Credit Parties, their stockholders and/or their affiliates. Each Credit Party agrees that nothing in the Credit Documents or otherwise will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between any Lender, on the one hand, and such Credit Party, its stockholders or its affiliates, on the other. The Credit Parties acknowledge and agree that (i) the transactions contemplated by the Credit Documents (including the exercise of rights and remedies hereunder and thereunder) are arm's-length commercial transactions between the Lenders, on the one hand, and the Credit Parties, on the other, and (ii) in connection therewith and with the process leading thereto, (x) no Lender has assumed an advisory or fiduciary responsibility in favor of any Credit Party, its stockholders or its affiliates with respect to the transactions contemplated hereby (or the exercise of rights or remedies with respect thereto) or the process leading thereto (irrespective of whether any Lender has advised, is currently advising or will advise any Credit Party, its stockholders or its Affiliates on other matters) or any other obligation to any Credit Party except the obligations expressly set forth in the Credit Documents and (y) each Lender is acting solely as principal and not as the agent or fiduciary of any Credit Party, its management, stockholders or creditors. Each Credit Party acknowledges and agrees that it has consulted its own Legal and financial advisors to the extent it deemed appropriate and that it is responsible for making its own independent judgment with respect to such transactions and the process leading thereto. Each Credit Party agrees that it will not claim that any Lender has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to such Credit Party, in connection with such transaction or the process leading thereto.

13.22 [Reserved].

13.23 [Reserved].

13.24 Designation of a Subsidiary Borrower. The designation of a Subsidiary Borrower pursuant to Section 2.17 is subject to the conditions precedent that the borrower Representative or such

proposed Subsidiary Borrower shall have furnished or caused to be furnished to the Administrative Agent (or its counsel):

(a) a certificate of such Subsidiary substantially in the form of Exhibit E, with appropriate insertions, executed by the President or any Vice President and the Secretary or any Assistant Secretary of such Subsidiary and attaching the documents referred to in Section 6.6;

(b) an executed legal opinion, in customary form and consistent with the legal opinion with respect to the Company delivered pursuant to Section 6.3, with respect to such Subsidiary;

(c) subject to Section 9.12 and Section 13.1, if such Subsidiary Borrower is not already a Guarantor, all Security Documents, guarantees and other documents and instruments as such Subsidiary Borrower shall be required to deliver to become a Guarantor; and

(d) all documentation and other information required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations.

13.25 Obligations Joint and Several. The Borrowers shall have joint and several liability in respect of all Obligations hereunder and under any other Credit Document to which any Borrower is a party, without regard to any defense (other than the defense of payment), setoff or counterclaim which may at any time be available to or be asserted by any other Credit Party against the Lenders, or by any other circumstance whatsoever (with or without notice to or knowledge of the Borrowers) which constitutes, or might be construed to constitute, an equitable or legal discharge of the Borrowers' liability hereunder, in bankruptcy or in any other instance, and such Obligations of the Borrowers shall not be conditioned or contingent upon the pursuit by the Lenders or any other person at any time of any right or remedy against the Borrowers or against any other person which may be or become liable in respect of all or any part of the Obligations or against any Collateral or Guarantee therefor or right of offset with respect thereto. The Borrowers hereby acknowledge that this Agreement is the independent and several obligation of each Borrower (regardless of which Borrower shall have delivered a Notice of Borrowing) and may be enforced against each Borrower separately, whether or not enforcement of any right or remedy hereunder has been sought against any other Borrower. Each Borrower hereby expressly waives, with respect to any of the Loans made to any other Borrower hereunder and any of the amounts owing hereunder by such other Credit Parties in respect of such Loans, diligence, presentment, demand of payment, protest and all notices whatsoever, and any requirement that the Administrative Agent or any Lender exhaust any right, power or remedy or proceed against such other Credit Parties under this Agreement or any other agreement or instrument referred to herein or against any other person under any other guarantee of, or security for, any of such amounts owing hereunder. Further, the provisions of the Guarantee set forth in Sections 2, 4 and 5 thereof are hereby incorporated by reference and shall be deemed to apply to the Obligations of the Subsidiary Borrowers mutatis mutandis as if set forth herein.

13.26 Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Credit Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Credit Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Credit Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of applicable Resolution Authority.

13.27 Acknowledgement Regarding Any Supported QFCs. To the extent that the Credit Documents provide support, through a guarantee or otherwise, for Hedge Agreements or any other agreement or instrument that is a QFC (such support, "**QFC Credit Support**" and each such QFC a "**Supported QFC**"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "**U.S. Special Resolution Regimes**") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Credit Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York or of the United States or any other state of the United States):

(a) In the event a Covered Entity that is party to a Supported QFC (each, a "**Covered Party**") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Credit Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Credit Documents were governed by the laws of the United States or a state of the United States.

(b) As used in this Section 13.27, the following terms have the following meanings:

"**BHC Act Affiliate**" of a party means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

"**Covered Entity**" means any of the following:

(i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b)

(ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R § 382.2(b).

“**Default Right**” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“**QFC**” has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

AMENDMENT NO. 9 TO REVOLVING CREDIT AGREEMENT

AMENDMENT NO. 9 TO REVOLVING CREDIT AGREEMENT, dated as of October 31, 2025 (this "***Agreement***"), by and among BDF ACQUISITION CORP., a Delaware corporation (the "***Company***" or the "***Borrower Representative***"), the other Credit Parties party hereto, ROYAL BANK OF CANADA, as administrative agent (the "***Administrative Agent***"), and the Lenders party hereto.

RECITALS:

WHEREAS, reference is hereby made to the Revolving Credit Agreement, dated as of February 12, 2014 (as amended, restated, supplemented or otherwise modified from time to time immediately prior to the effectiveness of this Agreement, including pursuant to Amendment No. 1 to Revolving Credit Agreement, dated as of June 17, 2016, Amendment No. 2 to Revolving Credit Agreement, dated as of June 18, 2018 and Joinder Agreement and Amendment No. 3 to Revolving Credit Agreement, dated as of September 18, 2019 and Joinder Agreement and Amendment No. 4 to Revolving Credit Agreement, dated as of May 12, 2021, Amendment No. 5 to Revolving Credit Agreement, dated as of July 5, 2022, Amendment No. 6 to Revolving Credit Agreement, dated as of August 24, 2022, Amendment No. 7 to Revolving Credit Agreement, dated as of June 2, 2024, Amendment No. 8 to Revolving Credit Agreement, dated as of July 1, 2024, the "***Existing Credit Agreement***" and, as amended by this Agreement, the "***Credit Agreement***"), among BDF Intermediate, LLC, a Delaware limited liability company, the Company, the Subsidiary Borrowers from time to time party thereto (together with the Company, collectively, the "***Borrowers***"), the lending institutions from time to time party thereto, the Administrative Agent and Royal Bank of Canada, as Collateral Agent and Letter of Credit Issuer (capitalized terms used but not defined herein having the meaning provided in the Credit Agreement);

WHEREAS, the Company has requested that the Administrative Agent and the Lenders make certain amendments to the Existing Credit Agreement as further set forth herein and the Administrative Agent and the Lenders party hereto (which Lenders constitute all of the Lenders under the Existing Credit Agreement) are willing to make such amendments to the Existing Credit Agreement as set forth herein;

NOW, THEREFORE, in consideration of the premises and agreements, provisions and covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. Amendments to Credit Agreement.

(a) Each of the parties hereto agrees that, subject to the occurrence of the Amendment No. 9 Effective Date, the Existing Credit Agreement is hereby amended to (i) delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the pages attached as Exhibit A hereto.

(b) Exhibit H to the Credit Agreement is hereby amended and restated in its entirety as set forth in Exhibit B attached hereto.

SECTION 2. Conditions to Effectiveness. The effectiveness of this Agreement shall become effective on the first date (the ***"Amendment No. 9 Effective Date***") when each of the applicable conditions set forth below have been satisfied (or waived) in accordance with the terms hereof:

(i) the Administrative Agent shall have received counterparts to this Agreement from the Borrower, the other Credit Parties and Lenders constituting all of the Lenders;

(ii) the Administrative Agent shall have received certified copies of resolutions or other corporate action, incumbency certificates and/or other certificates of an Authorized Officer of the Borrower Representative as the Administrative Agent may reasonably require evidencing the identity, authority and capacity of each Authorized Officer thereof authorized to act as an Authorized Officer in connection with this Agreement;

(iii) the ABL/Term Loan Intercreditor Agreement shall have been executed and delivered by each of the parties thereto; and

(iv) the Administrative Agent (or its counsel) shall have received the signed legal opinion, in customary form, of Ropes & Gray LLP, counsel to the Credit Parties;

SECTION 3. Expenses. Each of the Credit Parties hereby reconfirms its respective obligations pursuant to Section 13.5 of the Credit Agreement to pay all reasonable and documented out-of- pocket expenses incurred by the Administrative Agent in connection with this Agreement.

SECTION 4. Reaffirmation of the Credit Parties. Each Credit Party hereby consents to the amendment of the Existing Credit Agreement effected hereby and confirms and agrees that, notwithstanding the effectiveness of this Agreement, each Credit Document to which such Credit Party is a party is, and the obligations of such Credit Party contained in the Existing Credit Agreement, this Agreement or in any other Credit Document to which it is a party are, and shall continue to be, in full force and effect and are hereby ratified and confirmed in all respects, in each case as amended by this Agreement. For greater certainty and without limiting the foregoing, each Credit Party hereby confirms that the existing security interests granted by such Credit Party in favor of the Secured Parties pursuant to the Credit Documents in the Collateral described therein shall continue to secure the obligations of the Credit Parties under the Credit Agreement and the other Credit Documents as and to the extent provided in the Credit Documents.

SECTION 5. Amendment, Modification and Waiver. This Agreement may not be amended, modified or waived except in accordance with Section 13.1 of the Credit Agreement.

SECTION 6. Entire Agreement. This Agreement, the Credit Agreement and the other Credit Documents constitute the entire agreement among the parties with respect to the subject matter hereof and thereof and supersede all other prior agreements and understandings, both written and verbal, among the parties or any of them with respect to the subject matter hereof. Except as expressly set forth herein, this Agreement shall not by implication or otherwise limit, impair, constitute a waiver of, or otherwise affect the rights and remedies of any party under, the Existing Credit Agreement, nor alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement, all of which are ratified and affirmed in all respects and shall continue in full force and effect. It is understood and agreed that each reference in each Credit Document to the Credit Agreement, whether direct or indirect, shall hereafter be deemed to be a reference to the Existing Credit Agreement as amended hereby and that this Agreement is a Credit Document. This Agreement shall not constitute a novation of any amount owing under the Existing Credit Agreement and all amounts owing in respect of principal, interest, fees and other amounts pursuant to the Existing Credit Agreement and the other Credit Documents continue to be owing under the Credit Agreement or such other Credit Documents until paid in accordance therewith.

SECTION 7. **GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

SECTION 8. Severability. Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction. If any provision of this Agreement is so broad as to be unenforceable, the provision shall be interpreted to be only so broad as would be enforceable.

SECTION 9. Counterparts. This Agreement may be executed in counterparts (including by facsimile or other electronic transmission), each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement. The words "execution," "signed," "signature," and words of like import shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. For the avoidance of doubt, the foregoing also applies to any amendment, extension or renewal of this Agreement. Each of the parties represents and warrants to the other party/ies that it has the corporate capacity and authority to execute this Agreement through electronic means and there are no restrictions for doing so in that party's constitutive documents.

[*Remainder of Page Intentionally Blank*]

IN WITNESS WHEREOF, each of the undersigned has caused its duly authorized officer to execute and deliver this Agreement as of the date first written above.

BDF ACQUISITION CORP., as Borrower and Borrower Representative

By: /s/ William G. Barton
Name: William G. Barton
Title: Chief Executive Officer and President

BDF INTERMEDIATE, LLC, as Holdings

By: /s/ William G. Barton
Name: William G. Barton
Title: Chief Executive Officer and President

BOB'S DISCOUNT FURNITURE, LLC, as a Guarantor

By: /s/ William G. Barton
Name: William G. Barton
Title: Chief Executive Officer and President

ROYAL BANK OF CANADA,
as Administrative Agent

By: /s/ Sabrina Wang
Name: Sabrina Wang
Title: Deal Manager

ROYAL BANK OF CANADA,
as a Lender

By: /s/ Pierre Noriega
Name: Pierre Noriega
Title: Authorized Signatory

UBS AG, STAMFORD BRANCH,
as a Lender

By: /s/ Muhammad Afzal
Name: Muhammad Afzal
Title: Director

By: /s/ Danielle Calo
Name: Danielle Calo
Title: Director

Exhibit A

Conformed Credit Agreement

EXECUTION VERSION

Conformed through Amendment No. ~~8~~9, dated ~~July 1~~October 31, ~~2024~~2025

REVOLVING CREDIT AGREEMENT

dated as of February 12, 2014

among

BDF INTERMEDIATE, LLC,
as Holdings,

BDF ACQUISITION CORP.,
as a Borrower and as the Borrower Representative,

The Subsidiary Borrowers
from Time to Time Parties Hereto,

The Several Lenders
from Time to Time Parties Hereto,

ROYAL BANK OF CANADA,
as the Administrative Agent, the Collateral Agent and Letter of Credit Issuer,

RBC CAPITAL MARKETS[1] and
UBS SECURITIES LLC,
as Joint Lead Arrangers and Bookrunners,

and

UBS SECURITIES LLC,
as Syndication Agent

[1] RBC Capital Markets is a brand name for the capital markets activities of Royal Bank of Canada and its affiliates.

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CREDIT AGREEMENT

CREDIT AGREEMENT, dated as of February 12, 2014, among BDF INTERMEDIATE, LLC, a Delaware limited liability company ("**Holdings**"), BDF ACQUISITION CORP., a Delaware corporation (the "**Company**"), the Subsidiary Borrowers from time to time parties hereto, the lending institutions from time to time parties hereto (each a "**Lender**" and, collectively, the "**Lenders**"), ROYAL BANK OF CANADA, as the Administrative Agent and the Collateral Agent (such terms and each other capitalized term used but not defined in this preamble having the meaning provided in Section 1).

WHEREAS, pursuant to that certain Securities Purchase Agreement, dated as of December 23, 2013 (as amended, restated, supplemented, or otherwise modified from time to time in accordance with the terms thereof and including all annexes and schedules thereto, the "**Acquisition Agreement**"), among the sellers party thereto (the "**Seller**"), Bob's Discount Furniture Holdings I, LLC, a Delaware limited liability company ("**Bob's I**"), Bob's Discount Furniture Holdings II, LLC, a Delaware limited liability company ("**Bob's II**"), SKM BDF Acquisition Corp., a Delaware corporation, KarpReilly, LLC, a Delaware limited liability company, as representative of the Seller and the Company (as successor to the obligations of BDF Holding Corp., a Delaware corporation, under the Acquisition Agreement), pursuant to which the Company will acquire, directly or indirectly, the equity interests of the Acquired Companies as described in the Acquisition Agreement;

WHEREAS, to fund, in part, the Acquisition, it is intended that the Sponsor and the other Initial Investors will contribute an amount in cash to Holdings and/or a direct or indirect parent thereof in exchange for Capital Stock (such contribution, the "**Equity Investments**") together with the investment of equity rolled over or invested in connection with the Acquisition by the existing management and other existing shareholders, which shall be no less than 37.5% of the sum of (i) the aggregate gross proceeds of the First Lien Term Loans~~,~~ (as such term was defined on the Closing Date), the Second Lien Facility and the Revolving Credit Facility borrowed on the Closing Date (excluding (A) the effects of any exercise of the Flex Provisions (as defined in the Fee Letter) of the Fee Letter and (B) amounts drawn under the Revolving Credit Facility for working capital purposes, to fund Transaction Expenses or to replace, backstop or cash collateralize existing letters of credit), plus (ii) the amount of any existing Capitalized Lease Obligations outstanding on the Closing Date, plus (iii) the Equity Investments, minus (iv) the aggregate amount of cash on hand of Holdings and its Subsidiaries on the Closing Date (the "**Minimum Equity Amount**");

WHEREAS, to consummate the Acquisition, it is intended that the Borrowers will incur (i) First Lien Term Loans (as such term was defined on the Closing Date) under a term loan facility established pursuant to the First Lien Term Loan Credit Documents (~~the "**First Lien Term Facility**"~~as such term was defined on the Closing Date) generating aggregate gross proceeds of $180,000,000and (ii) Second Lien Loans under a term loan facility established pursuant to the Second Lien Credit Documents (the "**Second Lien Facility**") generating aggregate gross proceeds of $80,000,000;

WHEREAS, in connection with the foregoing, the Company has requested (a) that the Lenders extend credit in the form of Revolving Credit Loans made available to the Borrowers at any time and from time to time prior to the Revolving Credit Maturity Date in Dollars in an aggregate principal amount at any time outstanding not in excess of $40,000,000 (as such amount may be increased pursuant to Section 2.14) less the sum of (1) the aggregate Letters of Credit Outstanding at such time and (2) the aggregate principal amount of all Swingline Loans outstanding at such time, (b) the Letter of Credit Issuer to issue Letters of Credit at any time and from time to time prior to the L/C Facility Maturity Date, in an aggregate Stated Amount at any time outstanding not in excess of $10,000,000, and (c) the Swingline Lender to extend credit to the Borrowers in the form of Swingline Loans at any time and from

time to time prior to the Swingline Maturity Date, in an aggregate principal amount at any time outstanding not in excess of $7,500,000;

WHEREAS, the proceeds of Revolving Credit Loans (to the extent permitted under Section 9.13) will be used, together with (i) the net proceeds of the Second Lien Facility, (ii) a portion of the net proceeds of the First Lien Term Facility (as such term was defined on the Closing Date), and (iii) the net proceeds of the Equity Investments on the Closing Date will be applied to fond the Acquisition and the Refinancing and to pay the Transaction Expenses; and

WHEREAS, the Lenders and Letter Credit Issuer are willing to make available to the applicable Borrowers such revolving credit and letter of credit facilities upon the terms and subject to the conditions set forth herein;

NOW, THEREFORE, in consideration of the premises and the covenants and agreements contained herein, the parties hereto hereby agree as follows:

Section 1. Definitions.

1.1 Defined Terms. As used herein, the following terms shall have the meanings specified in this Section 1.1 unless the context otherwise requires (it being understood that defined terms in this Agreement shall include in the singular number the plural and in the plural the singular):

"**2022 Equity Contribution**" shall have the meaning provided to the term "Amendment No. 3 Equity Contribution" in the First Lien Term Loan Agreement.

"**ABL Priority Collateral**" shall mean the "ABL Priority Collateral" as defined in the ABL/Term Loan Intercreditor Agreement.

"**ABL/Term Loan Intercreditor Agreement**" shall mean ~~an~~(i) that certain ABL Intercreditor Agreement ~~substantially in the form of Exhibit H (with such changes to such form as may be reasonably acceptable to the Administrative Agent and the Borrower Representative)~~, dated as of the Amendment No. 9 Effective Date, by and among the Administrative Agent, the Collateral Agent, the First Lien Term Loan Administrative Agent, the First Lien Term Loan Collateral Agent~~,~~ and the ~~Second Lien Administrative Agent, the Second Lien Collateral Agent and the representatives for purposes thereof for holders of one or more classes of~~ Credit Parties substantially in the form of Exhibit H, (ii) an intercreditor agreement substantially in the form of Exhibit H, duly completed pursuant to the terms thereof with such additional changes as may be reasonably acceptable to the Administrative Agent and the Borrower or (iii) a customary intercreditor agreement in form and substance reasonably acceptable to the Administrative Agent and the Borrower, which agreement, in each case of clauses (ii) and (iii), shall provide that the Obligations shall be secured by the ABL Priority Collateral on a senior basis and by the Term Loan Priority Collateral on a junior basis, in each case, with respect to such other Indebtedness subject to such intercreditor agreement.

"**ABR**" shall mean for any day a fluctuating rate per annum equal to the highest of (i) the Federal Funds Effective Rate *plus* 1/2 of 1%, (ii) the rate of interest in effect for such day as announced from time to time by the Administrative Agent as its "prime rate" at its principal office in New York City, and (iii) Term SOFR for a one-month Interest Period plus 1%. Any change in the ABR due to a change in such rate announced by the Administrative Agent, in the Federal Funds Effective Rate or in Term SOFR shall take effect at the opening of business on the day specified in the announcement of such change.

"**ABR Loan**" shall mean each Loan bearing interest based on the ABR.

"**Accelerated Borrowing Base Delivery Period**" shall mean when any of the following have occurred and are continuing: (a) any Cash Dominion Period has occurred and ending on the date thereafter that Excess Availability on each day during any period of 20 consecutive calendar days shall be at least 10% of the Line Cap, (b) any period commencing on the day that any Specified Default occurs and is continuing for so long as such Specified Default has not been cured or waived, or (c) if any Overadvance Loans are outstanding.

"**Account(s)**" means "accounts" as defined in the UCC, and includes without limitation a right to payment of a monetary obligation, whether or not earned by performance, (a) for property that has been or is to be sold, leased, licensed, assigned, or otherwise disposed of, (b) for services rendered or to be rendered or (c) arising out of the use of a credit or charge card or information contained on or for use with the card. The term "Account" does not include (a) rights to payment evidenced by chattel paper or an instrument, (b) commercial tort claims, (c) deposit accounts, (d) investment property, (e) letter-of-credit rights or letters of credit or (f) rights to payment for money or funds advanced other than rights arising out of the use of a credit or charge card or information contained on or for use with the card.

"**Account Debtor**" means a Person who is obligated under an Account, Chattel Paper or General Intangible.

"**ACH**" means automated clearing house transfers.

"**Acquired Company**" shall mean any "Acquired Company" under and as defined in the Acquisition Agreement, and "Acquired Companies" means the "Acquired Companies" under and as defined in the Acquisition Agreement.

"**Acquired Company Representations**" shall mean the representations and warranties made by an Acquired Company with respect to itself and its subsidiaries in the Acquisition Agreement as are material to the interests of the Lenders, but only to the extent that the Company (or one of the Company's Affiliates) has the right (taking into account any applicable cure provisions) to terminate its obligations under the Acquisition Agreement or decline to consummate the Acquisition as a result of a breach of such representations and warranties in the Acquisition Agreement.

"**Acquired EBITDA**" shall mean, with respect to any Acquired Entity or Business or any Converted Restricted Subsidiary (any of the foregoing, a "**Pro Forma Entity**") for any period, the amount for such period of Consolidated EBITDA of such Pro Forma Entity (determined using such definitions as if references to the Company and the Restricted Subsidiaries therein were to such Pro Forma Entity and its Restricted Subsidiaries), all as determined on a consolidated basis for such Pro Forma Entity in accordance with GAAP.

"**Acquired Entity or Business**" shall have the meaning provided in the definition of the term Consolidated EBITDA.

"**Acquired Indebtedness**" shall mean, with respect to any specified Person, (i) Indebtedness of any other Person existing at the time such other Person is merged, consolidated, or amalgamated with or into or became a Restricted Subsidiary of such specified Person, including Indebtedness incurred in connection with, or in contemplation of, such other Person merging, consolidating, or amalgamating with

or into or becoming a Restricted Subsidiary of such specified Person, and (ii) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"**Acquisition**" shall mean the transactions contemplated by the Acquisition Agreement.

"**Acquisition Agreement**" shall have the meaning provided in the preamble to this Agreement.

"**Adjusted Term SOFR**" means, for purposes of any calculation, the rate per annum equal to (a) Term SOFR for such calculation plus (b) the Term SOFR Adjustment.

"**Adjusted Total Revolving Credit Commitment**" shall mean at any time the Total Revolving Credit Commitment less the aggregate Revolving Credit Commitments of all Defaulting Lenders.

"**Administrative Agent**" shall mean Royal Bank of Canada, as the administrative agent for the Lenders under this Agreement and the other Credit Documents, or any successor administrative agent pursuant to Section 12.9.

"**Administrative Agent's Office**" shall mean the Administrative Agent's address and, as appropriate, account as set forth on Schedule 13.2 or such other address or account as the Administrative Agent may from time to time notify the Borrower Representative and the Lenders.

"**Administrative Questionnaire**" shall have the meaning provided in Section 13.6(b)(ii)(D).

"**Affiliate**" shall mean, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with such Person. A Person shall be deemed to control another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise.

"**Agent Parties**" shall have the meaning provided in Section 13.17(b).

"**Agents**" shall mean the Administrative Agent, the Collateral Agent, the Syndication Agent and each Joint Lead Arranger and Bookrunner.

"**Agreement**" shall mean this Credit Agreement.

"**Agreement Currency**" shall have the meaning provided in Section 13.19.

"**AHYDO Payment**" means any mandatory prepayment pursuant to the terms of any Indebtedness that is intended or designed to cause such Indebtedness not to be treated as an "applicable high yield discount obligation" within the meaning of Code Section 163(i).

"**Amendment No. 1**" means Amendment No. 1 to this Agreement, dated as of June 17, 2016, among the Borrower, the other Credit Parties party thereto, the Administrative Agent and the Lenders party thereto.

"**Amendment No. 1 Effective Date**" has the meaning assigned to such term in Amendment No. 1.

"**Amendment No. 1 to First Lien Term Loan Agreement**" means that certain Amendment No. 1 to Credit Agreement, dated as of the Amendment No. 1 Effective Date, among Holdings, the Borrower, the other Credit Parties party thereto, the First Lien Administrative Agent and the lenders party thereto.

"**Amendment No. 2**" means Amendment No. 2 to this Agreement, dated as of June 18, 2018, among the Borrower, the other Credit Parties party thereto, the Administrative Agent and the Lenders party thereto.

"**Amendment No. 2 Effective Date**" has the meaning assigned to such term in Amendment No. 2.

"**Amendment No. 3**" means that certain Joinder Agreement and Amendment No. 3 to this Agreement, dated as of September 18, 2019, among the Borrower, the other Credit Parties party thereto, the Administrative Agent, the Lenders party thereto and the Incremental Revolving Loan Lenders party thereto.

"**Amendment No. 3 Effective Date**" has the meaning assigned to such term in Amendment No. 3.

"**Amendment No. 4**" means that certain Joinder Agreement and Amendment No. 4 to this Agreement, dated as of May 12, 2021, among the Borrower, the other Credit Parties party thereto, the Administrative Agent, the Lenders party thereto and the Incremental Revolving Loan Lenders party thereto.

"**Amendment No. 4 Effective Date**" has the meaning assigned to such term in Amendment No. 4.

"**Amendment No. 5**" means that certain Amendment No. 5 to this Agreement, dated as of July 5, 2022, among the Borrower, the other Credit Parties party thereto, the Administrative Agent and the Lenders party thereto.

"**Amendment No. 5 Effective Date**" has the meaning assigned to such term in Amendment No. 5.

"**Amendment No. 6**" means that certain Amendment No. 6 to Revolving Credit Agreement, dated as of August 24, 2022, among the Borrower, the other Credit Parties party thereto, the Administrative Agent and the Lenders party thereto.

"**Amendment No. 6 Effective Date**" has the meaning assigned to such term in Amendment No. 6.

"**Amendment No. 7**" means that certain Amendment No. 7 to Revolving Credit Agreement, dated as of June 2, 2023, among the Borrower, the other Credit Parties party thereto and the Administrative Agent.

"**Amendment No. 7 Effective Date**" has the meaning assigned to such term in Amendment No. 7.

"**Amendment No. 8**" means that certain Amendment No. 8 to Revolving Credit Agreement, dated as of July 1, 2024, among the Borrower, the other Credit Parties party thereto and the Administrative Agent.

"**Amendment No. 8 Effective Date**" has the meaning assigned to such term in Amendment No. 8.

"**Amendment No. 9**" means that certain Amendment No. 9 to Revolving Credit Agreement, dated as of October 31, 2025, among the Borrower, the other Credit Parties party thereto and the Administrative Agent.

"**Amendment No. 9 Effective Date**" has the meaning assigned to such term in Amendment No. 9.

"**Applicable Margin**" shall mean a percentage per annum equal to:

(i) with respect to Tranche A Loans:

(A) until the first Adjustment Date, the percentages per annum set forth in Pricing Level II in the table below;

(B) on the first day of each fiscal quarter thereafter (each, an "**Adjustment Date**"), commencing with the fiscal quarter beginning on or about July 1, 2014, the Applicable Margin shall be determined from the pricing grid below based upon average daily Excess Availability for the most recently ended three month period immediately preceding such Adjustment Date, as calculated by the Administrative Agent as of the last day of such three month period; provided that if any Borrowing Base Certificates are at any time restated or otherwise revised (including as a result of an audit) or if the information set forth in any Borrowing Base Certificate otherwise proves to be false or incorrect such that the Applicable Margin would have been higher than was otherwise in effect during any period, interest due under this Agreement shall be recalculated at such higher rate for any applicable periods and so long as an Event of Default described in Section 11.5 has not occurred with respect to any Borrower, such shortfall shall be due and payable within five Business Days following the written demand thereof by the Administrative Agent and no Default shall be deemed to have occurred as a result of such non-payment until the expiration of such five Business Day period.

Pricing Level	Average Excess Availability	ABR Rate Tranche A Loans	SOFR Tranche A Loans
I	Greater than 66% of the Line Cap	0.50%	1.50%
II	Greater than or equal to 33% of the Line Cap but less than or equal to 66% of the Line Cap	0.75%	1.75%
III	Less than 33% of the Line Cap	1.00%	2.00%

(ii) with respect to Tranche B Loans, 3.25% for ABR Loans and 4.25% for SOFR Loans; and

(iii) with respect to Overadvance Loans, 4.00% for ABR Loans and 5.00% for SOFR Loans.

Notwithstanding the foregoing, the Applicable Margin in respect of any Class of Extended Revolving Credit Commitments or Revolving Credit Loans made pursuant to any Extended Revolving Credit Commitments shall be the applicable percentages per annum set forth in the relevant Extension Amendment.

"**Approved Fund**" shall mean any Fund that is administered or managed by (i) a Lender, (ii) an Affiliate of a Lender, or (iii) an entity or an Affiliate of an entity that administers, advises or manages a Lender.

"**Asset Sale**" shall mean:

(i) the sale, conveyance, transfer, or other disposition, whether in a single transaction or a series of related transactions, of property or assets (including by way of a Sale Leaseback) (each a "**disposition**") of the Company or any Restricted Subsidiary, or

(ii) the issuance or sale of Equity Interests of any Restricted Subsidiary (other than preferred stock of Restricted Subsidiaries issued in compliance with Section 10.1), whether in a single transaction or a series of related transactions, in each case, other than:

(a) any disposition of Cash Equivalents or Investment Grade Securities or obsolete, worn out or surplus property or property that is no longer economically practical in its business or commercially desirable to maintain or used or useful equipment in the ordinary course of business or any disposition of inventory, immaterial assets, or goods (or other assets) in the ordinary course of business;

(b) [reserved];

(c) the incurrence of Liens that are permitted to be incurred pursuant to Section 10.2, sales, transfers and other dispositions permitted by Section 10.3 or the making of any Restricted Payment or Permitted Investment (other than pursuant to clause (i) of the definition thereof), that is permitted to be made, and is made, pursuant to Section 10.5;

(d) any disposition of assets or issuance or sale of Equity Interests of any Restricted Subsidiary in any transaction or series of transactions with an aggregate Fair Market Value of less than $2,500,000;

(e) any disposition of property or assets or issuance of securities by (1) a Restricted Subsidiary to the Company or (2) by the Company or a Restricted Subsidiary to another Restricted Subsidiary;

(f) to the extent allowable under Section 1031 of the Code, or any comparable or successor provision, any exchange of like property (excluding any boot thereon) for use in a Similar Business;

(g) any disposition in connection with a Permitted Reorganization;

(h) any issuance, sale or pledge of Equity Interests in, or Indebtedness, or other securities of, an Unrestricted Subsidiary;

(i) foreclosures, condemnation, or any similar action on assets or casualty or insured damage to assets;

(j) [reserved];

(k) any financing transaction with respect to property built or acquired by the Company or any Restricted Subsidiary after the Closing Date, including Sale Leasebacks and asset securitizations permitted by this Agreement;

(l) the Company and any Restricted Subsidiary may (i) terminate or otherwise collapse its cost sharing agreements with the Company or any Subsidiary and settle any crossing payments in connection therewith, (ii) convert any intercompany Indebtedness to Equity Interests, (iii) transfer any intercompany Indebtedness to the Company or any Restricted Subsidiary, (iv) settle, discount, write off, forgive or cancel any intercompany Indebtedness or other obligation owing by Company or any Restricted Subsidiary, (v) settle, discount, write off, forgive or cancel any Indebtedness owing by any present or former consultants, directors, officers or employees of any Parent Entity, Holdings, the Company or any Subsidiary or any of their successors or assigns or (vi) surrender or waive contractual rights and settle or waive contractual or litigation claims;

(m) the sale or discount of accounts receivable or notes receivable or the conversion of accounts receivable to notes receivable, in each case, in the ordinary course of business and relating only to accounts receivable which, if included in the Borrowing Base, the Credit Parties receive not less than the amounts borrowed or available to be borrowed under the Borrowing Base;

(n) (i) the sale, licensing, sub-licensing or other disposition of Intellectual Property or other general intangibles in the ordinary course of business, (ii) the sale, licensing, sub-licensing or other disposition of Intellectual Property or other general intangibles pursuant to Intercompany License Agreements, (iii) the expiration of any patent or copyright in accordance with its statutory term;

(o) the unwinding of any Hedging Obligations or obligations in respect of Cash Management Services;

(p) sales, transfers, and other dispositions of Investments in joint ventures to the extent required by, or made pursuant to, customary buy/sell arrangements between the joint venture parties set forth in joint venture arrangements and similar binding arrangements;

(q) the lapse or abandonment of Intellectual Property rights in the ordinary course of business, which in the reasonable business judgment of the Borrower Representative are not material to the conduct of the business of the Company and the Restricted Subsidiaries taken as a whole;

(r) the issuance of directors' qualifying shares and shares issued to foreign nationals as required by applicable law;

(s) dispositions of property (other than ABL Priority Collateral) to the extent that (1) such property is exchanged for credit against the purchase price of similar replacement property that is promptly purchased or (2) the proceeds of such Asset Sale

are promptly applied to the purchase price of such replacement property (which replacement property is actually promptly purchased);

(t) (i) leases, subleases, licenses, or sublicenses (and terminations thereof), in each case in the ordinary course of business and which do not materially interfere with the business of the Company and the Restricted Subsidiaries, taken as a whole and (ii) Intercompany License Agreements;

(u) dispositions of non-core assets acquired in connection with any Permitted Acquisition or Investment permitted hereunder;

(v) dispositions set forth on Schedule 1.1(a);

(w) any disposition of assets that do not constitute Collateral in any transaction or series of transactions with an aggregate Fair Market Value of less than $2,500,000;

(x) (i) bulk sales or other dispositions of Inventory of the Company or a Restricted Subsidiary not in the ordinary course of business in connection with Store closings, at arm's length so long as either (A) Excess Availability is greater than 50% of the Line Cap or (B) Borrower Representative has delivered to the Administrative Agent an updated Borrowing Base Certificate excluding such Inventory and (ii) sales or other dispositions by the Company or any Restricted Subsidiary of assets in connection with the closing or sale of a Store in the ordinary course of business of the Borrower and its Subsidiaries which consist of leasehold interests in the premises of such Store, the equipment and fixtures located at such premises and the books and records relating directly to the operations of such Store; provided that as to each and all such sales and closings, each such sale shall be on commercially reasonable prices and terms in a bona fide arm's length transaction; provided, that in each case of clauses (i) and (ii), all Net Cash Proceeds received in connection therewith are applied to the Obligations if then required in accordance with Section 5.2; and

(y) licenses for the conduct of licensed departments within the Stores of the Company or any Restricted Subsidiary in the ordinary course of business.

"**Asset Sale Prepayment Event**" shall mean any Asset Sale of ABL Priority Collateral; provided, further, that with respect to any Asset Sale Prepayment Event, the Borrowers shall not be obligated to make any prepayment otherwise required by Section 5.2 unless and until the aggregate amount of Net Cash Proceeds from all such Asset Sale Prepayment Events, after giving effect to the reinvestment rights set forth herein, exceeds $1,000,000 (the "**Prepayment Trigger**") in any fiscal year of the Company, but then from all such Net Cash Proceeds (excluding amounts below the Prepayment Trigger).

"**Assignment and Acceptance**" shall mean an assignment and acceptance substantially in the form of Exhibit F, or such other form as may be approved by the Administrative Agent.

"**Authorized Officer**" shall mean, with respect to any Person, any individual holding the position of chairman of the board (if an officer), the Chief Executive Officer, President, the Chief Financial Officer, the Treasurer, the Controller, the Vice President-Finance, a Director, a Manager, or

any other senior officer or agent with express authority to act on behalf of such Person designated as such by the board of directors or other managing authority of such Person.

"**Auto-Extension Letter of Credit**" shall have the meaning provided in Section 3.2(d).

"**Available Commitment**" shall mean an amount equal to the excess, if any, of (i) the amount of the Total Revolving Credit Commitment over (ii) the sum of the aggregate principal amount of (a) all Revolving Credit Loans (but not Swingline Loans) then outstanding and (b) the aggregate Letters of Credit Outstanding at such time.

"**Available Tenor**" means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an Interest Period pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to clause (d) of Section 2.20.

"**Bail-In Action**" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"**Bail-In Legislation**" means, (i) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (ii) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"**Bank Product Agreement**" shall mean any agreement or arrangement to provide Bank Products described in the definition thereof.

"**Bank Product Provider**" shall mean (i) any Person that, at the time it enters into a Bank Product Agreement, is an Agent or a Lender or an Affiliate or branch of an Agent or a Lender, (ii) with respect to any Bank Product Agreement entered into prior to the Amendment No. 9 Effective Date, any Person that is an Agent or a Lender or an Affiliate or branch of an Agent or a Lender on the Amendment No. 9 Effective Date or (iii) any other Person from time to time designated in writing by the Borrower to the Administrative Agent; provided that, if such Person is not an Agent or a Lender, such Person executes and delivers to the Administrative Agent and the Borrower a letter agreement in form reasonably acceptable to the Administrative Agent and the Borrower pursuant to which such Person (a) appoints the Administrative Agent as its agent under the applicable Credit Documents and (b) agrees to be bound by the provisions of Sections 11, 12, 13, 15 and 26 of the Pledge Agreement and Sections 5.4, 5.5, 5.7, 6.5, 7 and 8.1 of the Security Agreement, in each case, as if it were a Lender.

"**Bank Products**" shall mean, collectively, any services or facilities (other than Cash Management Services or any Borrowing under this Agreement) on account of (i) credit and debit cards, including "commercial credit cards" and (ii) purchase cards, stored value cards and other card payment products.

"**Bankruptcy Code**" shall have the meaning provided in Section 11.5.

"**Benchmark**" means, initially, Adjusted Term SOFR; provided that if a Benchmark Transition Event has occurred with respect to Adjusted Term SOFR or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to clause (a) of Section 2.20.

"**Benchmark Replacement**" means, in the case of any Benchmark Transition Event, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

(1) Daily Simple SOFR; or

(2) the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower Representative giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for Dollar-denominated syndicated credit facilities and (b) the related Benchmark Replacement Adjustment;

If the Benchmark Replacement as determined pursuant to clause (1) or (2) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Credit Documents.

"**Benchmark Replacement Adjustment**" means, with respect to any replacement of the then- current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower Representative giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body and/or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated syndicated credit facilities at such time.

"**Benchmark Replacement Conforming Changes**" means, with respect to either the use or administration of Adjusted Term SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "ABR," the definition of "Business Day," the definition of "U.S. Government Securities Business Day", the definition of "Interest Period" or any similar or analogous definition (or the addition of a concept of "interest period"), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, applicability and length of lookback periods, the applicability of breakage provisions, applicability of Section 2.20 and other technical, administrative or operational matters) that the Administrative Agent and the Borrower Representative decide may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent reasonably determines that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists,

in such other manner of administration as the Administrative Agent and the Borrower Representative decide is reasonably necessary in connection with the administration of this Agreement and the other Credit Documents).

"**Benchmark Replacement Date**" means, with respect to any Benchmark, the earliest to occur of the following events with respect to the then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(2) in the case of clause (3) of the definition of "Benchmark Transition Event," the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided, that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (3) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date;

For the avoidance of doubt, the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"**Benchmark Transition Event**" means the occurrence of one or more of the following events with respect to the then current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, the Term SOFR Administrator, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), in each case, which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"**Benchmark Unavailability Period**" means, the period (if any) (x) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Credit Document in accordance with Section 2.20 and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Credit Document in accordance with Section 2.20.

"**Benefited Lender**" shall have the meaning provided in Section 13.8(a).

"**Blocked Account**" has the meaning provided in Section 9.9(c).

"**Blocked Account Agreement**" has the meaning provided in Section 9.9(c).

"**Blocked Account Banks**" means the banks with whom deposit accounts or securities accounts are maintained and with whom a Blocked Account Agreement has been, or is required to be, executed in accordance with the terms hereof.

"**Board**" shall mean the Board of Governors of the Federal Reserve System of the United States (or any successor).

"**Bob's I**" shall have the meaning provided in the preamble to this Agreement.

"**Bob's II**" shall have the meaning provided in the preamble to this Agreement.

"**Borrower**" or "**Borrowers**" shall mean, individually or collectively, the Company and/or any Subsidiary Borrower as the context requires.

"**Borrower Representative**" shall have the meaning provided in Section 2.18.

"**Borrowing**" shall mean (i) Loans of the same Tranche, Class and Type, made, converted, or continued on the same date and, in the case of Term SOFR Rate Loans, as to which a single Interest Period is in effect, (ii) a Swingline Loan or (iii) a Protective Advance.

"**Borrowing Base**" shall mean the sum of (i) Tranche A Borrowing Base, plus (ii) the Overadvance Borrowing Base, plus (iii) the Tranche B Borrowing Base. The Borrowing Base at any time shall be determined by reference to the most recent Borrowing Base Certificate delivered to the Administrative Agent pursuant to Section 9.1(h), as adjusted to give effect to Borrowing Base Reserves (in accordance with and subject to the limitations of Section 2.19) following such delivery. Notwithstanding the foregoing, for purposes of this definition and the definition of "Pro Forma Availability Condition", no Accounts or Inventory being acquired pursuant to a Permitted Acquisition or permitted Investment or otherwise created, purchased, completed or owned by a business unit acquired pursuant to a Permitted Acquisition or permitted Investment will be included in the Borrowing Base unless (i) the Administrative Agent, in its Credit Judgment, confirms that such Accounts or Inventory

conform to standards of eligibility as fixed and revised from time to time by the Administrative Agent pursuant to this Agreement, and (ii) to the extent required by the Administrative Agent, an audit of such Accounts and an appraisal of such Inventory is conducted and then only so long as such Accounts or Inventory, as the case may be, would otherwise satisfy the applicable eligibility criteria; provided, that until the earlier of (x) 90 days following the date on which a Permitted Acquisition or other permitted Investment is consummated (or such longer period as agreed to by the Administrative Agent in its discretion) and (y) the date on which the requirements of clauses (i) and (ii) above are satisfied with respect to Accounts and Inventory being acquired in such Permitted Acquisition or other permitted Investment, or otherwise created, purchased, completed or owned by a business unit acquired pursuant to such Permitted Acquisition or permitted Investment, an amount of such Accounts and Inventory that would otherwise constitute Eligible Credit Card Receivables or Eligible Inventory as shall be agreed upon between the Borrower Representative and the Administrative Agent in its discretion shall be included in the Borrowing Base (including, with respect to the definition of "Pro Forma Availability Condition" for purposes of computing aggregate Excess Availability on a Pro Forma Basis as provided therein).

"**Borrowing Base Certificate**" has the meaning provided in Section 9.1(h).

"**Borrowing Base Reserve**" means the sum (without duplication of any other reserve or items that are otherwise addressed or excluded through eligibility criteria, and without duplication of any of the factors taken into account in determining "value") of (a) the Rent and Charges Reserve; (b) the Inventory Reserves (including, without limitation, reserves for Shrink); (c) the Cash Management Services Reserve; (d) the Secured Hedge Reserve; (e) the aggregate amount of liabilities secured by Liens on Collateral included in the Borrowing Base, which Liens are senior in priority to Collateral Agent's Liens; and (e) such additional reserves, in such amounts and with respect to such matters, as the Administrative Agent in its Credit Judgment may elect to establish from time to time (including, without limitation, reserves relating to gift cards, customer deposits, freight/duty charges and in-transit inventory errors).

"**Borrowing Subsidiary Agreement**" shall mean a Borrowing Subsidiary Agreement substantially in the form of Exhibit M.

"**Business Day**" shall mean any day excluding Saturday, Sunday, and any other day on which banking institutions in New York City are authorized by law or other governmental actions to close; provided that, when used in connection with a SOFR Loan, or any other calculation or determination involving SOFR, the term "Business Day" means any day that is only a U.S. Government Securities Business Day.

"**Canadian Dollars**" shall mean the lawful currency of Canada.

"**Capital Expenditures**" shall mean, for any period, the aggregate of all expenditures (whether paid in cash or accrued as liabilities and including in all events all amounts expended or capitalized under Capital Leases) by the Company and the Restricted Subsidiaries during such period that, in conformity with GAAP, are or are required to be included as additions during such period to property, plant, or equipment reflected in the consolidated balance sheet of the Company and the Restricted Subsidiaries (including capitalized software expenditures, customer acquisition costs and incentive payments, conversion costs, and contract acquisition costs).

"**Capital Lease**" shall mean, as applied to any Person, any lease of any property (whether real, personal, or mixed) by that Person as lessee that, in conformity with GAAP, is, or is required to be, accounted for as a capital lease on the balance sheet of that Person; provided that all leases of any Person that are or would be characterized as operating leases in accordance with GAAP immediately prior to the

Closing Date (whether or not such operating leases were in effect on such date) shall continue to be accounted for as operating leases (and not as Capital Leases) for purposes of this Agreement regardless of any change in GAAP following the date that would otherwise require such leases to be recharacterized as Capital Leases.

"**Capital Stock**" shall mean (i) in the case of a corporation, corporate stock, (ii) in the case of an association or business entity, any and all shares, interests, participations, rights, or other equivalents (however designated) of corporate stock, (iii) in the case of a partnership or limited liability company, partnership or membership 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 (it being understood and agreed, for the avoidance of doubt, that "cash-settled phantom appreciation programs" in connection with employee benefits that do not require a dividend or distribution shall not constitute Capital Stock).

"**Capitalized Lease Obligation**" shall mean, at the time any determination thereof is to be made, the amount of the liability in respect of a Capital Lease that would at such time be required to be capitalized and reflected as a liability on a balance sheet (excluding the footnotes thereto) prepared in accordance with GAAP; provided that all obligations of any Person that are or would be characterized as operating lease obligations in accordance with GAAP immediately prior to the Closing Date (whether or not such operating lease obligations were in effect on such date) shall continue to be accounted for as operating lease obligations (and not as Capitalized Lease Obligations) for purposes of this Agreement regardless of any change in GAAP following the date that would otherwise require such obligations to be recharacterized as Capitalized Lease Obligations.

"**Cash Collateralize**" shall mean to pledge and deposit with or deliver to the Administrative Agent, for the benefit of one or more of the Letter of Credit Issuer or the Lenders, as collateral for L/C Obligations or obligations of the Lenders to fund participations in respect of L/C Obligations, cash or deposit account balances or, if the Administrative Agent and the Letter of Credit Issuer shall agree in their sole discretion, other credit support. "Cash Collateral" shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

"**Cash Dominion Period**" means any period (a) commencing on the day that any Cash Dominion Trigger Default occurs and is continuing for so long as such Cash Dominion Trigger Default has not been cured or waived; or (b) commencing on a day in respect of which, Excess Availability for the previous five (5) consecutive Business Days was less than the greater of (i) 10.0% of the Line Cap and (ii) $10,000,000 and continuing until the first day thereafter to occur in respect of which Excess Availability for the previous thirty (30) consecutive days has been at least the greater of (i) 10.0% of the Line Cap and (ii) $10,000,000.

"**Cash Dominion Trigger Default**" means the occurrence of any Event of Default specified in Section 11.1, Section 11.2 (solely as it relates to a material inaccuracy of any representation contained in any Borrowing Base Certificate, Section 11.3(a) (solely as it relates to the Borrowers' failure to comply with the covenants set forth in Section 9.9 and Section 10.11), Section 11.3(b), Section 11.4(a)(i) or (b) and Section 11.5.

"**Cash Equivalents**" shall mean:

(i) Dollars,

(ii) (a) Euro, Pounds Sterling, Canadian Dollars, or any national currency of any Participating Member State in the European Union or (b) local currencies held from time to time in the ordinary course of business,

(iii) securities issued or directly and fully and unconditionally guaranteed or insured by the United States government or any country that is a member state of the European Union or any agency or instrumentality thereof the securities of which are unconditionally guaranteed as a full faith and credit obligation of such government with maturities of 24 months or less from the date of acquisition,

(iv) certificates of deposit, time deposits, and eurodollar time deposits with maturities of one year or less from the date of acquisition, bankers' acceptances with maturities not exceeding one year, and overnight bank deposits, in each case with any commercial bank having capital and surplus of not less than $250,000,000 in the case of U.S. banks and $100,000,000 in the case of foreign banks,

(v) repurchase obligations for underlying securities of the types described in clauses (iii), (iv), and (ix) entered into with any financial institution meeting the qualifications specified in clause (iv) above,

(vi) commercial paper rated at least P-2 by Moody's or at least A-2 by S&P and in each case maturing within 24 months after the date of creation thereof,

(vii) marketable short-term money market and similar securities having a rating of at least P-2 or A-2 from either Moody's or S&P, respectively (or, if at any time neither Moody's nor S&P shall be rating such obligations, an equivalent rating from another nationally recognized ratings agency) and in each case maturing within 24 months after the date of creation or acquisition thereof,

(viii) readily marketable direct obligations issued by any state, commonwealth, or territory of the United States or any political subdivision or taxing authority thereof having one of the two highest rating categories obtainable from either Moody's or S&P with maturities of 24 months or less from the date of acquisition,

(ix) Indebtedness or preferred stock issued by Persons with a rating of "A" or higher from S&P or "A2" or higher from Moody's with maturities of 24 months or less from the date of acquisition,

(x) solely with respect to any Foreign Subsidiary: (a) obligations of the national government of the country in which such Foreign Subsidiary maintains its chief executive office and principal place of business provided such country is a member of the Organization for Economic Cooperation and Development, in each case maturing within one year after the date of investment therein, (b) certificates of deposit of, bankers acceptances of, or time deposits with, any commercial bank which is organized and existing under the laws of the country in which such Foreign Subsidiary maintains its chief executive office and principal place of business provided such country is a member of the Organization for Economic Cooperation and Development, and whose short-term commercial paper rating from S&P is at least "A-2" or the equivalent thereof or from Moody's is at least "P-2" or the equivalent thereof (any such bank being an "**Approved Foreign Bank**"), and in each case with maturities of not more than 24 months from the date of acquisition, and (c) the equivalent of demand deposit accounts which are maintained with an Approved Foreign Bank, in each case, customarily used by corporations for

cash management purposes in any jurisdiction outside the United States to the extent reasonably required in connection with any business conducted by such Foreign Subsidiary organized in such jurisdiction,

(xi) in the case of investments by any Foreign Subsidiary or investments made in a country outside the United States, Cash Equivalents shall also include investments of the type and maturity described in clauses (i) through (ix) above of foreign obligors, which investments have ratings, described in such clauses or equivalent ratings from comparable foreign rating agencies, and

(xii) investment funds investing 90% of their assets in securities of the types described in clauses (i) through (ix) above.

Notwithstanding the foregoing, Cash Equivalents shall include amounts denominated in currencies other than those set forth in clauses (i) and (ii) above; provided that such amounts are converted into any currency listed in clauses (i) and (ii) as promptly as practicable and in any event within ten Business Days following the receipt of such amounts.

"**Cash Management Agreement**" shall mean any agreement or arrangement to provide Cash Management Services.

"**Cash Management Bank**" shall mean (i) any Person that, at the time it enters into a Cash Management Agreement, is an Agent or a Lender or an Affiliate of an Agent or a Lender or (ii) with respect to any Cash Management Agreement entered into prior to the Closing Date, any Person that is a Lender or an Affiliate of a Lender on the Closing Date.

"**Cash Management Services Reserve**" means the aggregate amount of reserves established by the Administrative Agent from time to time during the continuance of a Cash Dominion Period in respect of Secured Cash Management Obligations, including reserves which the Administrative Agent shall establish in the amounts set forth in written notices from any Cash Management Bank party to a Secured Cash Management Agreement. The amount of any Cash Management Services Reserve established by the Administrative Agent (x) shall have a reasonable relationship to the Secured Cash Management Obligation that is the basis for such Reserve as determined by the Administrative Agent in its Credit Judgment as being appropriate to reflect the reasonably anticipated liabilities and obligations of the Credit Parties with respect to Cash Management Services then provided or outstanding and (y) shall not be duplicative of other Borrowing Base Reserves then in effect.

"**Cash Management Services**" shall mean any one or more of the following types of services or facilities (i) commercial credit cards, merchant card services, purchase or debit cards, including non-card e-payables services, or electronic funds transfer services, (ii) treasury management services (including controlled disbursement, overdraft automatic clearing house fund transfer services, return items, and interstate depository network services) and (iii) any other demand deposit or operating account relationships or other cash management services, including pursuant to any Cash Management Agreements.

"**Cash Receipts**" shall have the meaning provided in Section 2.18(d).

"**CFC**" shall mean a Subsidiary of the Company that is a "controlled foreign corporation" within the meaning of Section 957 of the Code.

"**CFC Holding Company**" shall mean a Domestic Subsidiary of the Company that has no material assets other than the equity or debt of one or more Foreign Subsidiaries that are CFCs.

"**Change in Law**" shall mean (i) the adoption of any law, treaty, order, policy, rule, or regulation after the Closing Date, (ii) any change in any law, treaty, order, policy, rule, or regulation or in the interpretation or application thereof by any Governmental Authority after the Closing Date or (iii) compliance by any Lender with any guideline, request, directive, or order issued or made after the Closing Date by any central bank or other governmental or quasi-governmental authority (whether or not having the force of law). For purposes of this definition, (a) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, regulations, guidelines, or directives thereunder or issued in connection therewith and (b) all requests, rules, guidelines, requirements, or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority), or the United States or foreign regulatory authorities pursuant to Basel III, shall in each case described in clauses (a) and (b) above be deemed to be a Change in Law and have gone into effect after the date hereof, regardless of the date enacted, adopted, issued, or implemented.

"**Change of Control**" shall mean and be deemed to have occurred if (i) prior to the consummation of a Qualifying IPO, the Permitted Holders shall at any time not own, in the aggregate, directly or indirectly, beneficially and of record, at least 35% of the voting power of the outstanding Voting Stock of the Company; (ii) upon and after the consummation of a Qualifying IPO, any Person, entity, or "group" (within the meaning of Section 13(d) or 14(d) of the Securities Exchange Act of 1934, as amended), other than the Permitted Holders, shall at any time have acquired direct or indirect beneficial ownership of a percentage of the voting power of the outstanding Voting Stock of the Company that exceeds 35% thereof, unless, in case of clause (i) or clause (ii) above, the Permitted Holders have, at such time, the right or the ability by voting power, contract, or otherwise to elect or designate for election at least a majority of the board of directors of the Company; (iii) at any time, a Change of Control (as defined in the First Lien Term Loan Agreement or the Second Lien Credit Agreement) shall have occurred; or (iv) at any time prior to a Qualifying IPO of the Company, Holdings shall cease to beneficially own, directly or indirectly, 100% of the issued and outstanding equity interests of the Company.

"**Class**" (i) when used in reference to any Loan or Borrowing, shall refer to whether such Loan, or the Loans comprising such Borrowing, are Revolving Credit Loans, Incremental Revolving Credit Loans, Extended Revolving Credit Loans (of the same Extension Series), or Swingline Loans and (ii) when used in reference to any Commitment, refers to whether such Commitment is a Revolving Credit Commitment, an Incremental Revolving Credit Commitment or an Extended Revolving Credit Commitment (of the same Extension Series).

"**Closing Date**" shall mean February 12, 2014.

"**Closing Distribution**" shall have the meaning set forth in the First Lien Term Loan Agreement.

"**Code**" shall mean the Internal Revenue Code of 1986.

"**Collateral**" shall mean all property pledged or mortgaged or purported to be pledged or mortgaged pursuant to the Security Documents, excluding in all events Excluded Property.

"**Collateral Agent**" shall mean Royal Bank of Canada, as collateral agent under the Security Documents, or any successor collateral agent pursuant to Section 12.9; any Affiliate or designee of Royal Bank of Canada may act as the Collateral Agent under any Credit Document.

"**Commitment Fee**" shall have the meaning provided in Section 4.1(a).

"**Commitment Fee Rate**" shall mean a rate per annum equal to 0.375%; provided that the rate per annum applicable to the unused portion of the Overadvance Borrowing Base (if any) shall be 0.750% per annum.

"**Commitments**" shall mean, with respect to each Lender (to the extent applicable), such Lender's Initial Revolving Credit Commitment, Incremental Revolving Credit Commitment or Extended Revolving Credit Commitment.

"**Commodity Exchange Act**" shall mean the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

"**Communications**" shall have the meaning provided in Section 13.17(a).

"**Company**" shall have the meaning provided in the preamble to this Agreement.

"**Company Material Adverse Effect**" shall have the meaning provided to the term "Material Adverse Effect" in the Acquisition Agreement.

"**Compliance Certificate**" shall mean a certificate of a Financial Officer of the Borrower Representative delivered pursuant to Section 9.1(d) for the applicable Test Period.

"**Concentration Account**" shall have the meaning provided in Section 9.9(d).

"**Confidential Information**" shall have the meaning provided in Section 13.16.

"**Confidential Information Memorandum**" shall mean the Confidential Information Memorandum of the Company dated January 2014.

"**Consolidated Depreciation and Amortization Expense**" shall mean with respect to any Person for any period, the total amount of depreciation and amortization expense, including the amortization of deferred financing fees or costs, debt issuance costs, commissions, fees, and expenses, capitalized expenditures, customer acquisition costs, the amortization of original issue discount resulting from the issuance of Indebtedness at less than par and incentive payments, conversion costs, and contract acquisition costs of such Person and its Restricted Subsidiaries for such period on a consolidated basis and otherwise determined in accordance with GAAP.

"**Consolidated EBITDA**" shall mean, with respect to any Person for any period, the Consolidated Net Income of such Person for such period:

(i) increased (without duplication) by:

(a) provision for taxes based on income or profits or capital, including, without limitation, U.S. federal, state, non-U.S., franchise, excise, value added, and similar taxes and foreign withholding taxes of such Person paid or accrued during such

period deducted, including any penalties and interest related to such taxes or arising from any tax examinations (and not added back) in computing Consolidated Net Income, *plus*

(b) Fixed Charges of such Person for such period (including (1) net losses on Hedging Obligations or other derivative instruments entered into for the purpose of hedging interest rate risk and (2) costs of surety bonds in connection with financing activities, in each case, to the extent included in Fixed Charges), together with items excluded from the definition of Consolidated Interest Expense and any non-cash interest expense, to the extent the same were deducted (and not added back) in calculating such Consolidated Net Income, *plus*

(c) Consolidated Depreciation and Amortization Expense of such Person for such period to the extent the same were deducted in computing Consolidated Net Income, *plus*

(d) any expenses, fees, charges, or losses (other than depreciation or amortization expense) related to any Equity Offering, Permitted Investment, Restricted Payment, acquisition, disposition, recapitalization, or the incurrence of Indebtedness permitted to be incurred by this Agreement (including a refinancing thereof) (whether or not successful and including any such transaction consummated prior to the Closing Date), including (1) such fees, expenses, or charges related to the incurrence of the Second Lien Loans, the First Lien Term Loans and the Loans hereunder and all Transaction Expenses, (2) such fees, expenses, or charges related to the offering of the Credit Documents and any other credit facilities, and (3) any amendment or other modification of the Second Lien Facility, the First Lien Term Facility, the Loans hereunder or thereunder, or other Indebtedness, and, in each case, deducted (and not added back) in computing Consolidated Net Income, *plus*

(e) any other non-cash charges, expenses or losses, including any non-cash expense relating to the vesting of warrants and any write offs, write downs, expenses, losses, or items to the extent the same were deducted (and not added back) in computing Consolidated Net Income (provided that if any such non-cash charges represent an accrual or reserve for potential cash items in any future period, the cash payment in respect thereof in such future period shall be deducted from Consolidated EBITDA to such extent, and excluding amortization of a prepaid cash item that was paid in a prior period), *plus*

(f) the amount of any minority interest expense consisting of Subsidiary income attributable to minority equity interests of third parties in any non-Wholly Owned Subsidiary deducted (and not added back) in such period in calculating Consolidated Net Income, *plus*

(g) the amount of management, monitoring, consulting, and advisory fees (including termination fees) and related indemnities and expenses paid or accrued in such period to the Initial Investors or any of their respective Affiliates, *plus*

(h) costs of surety bonds incurred in such period in connection with financing activities, *plus*

(i) the amount of "run-rate" cost savings, operating expense reductions, and synergies that are projected by the Borrower Representative in good faith to result from

actions either taken or expected to be taken within 18 months of the determination to take such action, net of the amount of actual benefits realized prior to or during such period from such actions (which cost savings, operating expense reductions, and synergies shall be calculated on a Pro Forma Basis as though such cost savings, operating expense reductions, or synergies had been realized on the first day of such period); provided that an Authorized Officer of the Borrower Representative shall have certified to the Administrative Agent that such cost savings are reasonably identifiable and factually supportable; provided further that amounts added back to Consolidated EBITDA pursuant to this clause (i)(i), when taken together with amounts described in clause (b) of proviso to the definition of "Pro Forma Adjustment" and clause (xvi) of the definition of "Consolidated Net Income" shall not exceed 25% of Consolidated EBITDA for any Test Period, *plus*

(j) [reserved], *plus*

(k) any costs or expense incurred by the Company or a Restricted Subsidiary pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement or any stock subscription or shareholder agreement, to the extent that such cost or expenses are funded with cash proceeds contributed to the capital of the Company or net cash proceeds of an issuance of Equity Interests of the Company (other than Disqualified Stock) solely to the extent that such net cash proceeds are excluded from the calculation set forth in clause (iii) of Section 10.5(a) and have not been relied on for purposes of any incurrence of Indebtedness pursuant to clause (l)(i) of Section 10.1, *plus*

(l) the amount of expenses relating to payments made to option holders of any direct or indirect parent company of the Company or any of its direct or indirect parent companies in connection with, or as a result of, any distribution being made to shareholders of such Person or its direct or indirect parent companies, which payments are being made to compensate such option holders as though they were shareholders at the time of, and entitled to share in, such distribution, in each case to the extent permitted under this Agreement, *plus*

(m) with respect to any joint venture that is not a Restricted Subsidiary, an amount equal to the proportion of those items described in clauses (a) and (c) above relating to such joint venture corresponding to the Company's and the Restricted Subsidiaries' proportionate share of such joint venture's Consolidated Net Income (determined as if such joint venture were a Restricted Subsidiary), *plus*

(n) costs associated with, or in anticipation of, or preparation for, compliance with the requirements of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith or other enhanced accounting functions and Public Company Costs, *plus*

(o) cash receipts (or any netting arrangements resulting in reduced cash expenses) not included in Consolidated EBITDA in any period solely to the extent that the corresponding non-cash gains relating to such receipts were deducted in the calculation of Consolidated EBITDA pursuant to paragraph (2) below for any previous period and not added back, *plus*

(p) to the extent not already included in the Consolidated Net Income, (1) any expenses and charges that are reimbursed by indemnification or other similar provisions in connection with any investment or any sale, conveyance, transfer, or other Asset Sale of assets permitted hereunder and (2) to the extent covered by insurance and actually reimbursed, or, so long as the Borrower Representative has made a determination that there exists reasonable evidence that such amount will in fact be reimbursed by the insurer and only to the extent that such amount is (A) not denied by the applicable carrier in writing within 180 days and (B) in fact reimbursed within 365 days of the date of such evidence (with a deduction for any amount so added back to the extent not so reimbursed within such 365 days), expenses with respect to liability or casualty events or business interruption, *plus*

(q) [reserved], *plus*

(r) charges, expenses, and other items described in the Confidential Information Memorandum or the Sponsor Model, *plus*

(s) costs related to implementation of operational and reporting systems and technology initiatives, *plus*

(t) any non-cash increase in expenses resulting from the revaluation of inventory (including any impact of changes to inventory valuation policy methods including changes in capitalization of variances) or other inventory adjustments, *plus*

(u) letter of credit fees

(ii) decreased by (without duplication):

(a) non-cash gains increasing Consolidated Net Income of such Person for such period, excluding any non-cash gains which represent the reversal of any accrual of, or cash reserve for, anticipated cash charges that reduced Consolidated EBITDA in any prior period; provided that, to the extent non cash gains are deducted pursuant to this clause (ii)(a) for any previous period and not otherwise added back to Consolidated EBITDA, Consolidated EBITDA shall be increased by the amount of any cash receipts (or any netting arrangements resulting in reduced cash expenses) in respect of such non cash gains received in subsequent periods to the extent not already included therein,

(iii) increased or decreased by (without duplication):

(a) any net gain or loss resulting in such period from currency gains or losses related to Indebtedness, intercompany balances, and other balance sheet items, plus or minus, as the case may be, and

(b) any net gain or loss resulting in such period from Hedging Obligations, and the application of Financial Accounting Standards Codification No. 815—Derivatives and Hedging (ASC 815) (formerly Financing Accounting Standards Board Statement No. 133), and its related pronouncements and interpretations, or the equivalent accounting standard under GAAP or an alternative basis of accounting applied in lieu of GAAP.

For the avoidance of doubt:

(i) to the extent included in Consolidated Net Income, there shall be excluded in determining Consolidated EBITDA for any period any adjustments resulting from the application of ASC 815 and its related pronouncements and interpretations, or the equivalent accounting standard under GAAP or an alternative basis of accounting applied in lieu of GAAP,

(ii) there shall be included in determining Consolidated EBITDA for any period, without duplication, (1) the Acquired EBITDA of any Person or business, or attributable to any property or asset acquired by the Company or any Restricted Subsidiary during such period (but not the Acquired EBITDA of any related Person or business or any Acquired EBITDA attributable to any assets or property, in each case to the extent not so acquired) to the extent not subsequently sold, transferred, abandoned, or otherwise disposed by the Company or such Restricted Subsidiary (each such Person, business, property, or asset acquired and not subsequently so disposed of, an "**Acquired Entity or Business**") and the Acquired EBITDA of any Unrestricted Subsidiary that is converted into a Restricted Subsidiary during such period (each, a "**Converted Restricted Subsidiary**"), based on the actual Acquired EBITDA of such Acquired Entity or Business or Converted Restricted Subsidiary for such period (including the portion thereof occurring prior to such acquisition or conversion) and (2) an adjustment in respect of each Acquired Entity or Business equal to the amount of the Pro Forma Adjustment with respect to such Acquired Entity or Business for such period (including the portion thereof occurring prior to such acquisition); and

(iii) to the extent included in Consolidated Net Income, there shall be excluded in determining Consolidated EBITDA for any period the Disposed EBITDA of any Person, property, business, or asset sold, transferred, abandoned, or otherwise disposed of, closed or classified as discontinued operations by the Company or any Restricted Subsidiary during such period (each such Person, property, business, or asset so sold or disposed of, a "**Sold Entity or Business**"), and the Disposed EBITDA of any Restricted Subsidiary that is converted into an Unrestricted Subsidiary during such period (each, a "**Converted Unrestricted Subsidiary**") based on the actual Disposed EBITDA of such Sold Entity or Business or Converted Unrestricted Subsidiary for such period (including the portion thereof occurring prior to such sale, transfer, or disposition or conversion); provided that for the avoidance of doubt, notwithstanding any classification under GAAP of any Person or business in respect of which a definitive agreement for the disposition thereof has been entered into as discontinued operations, the Disposed EBITDA of such Person or business shall not be excluded pursuant to this paragraph until such disposition shall have been consummated.

Notwithstanding the foregoing, for purposes of determining Consolidated EBITDA for any four-fiscal quarter period that includes any of the fiscal quarters ending March 31, 2013, June 30, 2013, September 30, 2013 or December 31, 2013, Consolidated EBITDA for such fiscal quarters shall equal $16,362,681, $11,559,929, $11,333,843 and $12,575,274, respectively (which amounts, for the avoidance of doubt shall be subject to addbacks and adjustments pursuant to clause (i) above and shall give effect to calculations on a Pro Forma Basis in accordance with this Agreement in respect of Specified Transactions (including the cost savings and "run rate" adjustments described above or in the definition of "Consolidated Net Income" subject in each case to the applicable limitations set forth therein and that in each case may become applicable due to actions taken on or after the Closing Date)

"**Consolidated First Lien Secured Debt**" shall mean Consolidated Total Debt as of such date that is not Subordinated Indebtedness and is secured by a Lien on the Collateral on an equal priority basis (but without regard to the control of remedies) with liens on the Collateral securing the Obligations and the First Lien Obligations.

"**Consolidated First Lien Secured Debt to Consolidated EBITDA Ratio**" shall mean, as of any date of determination, the ratio of (i) Consolidated First Lien Secured Debt as of such date of determination, minus cash and Cash Equivalents (in each case, free and clear of all Liens other than Permitted Liens) of the Company and the Restricted Subsidiaries (other than the proceeds of any Indebtedness being incurred and giving rise to the need to calculate the Consolidated First Lien Secured Debt to Consolidated EBITDA Ratio) to (ii) Consolidated EBITDA of the Company for the Test Period then last ended, in each case with such pro forma adjustments to Consolidated First Lien Secured Debt and Consolidated EBITDA as are appropriate and consistent with the pro forma adjustment provisions set forth in the definition of Interest Coverage Ratio.

"**Consolidated Interest Expense**" shall mean, with respect to any Person for any period, the sum, without duplication, of:

(i) consolidated cash interest expense of such Person and its Restricted Subsidiaries for such period, to the extent such expense was deducted (and not added back) in computing Consolidated Net Income (including (a) all commissions, discounts, and other fees and charges owed with respect to letters of credit or bankers acceptances, (b) capitalized interest to the extent paid in cash, and (c) net payments, if any, pursuant to interest rate Hedging Obligations with respect to Indebtedness, and excluding (1) any one-time cash costs associated with breakage in respect of hedging agreements for interest rates, (2) all non-recurring cash interest expense consisting of liquidated damages for failure to timely comply with registration rights obligations, all as calculated on a consolidated basis in accordance with GAAP, (3) any "additional interest" owing pursuant to a registration rights agreement, (4) non-cash interest expense attributable to a parent entity resulting from push-down accounting, but solely to the extent not reducing consolidated cash interest expense in any prior period and (5) any non-cash expensing of bridge, commitment, and other financing fees that have been previously paid in cash, but solely to the extent not reducing consolidated cash interest expense in any prior period; less

(ii) cash interest income for such period.

For purposes of this definition, interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by such Person to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP.

"**Consolidated Net Income**" shall mean, with respect to any Person for any period, the aggregate of the Net Income, of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, and otherwise determined in accordance with GAAP; provided that, without duplication,

(i) any after-tax effect of extraordinary, non-recurring, or unusual gains or losses (less all fees and expenses relating thereto) or expenses (including relating to the Transactions), severance, relocation costs, curtailments, or modifications to pension and post-retirement employee benefits plans, start-up, transition, integration, and other restructuring and business optimization costs, charges, reserves, or expenses (including related to acquisitions after the Closing Date and to the start-up, opening, closure, and/or consolidation of stores, distribution centers, offices and facilities), new product introductions, and one-time compensation charges shall be excluded,

(ii) the Net Income for such period shall not include the cumulative effect of a change in accounting principles and changes as a result of the adoption or modification of accounting policies during such period,

(iii) any net after-tax gains or losses on disposal of disposed, abandoned, transferred, closed, or discontinued operations shall be excluded,

(iv) any after-tax effect of gains or losses (less all fees and expenses relating thereto) attributable to asset dispositions or abandonments other than in the ordinary course of business, as determined in good faith by the board of directors of the Company, shall be excluded,

(v) the Net Income for such period of any Person that is not a Subsidiary, or is an Unrestricted Subsidiary, or that is accounted for by the equity method of accounting, shall be excluded; provided that Consolidated Net Income of the Company shall be increased by the amount of dividends or distributions or other payments that are actually paid in cash (or to the extent converted into cash or Cash Equivalents) to the referent Person or a Restricted Subsidiary thereof in respect of such period,

(vi) [reserved],

(vii) effects of adjustments (including the effects of such adjustments pushed down to the Company and the Restricted Subsidiaries) in any line item in such Person's consolidated financial statements required or permitted by Financial Accounting Standards Codification No. 805 - Business Combinations and No. 350 - Intangibles-Goodwill and Other (ASC 805 and ASC 350) (formerly Financial Accounting Standards Board Statement Nos. 141 and 142, respectively) resulting from the application of purchase accounting, including in relation to the Transactions and any acquisition that is consummated after the Closing Date or the amortization or write-off of any amounts thereof, net of taxes, shall be excluded,

(viii) (a) any after-tax effect of income (loss) from the early extinguishment of Indebtedness or Hedging Obligations or other derivative instruments (including deferred financing costs written off and premiums paid), (b) any non-cash income (or loss) related to currency gains or losses related to Indebtedness, intercompany balances, and other balance sheet items and to Hedging Obligations pursuant to ASC 815 (or such successor provision), and (c) any non-cash expense, income, or loss attributable to the movement in mark to market valuation of foreign currencies, Indebtedness, or derivative instruments pursuant to GAAP, shall be excluded,

(ix) any impairment charge, asset write-off, or write-down pursuant to ASC 350 and Financial Accounting Standards Codification No. 360 - Impairment and Disposal of Long-Lived Assets (ASC 360) (formerly Financial Accounting Standards Board Statement Nos. 142 and 144, respectively) and the amortization of intangibles arising pursuant to ASC 805 shall be excluded,

(x) (a) any non-cash compensation expense recorded from grants of stock appreciation or similar rights, phantom equity, stock options units, restricted stock, or other rights to officers, directors, managers, or employees and (b) non-cash income (loss) attributable to deferred compensation plans or trusts, shall be excluded,

(xi) any fees and expenses incurred during such period, or any amortization thereof for such period, in connection with any acquisition, Investment, recapitalization, Asset Sale, issuance, or repayment of Indebtedness, issuance of Equity Interests, refinancing transaction or amendment or modification of any debt instrument (in each case, including any such transaction consummated prior to the Closing Date, the Transactions and any such transaction undertaken

but not completed) and any charges or non-recurring merger costs incurred during such period as a result of any such transaction shall be excluded,

(xii) accruals and reserves (including contingent liabilities) that are established or adjusted within twelve months after the Closing Date that are so required to be established as a result of the Transactions in accordance with GAAP, or changes as a result of adoption or modification of accounting policies, shall be excluded,

(xiii) to the extent covered by insurance or indemnification and actually reimbursed, or, so long as the Borrower Representative has made a determination that there exists reasonable evidence that such amount will in fact be reimbursed by the insurer or indemnifying party and only to the extent that such amount is (a) not denied by the applicable carrier or indemnifying party in writing within 180 days and (b) in fact reimbursed within 365 days of the date of such evidence (with a deduction for any amount so added back to the extent not so reimbursed within 365 days), losses and expenses with respect to liability or casualty events or business interruption shall be excluded,

(xiv) any deferred tax expense associated with tax deductions or net operating losses arising as a result of the Transactions, or the release of any valuation allowance related to such items, shall be excluded,

(xv) any costs or expenses incurred during such period relating to environmental remediation, litigation, or other disputes in respect of events and exposures that occurred prior to the Closing Date shall be excluded, and

(xvi) Consolidated Net Income for any Test Period shall be increased by the aggregate amount of "run-rate" Consolidated Net Income projected by the Borrower Representative in good faith to be attributable to New Stores open during such Test Period (or following such Test Period but prior to the date for the delivery of the financial statements for such Test Period pursuant to Section 9.1(a) or (b)) (which amount shall be calculated on a Pro Forma Basis as though the full annual amount of such Consolidated Net Income attributable to such New Stores had been realized during such Test Period (without duplication of any amounts attributable to such New Stores already received in such Test Period), subject to adjustment in a manner consistent with the methodology used in determining the pro forma New Stores adjustment set forth in the Public Lender Presentation and subject to the applicable limitation set forth in clause (i)(i) of the definition of "Consolidated EBITDA" for such Test Period).

"**Consolidated Senior Secured Debt**" shall mean Consolidated Total Debt as of such date that is not Subordinated Indebtedness and is secured by a Lien on the Collateral.

"**Consolidated Senior Secured Debt to Consolidated EBITDA Ratio**" shall mean, as of any date of determination, the ratio of (i) Consolidated Senior Secured Debt as of such date of determination, minus cash and Cash Equivalents (in each case, free and clear of all Liens other than Permitted Liens) of the Company and the Restricted Subsidiaries (other than the proceeds of any Indebtedness being incurred and giving rise to the need to calculate the Consolidated Senior Secured Debt to Consolidated EBITDA Ratio) to (ii) Consolidated EBITDA of the Company for the Test Period then last ended, in each case with such pro forma adjustments to Consolidated Senior Secured Debt and Consolidated EBITDA as are appropriate and consistent with the pro forma adjustment provisions set forth in the definition of Interest Coverage Ratio.

"**Consolidated Total Assets**" shall mean, as of any date of determination, the amount that would, in conformity with GAAP, be set forth opposite the caption "total assets" (or any like caption) on the most recent consolidated balance sheet of the Company and the Restricted Subsidiaries at such date.

"**Consolidated Total Debt**" shall mean, as at any date of determination, an amount equal to the sum of the aggregate amount of all outstanding Indebtedness of the Company and the Restricted Subsidiaries on a consolidated basis consisting of Indebtedness for borrowed money, Capitalized Lease Obligations and debt obligations evidenced by promissory notes and similar instruments (and excluding, for the avoidance of doubt, Hedging Obligations, Bank Products, and Cash Management Services); provided that Consolidated Total Debt shall not include Letters of Credit, except to the extent of Unpaid Drawings thereunder.

"**Consolidated Total Debt to Consolidated EBITDA Ratio**" shall mean, as of any date of determination, the ratio of (i) Consolidated Total Debt as of such date of determination, *minus* cash and Cash Equivalents (in each case, free and clear of all Liens other than Permitted Liens) of the Company and the Restricted Subsidiaries (other than the proceeds of any Indebtedness being incurred and giving rise to the need to calculate the Consolidated Total Debt to Consolidated EBITDA Ratio) to (ii) Consolidated EBITDA of the Company for the Test Period then last ended, in each case with such pro forma adjustments to Consolidated Total Debt and Consolidated EBITDA as are appropriate and consistent with the pro forma adjustment provisions set forth in the definition of Interest Coverage Ratio.

"**Contingent Obligations**" shall mean, with respect to any Person, any obligation of such Person guaranteeing any leases, dividends, or other obligations that do not constitute Indebtedness ("**primary obligations**") of any other Person (the "**primary obligor**") in any manner, whether directly or indirectly, including, without limitation, any obligation of such Person, whether or not contingent, (i) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (a) for the purchase or payment of any such primary obligation or (b) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, or (iii) to purchase property, securities, or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation against loss in respect thereof.

"**Contractual Requirement**" shall have the meaning provided in Section 8.3.

"**Converted Restricted Subsidiary**" shall have the meaning provided in the definition of the term Consolidated EBITDA.

"**Converted Unrestricted Subsidiary**" shall have the meaning provided in the definition of the term Consolidated EBITDA.

"**Cost**" means the cost of the Credit Parties' Inventory as determined in accordance with the Borrowers' accounting policies as in effect on the Closing Date and as reported on the Credit Parties' stock ledger, as such policy may be modified with the consent of the Administrative Agent, whose consent will not be unreasonably withheld.

"**Credit Card Notifications**" shall have the meaning provided in Section 9.9(c).

"**Credit Documents**" shall mean this Agreement, each Joinder Agreement, each Borrower Subsidiary Agreement, the Guarantees, the Security Documents, and any promissory notes issued by a Borrower pursuant hereto.

"**Credit Event**" shall mean and include the making (but not the conversion or continuation) of a Loan and the issuance of a Letter of Credit.

"**Credit Facilities**" shall mean, collectively, each category of Commitments and each extension of credit hereunder.

"**Credit Facility**" shall mean a category of Commitments and extensions of credit thereunder.

"**Credit Judgment**" means the Administrative Agent's reasonable judgment exercised in good faith, (i) to reflect events, conditions, contingencies or risks in each case, which, as reasonably determined by the Administrative Agent in good faith, materially adversely affect either (a) the Collateral, its value or the amount that might be received by the Agents from the sale or other disposition or realization upon such Collateral, or (b) the assets or business of any Credit Party or (c) the security interests and liens and other rights of any Agent or any Lender in the Collateral (including the enforceability, perfection and priority thereof), (ii) to reflect claims and liabilities that the Administrative Agent reasonably determines will be required to be satisfied in connection with the realization upon such Collateral, (iii) to reflect the Administrative Agent's good faith belief that any collateral report or financial information furnished by or on behalf of any Credit Party to any of the Agents is or may have been incomplete, inaccurate, misleading or not in accordance with the terms hereof, to the extent thereof, (iv) to reflect criteria, events, conditions, contingencies or risks that, in each case, as reasonably determined by the Administrative Agent in good faith, materially adversely affect any component of the Borrowing Base or the validity or enforceability of this Agreement or the other Credit Documents or any of the material rights or remedies of the Secured Parties hereunder or thereunder or (v) in respect of any Default or an Event of Default.

"**Credit Party**" shall mean Holdings, the Borrowers, and the other Guarantors.

"**Cure Amount**" shall have the meaning provided in Section 11.15.

"**Customs Broker Agreement**" means an agreement in such form as may be reasonably satisfactory to the Administrative Agent and the Borrower Representative among a Borrower, a customs broker, freight forwarder, shipping company or other carrier, and the Collateral Agent, in which the customs broker or other carrier acknowledges that it has control over and holds the documents evidencing ownership of the subject Inventory or other property for the benefit of the Collateral Agent, and agrees, upon notice from the Collateral Agent (which notice shall be delivered only upon the occurrence and during the continuance of an Event of Default), to hold and dispose of the subject Inventory and other property solely as directed by the Collateral Agent.

"**Daily Simple SOFR**" means, for any day (a "**SOFR Rate Day**"), a rate per annum equal to SOFR for the day (such day, the "**SOFR Determination Day**"), with the conventions for this rate (which will include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining "Daily Simple SOFR" for syndicated business loans; provided that, if the Administrative Agent reasonably determines that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion.

"**DDAs**" means any checking or other demand deposit account maintained by the Credit Parties. All funds in such DDAs shall be conclusively presumed to be Collateral and proceeds of Collateral and the Agents, and the Lenders shall have no duty to inquire as to the source of the amounts on deposit in the DDAs.

"**Debt Service Charges**" means, for any period, the sum of (a) Consolidated Interest Expense paid or required to be paid in cash, plus (b), scheduled amortization payments of principal made or required to be made (after giving effect to any prepayments paid in cash that reduce the amount of such required payments) on account of Indebtedness for borrowed money (excluding the Obligations, payments to reimburse any drawings under any commercial letters of credit, and any payments on Indebtedness required to be made on the final maturity date thereof, but including Capital Lease Obligations).

"**Declined Proceeds**" shall have the meaning provided in Section 5.2(f).

"**Default**" shall mean any event, act, or condition set forth in Section 11 that with notice or lapse of time, or both, as set forth in such Section 11 would constitute an Event of Default; provided that any Default that results solely from the taking of an action that would have been permitted but for the continuation of a previous Default will be deemed to be cured if such previous Default is cured prior to becoming an Event of Default.

"**Default Rate**" shall have the meaning provided in Section 2.8(c).

"**Defaulting Lender**" shall mean any Lender whose acts or failure to act, whether directly or indirectly, cause it to meet any part of the definition of Lender Default.

"**Designated Non-Cash Consideration**" shall mean the Fair Market Value of non-cash consideration received by the Company or a Restricted Subsidiary in connection with an Asset Sale that is so designated as Designated Non-Cash Consideration pursuant to a certificate of an Authorized Officer of the Borrower Representative, setting forth the basis of such valuation, executed by either a senior vice president or the principal financial officer of the Borrower Representative, less the amount of cash or Cash Equivalents received in connection with a subsequent sale of or collection on or other disposition of such Designated Non-Cash Consideration. A particular item of Designated Non-Cash Consideration will no longer be considered to be outstanding when and to the extent it has been paid, redeemed or otherwise retired or sold or otherwise disposed of in compliance with Section 10.4.

"**Disbursement Accounts**" shall have the meaning provided in Section 9.9(g).

"**Disposed EBITDA**" shall mean, with respect to any Sold Entity or Business or any Converted Unrestricted Subsidiary for any period, the amount for such period of Consolidated EBITDA of such Sold Entity or Business or Converted Unrestricted Subsidiary (determined as if references to the Company and the Restricted Subsidiaries in the definition of Consolidated EBITDA were references to such Sold Entity or Business or Converted Unrestricted Subsidiary and its respective Subsidiaries), all as determined on a consolidated basis for such Sold Entity or Business or Converted Unrestricted Subsidiary, as the case may be.

"**disposition**" shall have the meaning assigned such term in clause (i) of the definition of Asset Sale.

"**Disqualified Lenders**" shall mean such Persons (i) that have been specified in writing to the Administrative Agent and the Lead Arrangers prior to the commencement of "primary syndication" as being Disqualified Lenders or as otherwise agreed by the Borrower Representative and the Administrative Agent, (ii) who are competitors of the Company and its Subsidiaries that are separately identified in writing by the Borrower Representative to the Administrative Agent from time to time, (iii) in the case of each of clauses (i) and (ii), any of their Affiliates (other than any such Affiliate that is affiliated with a financial investor in such Person and that is not itself an operating company or otherwise

an Affiliate of an operating company so long as such Affiliate is a bona fide Fund) that are either (a) identified in writing by the Borrower Representative to the Administrative Agent from time to time or (b) clearly identifiable on the basis of such Affiliate's name and (iv) Excluded Affiliates.

"**Disqualified Stock**" shall mean, with respect to any Person, any Capital Stock of such Person which, by its terms, or by the terms of any security into which it is convertible or for which it is putable or exchangeable, or upon the happening of any event, matures or is mandatorily redeemable (other than solely for Qualified Stock), other than as a result of a change of control, asset sale, or similar event, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof (other than solely for Qualified Stock), other than as a result of a change of control, asset sale, or similar event, in whole or in part, in each case, prior to the date that is 91 days after the Revolving Credit Maturity Date hereunder; provided that if such Capital Stock is issued to any plan for the benefit of employees of the Company or its Subsidiaries or by any such plan to such employees, such Capital Stock shall not constitute Disqualified Stock solely because it may be required to be repurchased by the Company or its Subsidiaries in order to satisfy applicable statutory or regulatory obligations or as a result of such employee's termination, death, or disability.

"**Dividing Person**" has the meaning assigned to it in the definition of "Division."

"**Division**" means the division of the assets, liabilities and/or obligations of a Person (the "**Dividing Person**") among two or more Persons (whether pursuant to a "plan of division" or similar arrangement), which may or may not include the Dividing Person and pursuant to which the Dividing Person may or may not survive.

"**Division Successor**" means any Person that, upon the consummation of a Division of a Dividing Person, holds all or any portion of the assets, liabilities and/or obligations previously held by such Dividing Person immediately prior to the consummation of such Division. A Dividing Person which retains any of its assets, liabilities and/or obligations after a Division shall be deemed a Division Successor upon the occurrence of such Division.

"**Dollars**" and shall mean dollars in lawful currency of the United States.

"**Domestic Subsidiary**" shall mean each Subsidiary of the Company that is organized under the laws of the United States, any state thereof, or the District of Columbia.

"**EEA Financial Institution**" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"**EEA Member Country**" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"**EEA Resolution Authority**" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"**Eligible Credit Card Receivables**" means, as of any date of determination, Accounts due to a Credit Party from major credit card and debit card issuers and processors (including, but not limited to,

VISA, Mastercard, American Express, Diners Club, AcceptanceNow, Wells Fargo and DiscoverCard) as arise in the ordinary course of business and which have been earned by performance, that are not excluded as ineligible by virtue of one or more of the criteria set forth below. Except as otherwise agreed by the Administrative Agent in its Credit Judgment, none of the following shall be deemed to be Eligible Credit Card Receivables:

(a) Accounts due from (i) major credit card and debit card processors (other than Wells Fargo and AcceptanceNow) that have been outstanding for more than five (5) Business Days from the date of sale, or (ii) from Wells Fargo and AcceptanceNow that have been outstanding for more than seven (7) Business Days or, in each case, for such longer period(s) as may be approved by the Administrative Agent in its Credit Judgment;

(b) Accounts due from major credit card and debit card processors with respect to which a Credit Party does not have good, valid and marketable title thereto, free and clear of any Lien (other than (i) Liens granted to the Collateral Agent for its own benefit and the benefit of the other Secured Parties pursuant to the Security Documents, (ii) a Permitted Lien which does not have priority over such Liens in favor of the Collateral Agent, and (iii) those Liens specified in clause (xvii) of the definition of Permitted Liens and Permitted Liens having priority by operation of applicable Law over the Lien of the Collateral Agent) (the foregoing not being intended to limit the ability of the Administrative Agent to change, establish or eliminate any Reserves in its Credit Judgment on account of any such Liens);

(c) Accounts due from major credit card and debit card processors that are not subject to a first priority (except as to priority as provided in clause (b)(iii), above) security interest in favor of the Collateral Agent for its own benefit and the benefit of the other Secured Parties;

(d) Accounts due from major credit card and debit card processors which are disputed, or with respect to which a claim, counterclaim, offset or chargeback (other than chargebacks in the ordinary course by the credit card and debit card processors) has been asserted, by the related credit card and debit card processor (but only to the extent of such dispute, counterclaim, offset or chargeback);

(e) Accounts due from major credit card and debit card processors as to which the credit card and debit card processor has the right under certain circumstances to require a Credit Party to repurchase the Accounts from such credit card or debit card processor;

(f) From and after the date that is thirty (30) days after the Closing Date (or such longer period of time as the Administrative Agent may agree in its discretion), except as otherwise approved by the Administrative Agent, Accounts due from any credit card and debit card processor which has not received a Credit Card Notification;

(g) Except as otherwise approved by the Administrative Agent in its Credit Judgment, Accounts arising from any private label credit card program of a Credit Party or Accounts due from AcceptanceNow; and

(h) Accounts due from major credit card and debit card processors (other than VISA, Mastercard, American Express, Diners Club, AcceptanceNow, Wells Fargo and) which the Administrative Agent determines in its Credit Judgment and upon notice to the Borrower Representative to be unlikely to be collected.

"**Eligible In-Transit Inventory**" means, as of any date of determination, without duplication of other Eligible Inventory, Inventory (a) which has been shipped from (i) any location within the United States for receipt by a Credit Party within fifteen (15) days of the date of determination or (ii) any location outside of the United States for receipt by a Credit Party within sixty (60) days of the date of determination, but which, in either case, has not yet been received by a Credit Party, (b) for which the purchase order is in the name of a Credit Party and title has passed to a Credit Party, (c) from and after the date that is thirty (30) days after the Closing Date (or such longer period of time as the Administrative Agent may agree in its discretion), except as otherwise agreed by the Administrative Agent, either (i) such Inventory is subject to a negotiable document of title in form reasonably satisfactory to the Administrative Agent which shall, except as otherwise agreed by the Administrative Agent in its Credit Judgment, have been endorsed to the Administrative Agent or an agent acting on its behalf or (ii) such Inventory is subject to a waybill or other non-negotiable document of title which designates a Credit Party or its freight forwarder or other agent as "shipper" and/or the consignor and reflects a Credit Party as consignee (along with delivery to a Credit Party or its customs broker or other agent of such non-negotiable documents of title, to the extent applicable, with respect thereto), (d) from and after the date that is thirty (30) days after the Closing Date (or such longer period of time as the Administrative Agent may agree in its discretion), if reasonably requested by the Administrative Agent, (i) as to which the Collateral Agent has control over the documents of title, to the extent applicable, which evidence ownership of the subject Inventory (such as by the delivery of a Customs Broker Agreement and a control agreement with a carrier or freight forwarder), and (ii) as to which each relevant freight carrier, freight forwarder, customs broker, shipping company or other Person in possession of such Inventory and/or the documents relating to such Inventory shall have entered into a Customs Broker Agreement, (e) which is insured in accordance with the provisions of this Agreement and the other Credit Documents including, without limitation marine cargo insurance; (f) such Inventory is subject, to the reasonable satisfaction of the Administrative Agent, to a first priority perfected security interest in and lien upon such Inventory in favor of the Administrative Agent (subject to Permitted Liens having priority by operation of Applicable Law, and except for any possessory lien upon such goods in the possession of a freight carrier or shipping company securing only the freight charges for the transportation of such goods to such Credit Party) (the foregoing not being intended to limit the ability of the Administrative Agent to change, establish or eliminate any Reserves in its Credit Judgment on account of any such Liens) and (g) which otherwise is not excluded from the definition of Eligible Inventory; provided that the Administrative Agent may, in its reasonable discretion and upon prior notice to the Borrower Representative, exclude any particular Inventory from the definition of "Eligible In-Transit Inventory" in the event that the Administrative Agent reasonably determines that such Inventory is subject to any Person's right or claim which is senior to, or pari passu with, the Lien of the Administrative Agent (such as, without limitation, a right of stoppage in transit), as applicable.

Notwithstanding anything to the contrary herein, Eligible In-Transit Inventory shall not be accounted for as "in transit" by a Credit Party by virtue of such Inventory's being in transit between the Credit Parties' locations or in storage trailers at the Credit Parties' locations; rather, such Inventory shall be treated as "Eligible Inventory" if it satisfies the conditions therefor.

"**Eligible Inventory**" means, as of any date of determination, without duplication, (a) Eligible In-Transit Inventory, and (b) items of Inventory of a Credit Party that are finished goods, merchantable and readily saleable to the public in the ordinary course that are not excluded as ineligible by virtue of the one or more of the criteria set forth below. Except as otherwise agreed by the Administrative Agent in its Credit Judgment, none of the following shall be deemed to be Eligible Inventory:

(a) Inventory that is not solely owned by a Credit Party, or is leased by or is on consignment to a Credit Party, or as to which the Credit Parties do not have title thereto;

(b) Inventory (other than any Eligible In-Transit Inventory) that is not located in the United States of America (or Canada, as long as the Administrative Agent shall have received or conducted appraisals of such Canadian Inventory from appraisers reasonably satisfactory to the Administrative Agent) at a location that is owned or leased by the Credit Parties except to the extent that the Credit Parties have furnished the Collateral Agent with any UCC financing statements or PPSA registration statement or other filings that the Collateral Agent may reasonably determine to be necessary to perfect its security interest in such Inventory at such location;

(c) Inventory that represents goods which (i) are damaged, defective, "seconds," "blocked" inventory, or otherwise unmerchantable, in each case, other than Pit Inventory which is saleable in the ordinary course of business, (ii) are to be returned to the vendor and which is no longer reflected in a Credit Party's stock ledger, (iii) are obsolete, custom items, work in process, raw materials, or that constitute spare parts, shipping materials or supplies used or consumed in a Borrower's business, or (iv) are bill and hold goods;

(d) Inventory that represents goods that do not conform in all material respects to the representations and warranties contained in this Agreement or the Security Agreement;

(e) Inventory that is not subject to a perfected first priority security interest in favor of the Collateral Agent for its own benefit and the benefit of the other Secured Parties (subject as to priority to Permitted Liens having priority by operation of applicable Law over the Lien of the Collateral Agent);

(f) Inventory which consists of samples, labels, bags, packaging materials, and other similar non-merchandise categories;

(g) Inventory as to which casualty insurance in compliance with the provisions of Section 9.3 hereof is not in effect;

(h) Inventory at any single location with an aggregate value at such location of less than $100,000; and

(i) Inventory which has been sold but not yet delivered or Inventory to the extent that any Credit Party has accepted a deposit therefor and which is no longer reflected in a Credit Party's stock ledger.

"**Environmental Claims**" shall mean any and all actions, suits, orders, decrees, demand letters, claims, notices of noncompliance or potential responsibility or violation, or proceedings pursuant to any Environmental Law or any permit issued, or any approval given, under any such Environmental Law (hereinafter, "**Claims**"), including, without limitation, (i) any and all Claims by governmental or regulatory authorities for enforcement, cleanup, removal, response, remedial, or other actions or damages pursuant to any Environmental Law and (ii) any and all Claims by any third party seeking damages, contribution, indemnification, cost recovery, compensation, or injunctive relief relating to the presence Release or threatened Release of Hazardous Materials or arising from alleged injury or threat of injury to health or safety (to the extent relating to human exposure to Hazardous Materials), or the environment including, without limitation, ambient air, indoor air, surface water, groundwater, soil, land surface and subsurface strata, and natural resources such as wetlands.

"**Environmental Law**" shall mean any applicable federal, state, foreign, or local statute, law, rule, regulation, ordinance, code, and rule of common law now or hereafter in effect and in each case as

amended, and any binding judicial or administrative interpretation thereof, including any binding judicial or administrative order, consent decree, or judgment, relating to pollution or protection of the environment, including, without limitation, ambient air, indoor air, surface water, groundwater, soil, land surface and subsurface strata and natural resources such as flora, fauna, or wetlands, or protection of human health or safety (to the extent relating to human exposure to Hazardous Materials) and including those relating to the generation, storage, treatment, transport, Release, or threat of Release of Hazardous Materials.

"**Equity Interest**" shall mean Capital Stock and all warrants, options, or other rights to acquire Capital Stock, but excluding any debt security that is convertible into, or exchangeable for, Capital Stock.

"**Equity Investments**" shall have the meaning provided in the preamble to this Agreement.

"**Equity Offering**" shall mean any public or private sale of common stock or preferred stock of the Company or any direct or indirect parent company of the Company (excluding Disqualified Stock), other than: (i) public offerings with respect to the Company or any of its direct or indirect parent company's (including the Company's) common stock registered on Form S-8, (ii) issuances to any Subsidiary of Holdings, (iii) any such public or private sale that constitutes an Excluded Contribution, and (iv) any Cure Amount.

"**ERISA**" shall mean the Employee Retirement Income Security Act of 1974.

"**ERISA Affiliate**" shall mean any trade or business (whether or not incorporated) that, together with any Credit Party, is treated as a single employer under Section 414 (b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code).

"**ERISA Event**" shall mean (i) the failure of any Plan to comply with any provisions of ERISA and/or the Code or with the terms of such Plan; (ii) the existence with respect to any Plan of a non-exempt Prohibited Transaction; (iii) any Reportable Event; (iv) the failure of any Credit Party or ERISA Affiliate to make by its due date a required installment under Section 430(j) of the Code with respect to any Pension Plan or any failure by any Pension Plan to satisfy the minimum funding standards (within the meaning of Section 412 of the Code or Section 302 of ERISA) applicable to such Pension Plan, whether or not waived; (v) a determination that any Pension Plan is in "at risk" status (within the meaning of Section 430 of the Code or Section 303 of ERISA); (vi) the filing pursuant to Section 412(c) of the Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Pension Plan; (vii) the occurrence of any event or condition which would reasonably be expected to constitute grounds under ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan or the incurrence by any Credit Party or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Pension Plan, including but not limited to the imposition of any Lien in favor of the PBGC or any Pension Plan; (viii) the receipt by any Credit Party or any of its ERISA Affiliates from the PBGC or a plan administrator of any notice to terminate any Pension Plan or to appoint a trustee to administer any Pension Plan under Section 4042 of ERISA; (ix) the failure by any Credit Party or any of its ERISA Affiliates to make any required contribution to a Multiemployer Plan; (x) the incurrence by any Credit Party or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Pension Plan (or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA) or Multiemployer Plan; (xi) the receipt by any Credit Party or any of its ERISA Affiliates of any notice concerning the imposition on it of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, Insolvent or in Reorganization, in "endangered" or "critical" status (within the meaning of Section 432 of the Code or Section 305 of ERISA), or terminated (within the meaning of Section 4041A of ERISA); or (xii) the failure by any Credit Party or any of its ERISA Affiliates to pay

when due (after expiration of any applicable grace period) any installment payment with respect to Withdrawal Liability under Section 4201 of ERISA.

"**Erroneous Payment**" has the meaning assigned to it in Section 12.14(a).

"**Erroneous Payment Return Deficiency**" has the meaning assigned to it in Section 12.14(d).

"**EU Bail-In Legislation Schedule**" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"**Euro**" or "**€**" shall mean the single currency of the Participating Member States.

"**Event of Default**" shall have the meaning provided in Section 11.

"**Excess Availability**" means an amount equal to (a) the Line Cap plus (b) cash and Cash Equivalents subject to a Blocked Account Agreement in favor of the Collateral Agent minus (c) the aggregate amount of the Lenders' Revolving Credit Exposure.

"**Excluded Affiliate**" shall mean any Affiliate of any Agent that is engaged (i) as a principal primarily in private equity, mezzanine financing or venture capital or (ii) directly or indirectly in a sale of the Acquired Companies and their Subsidiaries as sell-side representative (other than any "above the wall" individuals).

"**Excluded Contribution**" shall mean net cash proceeds, the Fair Market Value of marketable securities, or the Fair Market Value of Qualified Proceeds received by the Company from (i) contributions to its common equity capital, and (ii) the sale (other than to a Subsidiary of the Company or to any management equity plan or stock option plan or any other management or employee benefit plan or agreement of the Company) of Capital Stock (other than Disqualified Stock of the Company, in each case designated as Excluded Contributions pursuant to an officer's certificate executed by either a senior vice president or the principal financial officer of the Borrower Representative on the date such capital contributions are made or the date such Equity Interests are sold, as the case may be; provided that any non-cash assets shall qualify only if acquired by a parent of the Company in an arm's-length transaction within the six months prior to such contribution.

"**Excluded Deposit Account**" means any deposit account (i) listed on Schedule 1.1(e) hereto or any other deposit account that is similar in function to the accounts described on Schedule 1.1(e) established after the Closing Date consistent with past practices, (ii) used for payroll, taxes, fiduciary and trust purposes, and employee benefits, pension accounts and 401(k) accounts, (iii) the daily balance in which does not at any time exceed $500,000 in the aggregate for all such deposit or securities accounts for a period of five (5) consecutive Business Days, (iv) any Term Loan Priority Account, and (v) zero balance disbursement accounts.

"**Excluded Property**" shall have the meaning set forth in the Security Agreement.

"**Excluded Stock and Stock Equivalents**" shall mean (i) any Capital Stock or Stock Equivalents with respect to which, in the reasonable judgment of the Administrative Agent and the Borrower Representative (as agreed to in writing), the cost or other consequences of pledging such Capital Stock or Stock Equivalents in favor of the Secured Parties under the Security Documents shall be excessive in view of the benefits to be obtained by the Lenders therefrom, (ii) solely in the case of any pledge of Capital Stock and Stock Equivalents of any Foreign Subsidiary of a Domestic Subsidiary or any CFC Holding Company, any Voting Stock or Stock Equivalents of any class of such Foreign Subsidiary or

such CFC Holding Company in excess of 66% of the outstanding Voting Stock of such class, (iii) any Capital Stock or Stock Equivalents to the extent the pledge thereof would violate any applicable Requirement of Law (including any legally effective requirement to obtain the consent of any Governmental Authority unless such consent has been obtained), (iv) in the case of (A) any Capital Stock or Stock Equivalents of any Subsidiary to the extent such Capital Stock or Stock Equivalents are subject to a Lien permitted by clause (ix) of the definition of Permitted Lien or (B) any Capital Stock or Stock Equivalents of any Subsidiary that is not Wholly-Owned by the Company and its Subsidiaries at the time such Subsidiary becomes a Subsidiary, any Capital Stock or Stock Equivalents of each such Subsidiary described in clause (A) or (B) to the extent (I) that a pledge thereof to secure the Obligations is prohibited by any applicable Contractual Requirement (other than customary non-assignment provisions which are ineffective under the Uniform Commercial Code or other applicable law), (II) any Contractual Requirement prohibits such a pledge without the consent of any other party; provided that this clause (II) shall not apply if (x) such other party is a Credit Party or Wholly-Owned Subsidiary or (y) consent has been obtained to consummate such pledge (it being understood that the foregoing shall not be deemed to obligate the Company or any Subsidiary to obtain any such consent) and for so long as such Contractual Requirement or replacement or renewal thereof is in effect, or (III) a pledge thereof to secure the Obligations would give any other party (other than a Credit Party or Wholly-Owned Subsidiary) to any contract, agreement, instrument, or indenture governing such Capital Stock or Stock Equivalents the right to terminate its obligations thereunder (other than customary non-assignment provisions which are ineffective under the Uniform Commercial Code or other applicable law), (v) any Capital Stock or Stock Equivalents of any Subsidiary to the extent that the pledge of such Capital Stock or Stock Equivalents would result in materially adverse tax consequences to the Company or any Subsidiary as reasonably determined by the Borrower Representative in consultation with the Administrative Agent, (vi) any Capital Stock or Stock Equivalents that are margin stock, and (vii) any Capital Stock and Stock Equivalents of any Subsidiary that is not a Material Subsidiary or is an Unrestricted Subsidiary, a captive insurance Subsidiary, an SPV, or any special purpose entity.

"**Excluded Subsidiary**" shall mean (i) each Subsidiary, in each case, for so long as any such Subsidiary does not (on a consolidated basis with its Restricted Subsidiaries) constitute a Material Subsidiary, (ii) each Subsidiary that is not a Wholly-Owned Subsidiary on any date such Subsidiary would otherwise be required to become a Guarantor pursuant to the requirements of Section 9.11 (for so long as such Subsidiary remains a non-Wholly-Owned Restricted Subsidiary), (iii) any CFC Holding Company, (iv) any Domestic Subsidiary that is a Subsidiary of a Foreign Subsidiary that is a CFC, (v) any Foreign Subsidiary, (vi) each Subsidiary that is prohibited by any applicable Contractual Requirement or Requirement of Law from guaranteeing or granting Liens to secure the Obligations at the time such Subsidiary becomes a Restricted Subsidiary (and for so long as such restriction or any replacement or renewal thereof is in effect), (vii) each Subsidiary with respect to which, as reasonably determined by the Company, the consequence of providing a Guarantee of the Obligations would adversely affect the ability of the Company and its Subsidiaries to satisfy applicable Requirements of Law, (viii) any other Subsidiary with respect to which, (a) in the reasonable judgment of the Administrative Agent and Borrower Representative, as agreed in writing, the cost or other consequences of providing a Guarantee of the Obligations shall be excessive in view of the benefits to be obtained by the Lenders therefrom or (b) providing such a Guarantee would result in material adverse tax consequences as reasonably determined by the Borrower Representative in consultation with the Administrative Agent, (ix) each Unrestricted Subsidiary, (x) each other Subsidiary acquired pursuant to a Permitted Acquisition or other Investment permitted hereunder and financed with assumed secured Indebtedness, and each Restricted Subsidiary acquired in such Permitted Acquisition or other Investment permitted hereunder that guarantees such Indebtedness, in each case to the extent that, and for so long as, the documentation relating to such Indebtedness to which such Subsidiary is a party prohibits such Subsidiary from guaranteeing the Obligations and such prohibition was not created in contemplation of

such Permitted Acquisition or other Investment permitted hereunder, (xi) each SPV or not-for-profit Subsidiary, and (xii) captive insurance Subsidiaries.

"**Excluded Swap Obligation**" shall mean, with respect to any Credit Party, any Swap Obligation if, and to the extent that, all or a portion of the Obligations of such Credit Party of, or the grant by such Credit Party of a security interest to secure, such Swap Obligation (or any Obligations thereof) is or becomes illegal or unlawful under the Commodity Exchange Act or any rule, regulation, or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof). If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Obligation or security interest is or becomes illegal or unlawful.

"**Excluded Taxes**" shall mean, with respect to the Administrative Agent, any Lender, or any other recipient of any payment to be made by or on account of any obligation of any Credit Party hereunder or under any other Credit Document, (i) Taxes imposed on or measured by its overall net income, net profits, or branch profits (however denominated, and including (for the avoidance of doubt) any backup withholding in respect thereof under Section 3406 of the Code or any similar provision of state, local, or foreign law), and franchise (and similar) Taxes imposed on it (in lieu of net income Taxes), in each case by a jurisdiction (including any political subdivision thereof) as a result of such recipient being organized in, having its principal office in, or in the case of any Lender, having its applicable lending office in, such jurisdiction, or as a result of any other present or former connection with such jurisdiction (other than any such connection arising solely from this Agreement or any other Credit Documents or any transactions contemplated thereunder), (ii) any United States federal withholding Tax imposed on any payment by or on account of any obligation of any Credit Party hereunder or under any other Credit Document that is required to be imposed on amounts payable to or for the account of a Lender or recipient pursuant to laws in force at the time such Lender or recipient acquires an interest in any Credit Document (or designates a new lending office), other than in the case of a Lender that is an assignee pursuant to a request by the Borrower Representative under Section 13.7 (or that designates a new lending office pursuant to a request by the Borrower Representative), except to the extent that such Lender (or its assignor, if any) was entitled, immediately prior to the designation of a new lending office (or assignment), to receive additional amounts from the Credit Parties with respect to such withholding Tax pursuant to Section 5.4, (iii) any withholding Taxes attributable to a recipient's failure to comply with Section 5.4(e), or (iv) any United States federal withholding Tax imposed under FATCA.

"**Existing Revolving Credit Class**" shall have the meaning provided in Section 2.14(g)(ii).

"**Existing Revolving Credit Commitment**" shall have the meaning provided in Section 2.14(g)(ii).

"**Existing Revolving Credit Loans**" shall have the meaning provided in Section 2.14(g)(ii).

"**Extended Revolving Credit Commitments**" shall have the meaning provided in Section 2.14(g)(ii).

"**Extended Revolving Credit Loans**" shall have the meaning provided in Section 2.14(g)(ii).

"**Extended Revolving Loan Maturity Date**" shall mean the date on which any tranche of Extended Revolving Credit Loans matures.

"**Extending Lender**" shall have the meaning provided in Section 2.14(g)(iii).

"**Extension Amendment**" shall have the meaning provided in Section 2.14(g)(iv).

"**Extension Date**" shall have the meaning provided in Section 2.14(g)(v).

"**Extension Election**" shall have the meaning provided in Section 2.14(g)(iii).

"**Extension Series**" shall mean all Extended Revolving Credit Commitments that are established pursuant to the same Extension Amendment (or any subsequent Extension Amendment to the extent such Extension Amendment expressly provides that the Extended Revolving Credit Commitments provided for therein are intended to be a part of any previously established Extension Series) and that provide for the same interest margins, and extension fees.

"**Fair Market Value**" shall mean with respect to any asset or group of assets on any date of determination, the value of the consideration obtainable in a sale of such asset at such date of determination assuming a sale by a willing seller to a willing purchaser dealing at arm's length and arranged in an orderly manner over a reasonable period of time having regard to the nature and characteristics of such asset, as determined in good faith by the Borrower Representative.

"**FATCA**" shall mean Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code as of the date of this Agreement (or any amended or successor version described above), and any intergovernmental agreements (or related legislation or official administrative rules or practices) implementing the foregoing.

"**Federal Funds Effective Rate**" shall mean, for any day, the weighted average of the per annum rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers on such day, as published on the next succeeding Business Day by the Federal Reserve Bank of New York; provided that (i) if such day is not a Business Day, the Federal Funds Effective Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (ii) if no such rate is so published on such next succeeding Business Day, the Federal Funds Effective Rate for such day shall be the average rate charged to the Administrative Agent on such day on such transactions as determined by the Administrative Agent.

"**Fees**" shall mean all amounts payable pursuant to, or referred to in Section 4.1.

"**Financial Covenant Trigger Event**" has the meaning specified in Section 10.11.

"**Financial Officer**" shall mean, with respect to any Credit Party, the chief financial officer, the senior vice president of finance, treasurer, assistant treasurer, controller or assistant controller of such Credit Party.

"**First Lien Obligations**" shall have the meaning assigned to the term "Obligations" in the First Lien Term Loan Agreement.

"**First Lien Secured Leverage Test**" shall mean, as of any date of determination, with respect to the last day of the most recently ended Test Period, the Consolidated First Lien Secured Debt to Consolidated EBITDA Ratio shall be no greater than 4.00 to 1.00.

"**First Lien Term Loan Administrative Agent**" shall have the meaning assigned to the term "Administrative Agent" in the First Lien Term Loan Agreement.

"**First Lien Term Loan Agreement**" shall mean the Credit Agreement, dated as of the ~~Closing~~Amendment No. 9 Effective Date, among Holdings, the Borrowers, ~~the guarantors party thereto,~~ the lenders party thereto, the First Lien Term Loan Administrative Agent and the First Lien Term Loan Collateral Agent (as such agreement may be amended, supplemented, waived, or otherwise modified from time to time ~~or~~, and as any facility or loans provided thereunder may be refunded, refinanced, restructured, ~~replaced,~~ renewed, replaced, repaid, increased ~~or~~, extended or otherwise modified from time to time (whether in whole or in part, whether with the original ~~administrative agent~~agents and lenders or ~~other~~new agents and lenders or otherwise (including any combination thereof)), and whether provided under the original ~~First Lien Term Loan Agreement or other~~credit agreement or one or more additional credit agreements, indentures, financing agreements or otherwise, ~~unless such agreement, instrument or document expressly provides that it is not intended to be and is not a First Lien Term Loan Agreement)).~~including any agreement extending the maturity thereof, otherwise restructuring all or any portion of the Indebtedness thereunder, increasing the amount loaned or issued thereunder, altering the maturity thereof or providing for revolving credit loans, term loans, letters of credit or other Indebtedness).

"**First Lien Term Loan Collateral Agent**" shall have the meaning assigned to the term "Collateral Agent" in the First Lien Term Loan Agreement.

"**First Lien Term Loan Credit Documents**" shall mean the First Lien Term Loan Agreement and each other document executed in connection therewith or pursuant thereto.

"**First Lien Term Facility**" shall ~~have the meaning provided in the recitals of this Agreement.~~mean the term loan facility pursuant to the First Lien Term Loan Credit Documents (as refunded, refinanced, restructured, renewed, replaced, repaid, increased, extended or otherwise modified from time to time (whether in whole or in part, whether with the original agents and lenders or new agents and lenders or otherwise (including any combination thereof)), and whether provided under the original credit agreement or one or more additional credit agreements, indentures, financing agreements or otherwise, including any agreement extending the maturity thereof, otherwise restructuring all or any portion of the Indebtedness thereunder, increasing the amount loaned or issued thereunder, altering the maturity thereof or providing for revolving credit loans, term loans, letters of credit or other Indebtedness).

"**First Lien Term Loans**" shall have the meaning provided to the term "Loans" in the First Lien Term Loan Agreement and any modification, replacement, refinancing, refunding, renewal, or extension thereof.

"**Fixed Charge Coverage Ratio**" shall mean, as of any date of determination, the ratio of (i) (x) Consolidated EBITDA minus (y) Unfinanced Capital Expenditures (other than Growth Capital Expenditures) minus (z) federal, state and foreign income Taxes paid in cash (net of refunds received during such Test Period), in each case, for the Test Period then last ended to (ii) Debt Service Charges payable in cash for such Test Period. .

"**Fixed Charges**" shall mean, with respect to any Person for any period, the sum of:

(i) Consolidated Interest Expense of such Person for such period,

(ii) all cash dividend payments (excluding items eliminated in consolidation) on any series of preferred stock or any Refunding Capital Stock of such Person made during such period, and

(iii) all cash dividend payments (excluding items eliminated in consolidation) on any series of Disqualified Stock made during such period.

"**Floor**" means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to Term SOFR. For the avoidance of doubt, the initial Floor for Term SOFR shall be 0.00%.

"**Foreign Subsidiary**" shall mean each Subsidiary of the Company that is not a Domestic Subsidiary.

"**Fronting Exposure**" shall mean, at any time there is a Defaulting Lender, (i) with respect to the Letter of Credit Issuer, such Defaulting Lender's Revolving Credit Commitment Percentage of the outstanding L/C Obligations other than L/C Obligations as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof, and (ii) with respect to the Swingline Lender, such Defaulting Lender's Revolving Credit Commitment Percentage of Swingline Loans other than Swingline Loans as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders in accordance with the terms hereof.

"**Fronting Fee**" shall have the meaning provided in Section 4.1(d).

"**Fund**" shall mean any Person (other than a natural Person) that is engaged or advises funds or other investment vehicles that are engaged in making, purchasing, holding, or investing in commercial loans and similar extensions of credit in the ordinary course.

"**GAAP**" shall mean generally accepted accounting principles in the United States, as in effect from time to time; provided, however, that if the Borrower Representative notifies the Administrative Agent that the Borrower Representative requests an amendment to any provision hereof to eliminate the effect of any change occurring after the Closing Date in GAAP or in the application thereof on the operation of such provision, regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Furthermore, at any time after the Closing Date, the Company may elect to apply International Financial Reporting Standards ("**IFRS**") accounting principles in lieu of GAAP and, upon any such election, references herein to GAAP and GAAP concepts shall thereafter be construed to refer to IFRS and corresponding IFRS concepts (except as otherwise provided in this Agreement); provided any such election, once made, shall be irrevocable; provided, further, that any calculation or determination in this Agreement that requires the application of GAAP for periods that include fiscal quarters ended prior to the Company's election to apply IFRS shall remain as previously calculated or determined in accordance with GAAP. The Borrower Representative shall give written notice of any such election made in accordance with this definition to the Administrative Agent. For the avoidance of doubt, solely making an election (without any other action) referred to in this definition will not be treated as an incurrence of Indebtedness. Notwithstanding any other provision contained herein, the amount of any Indebtedness under GAAP with respect to Capital Lease Obligations shall be determined in accordance with the definition of Capital Lease Obligations.

"**Governmental Authority**" shall mean any nation, sovereign, or government, any state, province, territory, or other political subdivision thereof, and any entity or authority exercising executive, legislative, judicial, taxing, regulatory, or administrative functions of or pertaining to government, including a central bank or stock exchange.

"**Granting Lender**" shall have the meaning provided in Section 13.6(g).

"**Growth Capital Expenditures**" means Capital Expenditures which are made by any Credit Party to acquire additional productive assets or properties that generate revenues in the business of the Credit Party primarily for the purpose of increasing revenues.

"**Guarantee**" shall mean (i) the Guarantee made by Holdings and each other Guarantor in favor of the Collateral Agent for the benefit of the Secured Parties, substantially in the form of Exhibit B, and (ii) any other guarantee of the Obligations made by a Restricted Subsidiary in form and substance reasonably acceptable to the Administrative Agent.

"**guarantee obligations**" shall mean, as to any Person, any obligation of such Person guaranteeing or intended to guarantee any Indebtedness of any primary obligor in any manner, whether directly or indirectly, including any obligation of such Person, whether or not contingent, (i) to purchase any such Indebtedness or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (a) for the purchase or payment of any such Indebtedness or (b) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (iii) to purchase property, securities, or services primarily for the purpose of assuring the owner of any such Indebtedness of the ability of the primary obligor to make payment of such Indebtedness, or(iv) otherwise to assure or hold harmless the owner of such Indebtedness against loss in respect thereof; provided, however, that the term guarantee obligations shall not include endorsements of instruments for deposit or collection in the ordinary course of business or customary and reasonable indemnity obligations or product warranties in effect on the Closing Date or entered into in connection with any acquisition or disposition of assets permitted under this Agreement (other than such obligations with respect to Indebtedness). The amount of any guarantee obligation shall be deemed to be an amount equal to the stated or determinable amount of the Indebtedness in respect of which such guarantee obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform thereunder) as determined by such Person in good faith.

"**Guarantors**" shall mean (i) each Subsidiary of the Company that is party to the Guarantee on the Closing Date, (ii) each Subsidiary of the Company that becomes a party to the Guarantee after the Closing Date pursuant to Section 9.11 or otherwise, and (iii) Holdings.

"**Hazardous Materials**" shall mean (i) any petroleum or petroleum products, radioactive materials, asbestos and asbestos containing material, polychlorinated biphenyls, and radon gas; (ii) any chemicals, materials, or substances defined as or included in the definition of "hazardous substances," "hazardous waste," "hazardous materials," "extremely hazardous waste," "restricted hazardous waste," "toxic substances," "toxic pollutants," "contaminants," or "pollutants," or words of similar import, under any Environmental Law; and (iii) any other chemical, material, or substance, which is prohibited, limited, or regulated due to its dangerous or deleterious properties or characteristics by, any Environmental Law.

"**Hedge Agreements**" shall mean (i) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions,

currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (ii) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a "Master Agreement"), including any such obligations or liabilities under any Master Agreement.

"**Hedge Bank**" shall mean (i) (a) any Person that, at the time it enters into a Hedge Agreement, is a Lender, an Agent or an Affiliate of a Lender or an Agent and (b) with respect to any Hedge Agreement entered into prior to the Closing Date, any Person that is a Lender or an Agent or an Affiliate of a Lender or an Agent on the Closing Date or (ii) any Person listed on Schedule 1.1(d); provided that, if such Person is not a Lender, such Person executes and delivers to the Administrative Agent and the Borrower Representative a letter agreement in form and substance reasonably acceptable to the Administrative Agent pursuant to which such Person (a) appoints the Administrative Agent as its agent under the applicable Credit Documents and (b) agrees to be bound by the provisions of Sections 11, 12, 13, 25 and 26 of the Pledge Agreement and Sections 5.4, 5.5, 5.7, 6.5, 7 and 8.1 of the Security Agreement, in each case, as if it were a Lender.

"**Hedging Obligations**" shall mean, with respect to any Person, the obligations of such Person under any Hedge Agreements.

"**Historical Financial Statements**" shall mean (i) the audited combined balance sheets of the Acquired Company as of December 30, 2012 and the related audited combined statements of operations and comprehensive income, changes in equity and cash flows of the Acquired Company for the year ended December 30, 2012 and (ii) the unaudited interim combined balance sheets of the Acquired Company and the Operating Companies (as defined in the Acquisition Agreement) for the ten month period ended October 27, 2013, and the related unaudited combined statements of operations and comprehensive income, changes in equity, and cash flows of the Acquired Company and the Operating Companies for October 27, 2013.

"**Holdings**" shall mean (i) Holdings (as defined in the preamble to this Agreement) or (ii) after the Closing Date any other Person or Persons ("**New Holdings**") that is a Subsidiary of (or are Subsidiaries of) Holdings or of any Parent Entity of Holdings (or the previous New Holdings, as the case may be) but not the Company ("**Previous Holdings**"); provided that (a) such New Holdings directly owns (i) 100% of the Equity Interests of the Company and (ii) 100% of the Equity Interests of each other direct Subsidiary of Previous Holdings which were owned by Previous Holdings immediately prior thereto, (b) New Holdings shall expressly assume all the obligations of Previous Holdings under this Agreement and the other Credit Documents pursuant to a supplement hereto or thereto in form and substance reasonably satisfactory to the Administrative Agent, (c) if reasonably requested by the Administrative Agent, an opinion of counsel shall be delivered by the Borrower Representative to the Administrative Agent, (d) all Capital Stock of the Company and substantially all of the other assets of Previous Holdings are contributed or otherwise transferred, directly or indirectly, to such New Holdings and pledged to secure the Obligations, (e) (i) no Event of Default has occurred and is continuing at the time of such substitution and such substitution does not result in any Event of Default, (ii) such substitution does not result in any material adverse tax consequences to any Credit Party and (iii) such substitution does not result in any adverse tax consequences to any Lender (unless reimbursed hereunder) or to the Administrative Agent (unless reimbursed hereunder), (f) no Change of Control shall occur, (g) the Administrative Agent shall have received at least five (5) Business Days' prior written notice of the

proposed transaction and Previous Holdings, New Holdings and the Borrowers shall promptly and in any event at least two (2) Business Days' prior to the consummation of the transaction provide all information any Lender or any Agent may reasonably request to satisfy its "know your customer" and other similar requirements necessary for such Person to comply with its internal compliance and regulatory requirements with respect to the proposed successor New Holdings, (h) New Holdings shall be an entity organized or existing under the law of the United States, any state thereof or the District of Columbia, (i) if reasonably requested by the Administrative Agent, the Credit Parties shall execute and deliver amendments, supplements and other modification to all Credit Documents and instruments and agreements executed in connection therewith necessary to perfect and protect the liens and security interests in the Collateral of New Holdings, in each case in form and substance reasonably satisfactory to the Administrative Agent, and (j) the Borrower Representative delivers a certificate of a Responsible Officer with respect to the satisfaction of the conditions set forth in clauses (a), (e)(i) and (ii), (f) and (h) of this definition provided, further, that if each of the foregoing is satisfied, Previous Holdings shall be automatically released of all its obligations under the Credit Documents and any reference to Holdings in the Credit Documents shall be meant to refer to New Holdings; provided, further, that if each of the foregoing is satisfied, Previous Holdings shall be automatically released of all its obligations under the Credit Documents and any reference to Holdings in the Credit Documents shall be meant to refer to New Holdings.

"**Identified Contingent Liabilities**" shall mean the maximum estimated amount of liabilities reasonably likely to result from pending litigation, asserted claims and assessments, guaranties, uninsured risks, and other contingent liabilities of the Borrowers, and the Restricted Subsidiaries taken as a whole after giving effect to the Transactions (including all fees and expenses related thereto but exclusive of such contingent liabilities to the extent reflected in Stated Liabilities), as identified and explained in terms of their nature and estimated magnitude by responsible officers of the Borrower Representative.

"**IFRS**" shall have the meaning given such term in the definition of GAAP.

"**Impacted Loans**" shall have the meaning provided in Section 2.10(a).

"**Increased Amount Date**" shall have the meaning provided in Section 2.14(a).

"**Incremental Loans**" shall have the meaning provided in Section 2.14(c).

"**Incremental Revolving Credit Commitments**" shall have the meaning provided in Section 2.14(a).

"**Incremental Revolving Credit Loans**" shall have the meaning provided in Section 2.14(b).

"**Incremental Revolving Loan Lender**" shall have the meaning provided in Section 2.14(b).

"**Indebtedness**" shall mean, with respect to any Person, (i) any indebtedness (including principal and premium) of such Person, whether or not contingent (a) in respect of borrowed money, (b) evidenced by bonds, notes, debentures, or similar instruments or letters of credit or bankers' acceptances (or, without double counting, reimbursement agreements in respect thereof), (c) representing the balance deferred and unpaid of the purchase price of any property (including Capitalized Lease Obligations), or (d) representing any Hedging Obligations, if and to the extent that any of the foregoing Indebtedness (other than letters of credit and Hedging Obligations) would appear as a net liability upon a balance sheet (excluding the footnotes thereto) of such Person prepared in accordance with GAAP; provided that Indebtedness of any direct or indirect parent company appearing upon the balance sheet of the Company solely by reason of push down accounting under GAAP shall be excluded, (ii) to the extent not otherwise

included, any obligation by such Person to be liable for, or to pay, as obligor, guarantor or otherwise, on the obligations of the type referred to in clause (i) of another Person (whether or not such items would appear upon the balance sheet of such obligor or guarantor), other than by endorsement of negotiable instruments for collection in the ordinary course of business, and (iii) to the extent not otherwise included, the obligations of the type referred to in clause (i) of another Person secured by a Lien on any asset owned by such Person, whether or not such Indebtedness is assumed by such Person; provided that notwithstanding the foregoing, Indebtedness shall be deemed not to include (1) Contingent Obligations incurred in the ordinary course of business, (2) prepaid or deferred revenue arising in the ordinary course of business, (3) purchase price holdbacks arising in the ordinary course of business in respect of a portion of the purchase price of an asset to satisfy warrants or other unperformed obligations of the seller of such asset, (4) any balance that constitutes a trade payable or similar obligation to a trade creditor, accrued in the ordinary course of business, or (5) any earn-out obligation until such obligation, within 60 days of becoming due and payable, has not been paid and such obligation is reflected as a liability on the balance sheet of such Person in accordance with GAAP. The amount of Indebtedness of any Person for purposes of clause (iii) above shall (unless such Indebtedness has been assumed by such Person) be deemed to be equal to the lesser of (x) the aggregate unpaid amount of such Indebtedness and (y) the Fair Market Value of the property encumbered thereby as determined by such Person in good faith.

For all purposes hereof, the Indebtedness of the Company and the other Restricted Subsidiaries, shall exclude all intercompany Indebtedness having a term not exceeding 364 days (inclusive of any roll-over or extensions of terms) and made in the ordinary course of business consistent with past practice.

"**Indemnified Liabilities**" shall have the meaning provided in Section 13.5.

"**Indemnified Person**" shall have the meaning provided in Section 13.5.

"**Indemnified Taxes**" shall mean all Taxes imposed on or with respect to any payment by or on account of any obligation of any Credit Party hereunder or under any other Credit Document, other than Excluded Taxes or Other Taxes.

"**Initial First Lien Term Loans**" shall have the meaning provided to the term "Initial Term Loans" (or similar term) in the First Lien Term Loan Agreement.

"**Initial Investors**" shall mean Bain Capital Partners, LLC and/or its Affiliates that are controlled directly or indirectly by Bain Capital Partners, LLC (including, as applicable, related funds, general partners thereof and limited partners thereof, but solely to the extent any such limited partners are directly or indirectly participating as investors pursuant to a side-by-side investing arrangement, but not including, however, any portfolio company of any of the foregoing).

"**Insolvent**" shall mean, with respect to any Multiemployer Plan, the condition that such Multiemployer Plan is insolvent within the meaning of Section 4245 of ERISA.

"**Intellectual Property**" shall mean U.S. and foreign intellectual property, including all (i) (a) patents, inventions, processes, developments, technology, and know-how; (b) copyrights and works of authorship in any media, including graphics, advertising materials, labels, package designs, and photographs; (c) trademarks, service marks, trade names, brand names, corporate names, domain names, logos, trade dress, and other source indicators, and the goodwill of any business symbolized thereby; and (d) trade secrets, confidential, proprietary, or non-public information and (ii) all registrations, issuances,

applications, renewals, extensions, substitutions, continuations, continuations-in-part, divisions, re-issues, re-examinations, foreign counterparts, or similar legal protections related to the foregoing.

"**Intercompany License Agreement**" shall mean any cost sharing agreement, commission or royalty agreement, license or sub-license agreement, distribution agreement, services agreement, Intellectual Property rights transfer agreement or any related agreements, in each case where all the parties to such agreement are one or more of the Company and any Subsidiary.

"**Interest Coverage Ratio**" shall mean, as of any date of determination, the ratio of (i) Consolidated EBITDA for the Test Period then last ended to (ii) Consolidated Interest Expense for such Test Period. In the event that the Company or any Restricted Subsidiary incurs, assumes, guarantees, redeems, retires, or extinguishes any Indebtedness or issues or redeems Disqualified Stock or preferred stock subsequent to the commencement of the Test Period but prior to or simultaneously with the date of determination, then the Interest Coverage Ratio shall be calculated giving Pro Forma Effect to such incurrence, assumption, guarantee, redemption, retirement, or extinguishment of Indebtedness, or such issuance or redemption of Disqualified Stock or preferred stock (in each case, including a pro forma application of the net proceeds therefrom), as if the same had occurred at the beginning of the Test Period; provided, however, that Pro Forma Effect shall not give effect to any Indebtedness incurred on the date of such determination (except pursuant to the first paragraph of Section 10.1 and Section 10.1(n)).

For purposes of calculating the Interest Coverage Ratio, Investments, acquisitions, dispositions, mergers, consolidations, and disposed operations (as determined in accordance with GAAP) that have been made by the Company or any Restricted Subsidiary during the Test Period or subsequent to such Test Period and on or prior to or simultaneously with the date of determination shall be calculated on a Pro Forma Basis assuming that all such Investments, acquisitions, dispositions, mergers, consolidations, and disposed operations (and the change in any associated interest obligations and the change in Consolidated EBITDA resulting therefrom) had occurred on the first day of the Test Period. If since the beginning of such period any Person (that subsequently became a Restricted Subsidiary or was merged with or into the Company or any Restricted Subsidiary since the beginning of such period) shall have made any Investment, acquisition, disposition, merger, consolidation, or disposed operation that would have required adjustment pursuant to this definition, then the Interest Coverage Ratio shall be calculated giving Pro Forma Effect thereto for such Test Period as if such Investment, acquisition, disposition, merger, consolidation, or disposed operation had occurred at the beginning of the Test Period.

For purposes of this definition, whenever Pro Forma Effect is to be given to a transaction, the pro forma calculations shall be made in good faith by a responsible financial or accounting officer of the Borrower Representative (and may include, for the avoidance of doubt and without duplication, cost savings, and operating expense reductions resulting from such Investment, acquisition, merger, or consolidation which is being given Pro Forma Effect that have been or are expected to be realized; provided that such costs savings and operating expense reductions are made in compliance with the definition of Pro Forma Adjustment). If any Indebtedness bears a floating rate of interest and is being given Pro Forma Effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the date of determination had been the applicable rate for the entire period (taking into account any Hedging Obligations applicable to such Indebtedness). If any Indebtedness bears a floating rate of interest and is being given Pro Forma Effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the date of determination had been the applicable rate for the entire period (taking into account for such entire period, any Hedging Obligation applicable to such Indebtedness with a remaining term of 12 months or longer, and in the case of any Hedging Obligation applicable to such Indebtedness with a remaining term of less than 12 months, taking into account such Hedging Obligation to the extent of its remaining term). Interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate

reasonably determined by a responsible financial or accounting officer of the Company to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP. For purposes of making the computation referred to above, interest on any Indebtedness under a revolving credit facility computed on a Pro Forma Basis shall be computed based upon the average daily balance of such Indebtedness during the applicable period (or, if lower, the greater of (i) maximum commitments under such revolving credit facilities as of the date of determination and (ii) the aggregate principal amount of loans outstanding under such a revolving credit facilities on such date). Interest on Indebtedness that may optionally be determined at an interest rate based upon a factor of a prime or similar rate, a eurocurrency interbank offered rate, or other rate, shall be deemed to have been based upon the rate actually chosen, or, if none, then based upon such optional rate chosen as the Borrower Representative may designate.

"**Interest Period**" shall mean, in respect of each Term SOFR Rate Loan, a period of one, three or six months, or, to the extent available from all applicable Lenders, twelve months or such shorter period (in each case, subject to the availability thereof), with respect to such Term SOFR Rate Loan; provided that (i) the Interest Period shall commence on the date of an advance of or a conversion to a Term SOFR Rate Loan and, in the case of immediately successive Interest Periods, each successive Interest Period shall commence on the date on which the next preceding Interest Period expires; (ii) if any Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day; provided, that if any Interest Period with respect to a Term SOFR Rate Loan would otherwise expire on a day that is not a Business Day but is a day of the month after which no further Business Day occurs in such month, such Interest Period shall expire on the next preceding Business Day; (iii) any Interest Period with respect to a Term SOFR Rate Loan that begins on the last Business Day of a calendar month (or on a day for which there is not numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the relevant calendar month at the end of such Interest Period; (iv) no Interest Period shall extend beyond the Maturity Date for such Class of Commitments and (v) no tenor that has been removed from this definition pursuant to Section 2.20 shall be available for specification in such Notice of Borrowing, Notice of Conversion or Continuations or interest election.

"**Inventory**" has the meaning provided in the Security Agreement.

"**Inventory Reserves**" shall mean, without duplication of other Borrowing Base Reserves then in effect, such reserves as may be established from time to time by the Administrative Agent, in its Credit Judgment, with respect to changes in the determination of the salability, at retail, of the Eligible Inventory or which reflect such other factors as negatively affect the market value of the Eligible Inventory.

"**Investment**" shall mean, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the form of loans (including guarantees), advances, or capital contributions (excluding accounts receivable, trade credit, advances to customers, commission, travel, and similar advances to officers and employees, in each case made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests, or other securities issued by any other Person and investments that are required by GAAP to be classified on the balance sheet (excluding the footnotes) of the Company in the same manner as the other investments included in this definition to the extent such transactions involve the transfer of cash or other property; provided that Investments shall not include, in the case of the Company and the Restricted Subsidiaries, intercompany loans, advances, or Indebtedness having a term not exceeding 364 days (inclusive of any roll-over or extensions of terms) and made in the ordinary course of business.

For purposes of the definition of Unrestricted Subsidiary and Section 10.5,

(i) Investments shall include the portion (proportionate to the Company's equity interest in such Subsidiary) of the Fair Market Value of the net assets of a Subsidiary of the Company at the time that such Subsidiary is designated an Unrestricted Subsidiary; provided that upon a redesignation of such Subsidiary as a Restricted Subsidiary, the Company shall be deemed to continue to have a permanent Investment in an Unrestricted Subsidiary in an amount (if positive) equal to (a) the Company's Investment in such Subsidiary at the time of such redesignation *less* (b) the portion (proportionate to the Company's equity interest in such Subsidiary) of the Fair Market Value of the net assets of such Subsidiary at the time of such redesignation; and

(ii) any property transferred to or from an Unrestricted Subsidiary shall be valued at its Fair Market Value at the time of such transfer.

The amount of any Investment outstanding at any time shall be the original cost of such Investment, reduced by any dividend, distribution, interest payment, return of capital, repayment, or other amount received by the Company or a Restricted Subsidiary in respect of such Investment (provided that, with respect to amounts received other than in the form of Cash Equivalents, such amount shall be equal to the Fair Market Value of such consideration).

"**Investment Grade Rating**" shall mean a rating equal to or higher than Baa3 (or the equivalent) by Moody's and BBB- (or the equivalent) by S&P, or an equivalent rating by any other Rating Agency.

"**Investment Grade Securities**" shall mean:

(i) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof (other than Cash Equivalents),

(ii) debt securities or debt instruments with an Investment Grade Rating, but excluding any debt securities or instruments constituting loans or advances among the Company and its Subsidiaries,

(iii) investments in any fund that invest at least 90% in investments of the type described in clauses (i) and (ii) which fund may also hold immaterial amounts of cash pending investment or distribution, and

(iv) corresponding instruments in countries other than the United States customarily utilized for high-quality investments.

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

"**Issuer Documents**" shall mean with respect to any Letter of Credit, the Letter of Credit Request, and any other document, agreement, and instrument entered into by the Letter of Credit Issuer and a Borrower (or any other Restricted Subsidiary) or in favor of the Letter of Credit Issuer and relating to such Letter of Credit.

"**Joinder Agreement**" shall mean an agreement substantially in the form of Exhibit A.

"**Joint Lead Arrangers and Bookrunners**" shall mean RBC Capital Markets and UBS Securities LLC.

"**Judgment Currency**" shall have the meaning provided in Section 13.19.

"**Junior Debt**" shall mean any Subordinated Indebtedness.

"**Landlord Lien State**" means any state in which, at any time, a landlord's claim for rent has priority by operation of applicable Law notwithstanding any contractual provision to the contrary over the Lien of the Collateral Agent in any of the Collateral.

"**L/C Borrowing**" shall mean an extension of credit resulting from a drawing under any Letter of Credit which has not been reimbursed on the date when made or refinanced as a Borrowing. All L/C Borrowings shall be denominated in Dollars.

"**L/C Facility Maturity Date**" shall mean the date that is five (5) Business Days prior to the Revolving Credit Maturity Date; provided that the L/C Facility Maturity Date may be extended beyond such date with the consent of the Letter of Credit Issuer.

"**L/C Obligations**" shall mean, as at any date of determination, the aggregate amount available to be drawn under all outstanding Letters of Credit *plus* the aggregate of all Unpaid Drawings, including all L/C Borrowings. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the International Standby Practices (ISP98), such Letter of Credit shall be deemed to be "outstanding" in the amount so remaining available to be drawn. Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the stated amount of such Letter of Credit in effect at such time.

"**L/C Participant**" shall have the meaning provided in Section 3.3(a).

"**L/C Participation**" shall have the meaning provided in Section 3.3(a).

"**Lender**" shall have the meaning provided in the preamble to this Agreement, and in any event, shall include the Swingline Lender.

"**Lender Default**" shall mean (i) the refusal (which shall be given verbally or in writing and has not been retracted) or failure of any Lender to make available its portion of any incurrence of Loans or Reimbursement Obligations, which refusal or failure is not cured within one business day after the date of such refusal or failure, unless such Lender notifies the Administrative Agent in writing that such refusal or failure is the result of such Lender's good faith determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in writing) has not been satisfied, (ii) the failure of any Lender to pay over to the Administrative Agent, the Swingline Lender, the Letter of Credit Issuer or any other Lender any other amount required to be paid by it hereunder within one business day of the date when due, unless the subject of a good faith dispute, (iii) a Lender has notified the Borrower Representative or the Administrative Agent that it does not intend to comply with its funding obligations under this Agreement or has stated publicly that it will generally not comply with its funding obligations under any loan agreements, credit agreements, and other similar agreements, (iv) a Lender has failed to confirm in a manner reasonably satisfactory to the Administrative Agent that it will comply with its funding obligations under this Agreement, (v) a Distressed Person has admitted in writing that it is insolvent or

such Distressed Person becomes subject to a Lender-Related Distress Event or (vi) a Lender has become the subject of a Bail-In Action.

"**Lender-Related Distress Event**" shall mean, with respect to any Lender or any other Person that directly or indirectly controls such Lender (each, a "**Distressed Person**"), a voluntary or involuntary case with respect to such Distressed Person under any debt relief law, or a custodian, conservator, receiver, or similar official is appointed for such Distressed Person or any substantial part of such Distressed Person's assets, or such Distressed Person, or any Person that directly or indirectly controls such Distressed Person or is subject to a forced liquidation or such Distressed Person makes a general assignment for the benefit of creditors or is otherwise adjudicated as, or determined by any governmental authority having regulatory authority over such Distressed Person to be, insolvent or bankrupt; provided that a Lender-Related Distress Event shall not be deemed to have occurred solely by virtue of the ownership or acquisition of any equity interests in any Lender or any Person that directly or indirectly controls such Lender by a governmental authority or an instrumentality thereof.

"**Letter of Credit**" shall mean each letter of credit issued pursuant to Section 3.1 and each Existing Letter of Credit.

"**Letter of Credit Commitment**" shall mean $10,000,000, as the same may be reduced from time to time pursuant to Section 3.1.

"**Letter of Credit Expiration Date**" shall mean the day that is five Business Days prior to the scheduled Maturity Date then in effect for the Revolving Credit Facility (or, if such day is not a Business Day, the next preceding Business Day).

"**Letter of Credit Exposure**" shall mean, with respect to any Lender, at any time, the sum of (i) the amount of the principal amount of any Unpaid Drawings in respect of which such Lender has made (or is required to have made) payments to the Letter of Credit Issuer pursuant to Section 3.4(a) at such time and (ii) such Lender's Revolving Credit Commitment Percentage of the Letters of Credit Outstanding at such time (excluding the portion thereof consisting of Unpaid Drawings in respect of which the Lenders have made (or are required to have made) payments to the Letter of Credit Issuer pursuant to Section 3.4(a)).

"**Letter of Credit Fee**" shall have the meaning provided in Section 4.1(b).

"**Letter of Credit Issuer**" shall mean (i) in the case of standby Letters of Credit, trade letters of credit and bank guarantees, Royal Bank of Canada (provided that trade letters of credit shall be issued through its Toronto Branch) or any other Lender reasonably satisfactory to Borrower Representative and the Administrative Agent, (ii) any of their respective Affiliates or branches or (iii) any replacement, additional issuer, or successor pursuant to Section 3.6. In the event that there is more than one Letter of Credit Issuer at any time, references herein and in the other Credit Documents to the Letter of Credit Issuer shall be deemed to refer to the Letter of Credit Issuer in respect of the applicable Letter of Credit or to all Letter of Credit Issuers, as the context requires.

"**Letter of Credit Request**" shall mean a notice executed and delivered by the Borrower Representative pursuant to Section 3.2, and substantially in the form of Exhibit L or another form which is acceptable to the Letter of Credit Issuer in its reasonable discretion.

"**Letters of Credit Outstanding**" shall mean, at any time the sum of, without duplication, (i) the aggregate Stated Amount of all outstanding Letters of Credit and (ii) the aggregate amount of the principal amount of all Unpaid Drawings.

"**Lien**" shall mean with respect to any asset, any mortgage, lien, pledge, hypothecation, charge, security interest, preference, priority, or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction; provided that in no event shall an operating lease or a license to Intellectual Property be deemed to constitute a Lien.

"**Lien Waiver**" means an agreement, in form and substance reasonably satisfactory to the Collateral Agent, by which, for any Collateral included in the Borrowing Base located on premises not owned by a Credit Party, the lessor, mortgagee or owner (as applicable) waives or subordinates any Lien it may have on the Collateral included in the Borrowing Base, and agrees to permit the Collateral Agent to enter upon the premises and remove the Collateral included in the Borrowing Base or to use the premises to collect on the Collateral included in the Borrowing Base.

"**Line Cap**" means, at any time of determination, the lesser of (a) the Total Revolving Credit Commitment and (b) the Borrowing Base.

"**Loan**" shall mean any Revolving Loan, Swingline Loan or any other loan made by any Lender hereunder.

"**Material Adverse Effect**" shall mean (a) on the Closing Date, a Company Material Adverse Effect or (b) after the Closing Date, any event, change or condition that, individually or in the aggregate, has had, or would reasonably be expected to have, (i) a material adverse effect on the business, assets, financial condition or results of operations of the Company and its Restricted Subsidiaries, taken as a whole or (ii) a material and adverse effect on the material rights and remedies (taken as a whole) of the Administrative Agent under the Credit Documents.

"**Material Intellectual Property**" means intellectual property that the loss of which will have a material and adverse effect on the business of Holdings and its Restricted Subsidiaries taken as a whole.

"**Material Subsidiary**" shall mean, at any date of determination, each wholly owned Restricted Subsidiary (i) whose total assets at the last day of the Test Period ending on the last day of the most recent fiscal period for which Section 9.1 Financials have been delivered were equal to or greater than 5.00% of the Consolidated Total Assets of the Company and the Restricted Subsidiaries at such date or (ii) whose revenues during such Test Period were equal to or greater than 5.00% of the consolidated revenues of the Company and the Restricted Subsidiaries for such period, in each case determined in accordance with GAAP; provided that if, at any time and from time to time after the Closing Date, Restricted Subsidiaries that are not Material Subsidiaries have, in the aggregate, (a) total assets at the last day of such Test Period equal to or greater than 7.50% of the Consolidated Total Assets of the Company and the Restricted Subsidiaries at such date or (b) revenues during such Test Period equal to or greater than 7.50% of the consolidated revenues of the Company and the Restricted Subsidiaries for such period, in each case determined in accordance with GAAP, then the Company shall, on the date on which financial statements for such quarter are delivered pursuant to this Agreement, designate in writing to the Administrative Agent one or more of such Restricted Subsidiaries as Material Subsidiaries for each fiscal period until this proviso is no longer applicable.

"**Maturity Date**" shall mean the Revolving Credit Maturity Date or the maturity date of an Extended Revolving Credit Loan, as applicable.

"**Maximum Incremental Facilities Amount**" shall mean (i) $15,000,000 minus (ii) the aggregate principal amount of Incremental Revolving Credit Commitments incurred pursuant to Section 2.14(a) prior to such date.

"**Minimum Borrowing Amount**" shall mean (i) with respect to a Borrowing of Term SOFR Rate Loans, $500,000 (or, if less, the entire remaining applicable Commitments at the time of such Borrowing) and (ii) with respect to a Borrowing of ABR Loans, $500,000 (or, if less, the entire remaining applicable Commitments at the time of such Borrowing).

"**Minimum Collateral Amount**" shall mean, at any time, (i) with respect to Cash Collateral consisting of cash or Cash Equivalents or deposit account balances provided to reduce or eliminate Fronting Exposure during the existence of a Defaulting Lender, an amount equal to 101% of the Fronting Exposure of the Letter of Credit Issuer with respect to Letters of Credit issued and outstanding at such time and (ii) with respect to Cash Collateral consisting of cash or Cash Equivalents or deposit account balances provided in accordance with the provisions of Section 3.8(a)(i), (a)(ii), or (a)(iii), an amount equal to 101% of the outstanding amount of all L/C Obligations.

"**Minimum Equity Amount**" shall have the meaning provided in the preamble to this Agreement.

"**Moody's**" shall mean Moody's Investors Service, Inc. or any successor by merger or consolidation to its business.

"**Mortgage**" shall mean a mortgage, deed of trust, deed to secure debt, trust deed, or other security document entered into by the owner of a Mortgaged Property and the Collateral Agent for the benefit of the Secured Parties in respect of that Mortgaged Property to secure the Obligations, in form and substance reasonably acceptable to the Collateral Agent and the Borrower Representative, together with such terms and provisions as may be required by local laws.

"**Mortgaged Property**" shall mean each parcel of real property and improvements thereto with respect to which a Mortgage is granted pursuant to Section 9.14.

"**Multiemployer Plan**" shall mean a multiemployer plan as defined in Section 4001(a)(3) of ERISA to which any Credit Party or ERISA Affiliate makes or is obligated to make contributions, or during the five preceding calendar years, has made or been obligated to make contributions.

"**Net Cash Proceeds**" shall mean, with respect to any event, (i) the gross cash proceeds (including payments from time to time in respect of installment obligations, if applicable, but only as and when received) received by or on behalf of the Company or any of the Restricted Subsidiaries in respect of such event less (ii) the sum of:

(a) the amount, if any, of all taxes and permitted tax distributions described in Section 10.5(b)(15) (including, in each case, in connection with any repatriation of funds) paid or estimated to be payable by the Company or any of the Restricted Subsidiaries in connection with such event,

(b) the amount of any reasonable reserve established in accordance with GAAP against any liabilities (other than any taxes deducted pursuant to clause (a) above) (1) associated

with the assets that are the subject of such event and (2) retained by the Company or any of the Restricted Subsidiaries; provided that the amount of any subsequent reduction of such reserve (other than in connection with a payment in respect of any such liability) shall be deemed to be Net Cash Proceeds of such a Prepayment Event occurring on the date of such reduction,

(c) the amount of any Indebtedness secured by a Lien on the assets that are the subject of such event to the extent that the instrument creating or evidencing such Indebtedness requires that such Indebtedness be repaid upon consummation of such event,

(d) in the case of any sale or other disposition of an asset by a non-Wholly-Owned Restricted Subsidiary, the pro rata portion of the Net Cash Proceeds thereof (calculated without regard to this clause (e)) attributable to minority interests and not available for distribution to or for the account of the Company or a Wholly-Owned Restricted Subsidiary as a result thereof,

(e) in the case of any sale or other disposition of an asset, any funded escrow established pursuant to the documents evidencing any such sale or disposition to secure any indemnification obligations or adjustments to the purchase price associated with any such sale or disposition; provided that the amount of any subsequent reduction of such escrow (other than in connection with a payment in respect of any such liability) shall be deemed to be Net Cash Proceeds of such a Prepayment Event occurring on the date of such reduction solely to the extent that the Company and/or any Restricted Subsidiaries receives cash in an amount equal to the amount of such reduction, and

(f) all fees and out of pocket expenses paid by the Company or a Restricted Subsidiary in connection with any of the foregoing (for the avoidance of doubt, including, (1) in the case of the issuance of indebtedness, any fees, underwriting discounts, premiums, and other costs and expenses incurred in connection with such issuance and (2) attorney's fees, investment banking fees, survey costs, title insurance premiums, and related search and recording charges, transfer taxes, deed or mortgage recording taxes, underwriting discounts and commissions, other customary expenses, and brokerage, consultant, accountant, and other customary fees),

in each case only to the extent not already deducted in arriving at the amount referred to in clause (i) above.

"**Net Income**" shall mean, with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of preferred stock dividends.

"**Net Orderly Liquidation Value**" means the net appraised recovery value of Inventory as set forth in the Credit Parties' stock ledger (expressed as a percentage of the Cost of such Inventory) as reasonably determined from time to time by reference to the most recent appraisal received by the Administrative Agent conducted by an independent appraiser reasonably satisfactory to the Administrative Agent.

"**New Stores**" shall mean Stores open less than four full quarters and more than one full fiscal quarter.

"**Non-Bank Tax Certificate**" shall have the meaning provided in Section 5.4(e)(ii)(3).

"**Non-Consenting Lender**" shall have the meaning provided in Section 13.7(b).

"**Non-Defaulting Lender**" shall mean and include each Lender other than a Defaulting Lender.

"**Non-U.S. Lender**" shall mean any Lender that is not a "United States person" as defined by Section 7701(a)(30) of the Code.

"**Notice of Borrowing**" shall have the meaning provided in Section 2.3(a).

"**Notice of Conversion or Continuation**" shall have the meaning provided in Section 2.6(a).

"**Notice of Intent to Cure**" shall have the meaning provided in Section 11.15.

"**Obligations**" shall mean all advances to, and debts, liabilities, obligations, covenants, and duties of, any Credit Party arising under any Credit Document or otherwise with respect to any Revolving Credit Commitment, Loan, or Letter of Credit or under any Secured Cash Management Agreement, Secured Bank Product Agreement, or Secured Hedge Agreement (other than with respect to any Credit Party's obligations that constitute Excluded Swap Obligations solely with respect to such Credit Party), in each case, entered into with the Company or any of the Restricted Subsidiaries, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Credit Party or any Affiliate thereof of any proceeding under any bankruptcy or insolvency law naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding. Without limiting the generality of the foregoing, the Obligations of the Credit Parties under the Credit Documents (and any of their Subsidiaries to the extent they have obligations under the Credit Documents) include the obligation (including guarantee obligations) to pay principal, interest, charges, expenses, fees, attorney costs, indemnities, and other amounts payable by any Credit Party under any Credit Document.

"**Organizational Documents**" shall mean, with respect to any Person, such Person's charter, memorandum and articles of association, articles or certificate of organization or incorporation and bylaws or other organizational or governing or constitutive documents of such Person.

"**OFAC**" shall have the meaning set forth in Section 8.18(b).

"**Original Revolving Credit Commitments**" shall mean all Revolving Credit Commitments, Existing Revolving Credit Commitments, and Extended Revolving Credit Commitments.

"**Other Taxes**" shall mean all present or future stamp, registration, or documentary Taxes or any other excise, property, intangible, mortgage recording, or similar Taxes arising from any payment made hereunder or under any other Credit Document or from the execution, delivery, or enforcement of, or otherwise with respect to, this Agreement or any other Credit Document; provided that such term shall not include (i) any Taxes that result from an assignment, grant of a participation pursuant to Section 13.6(c) or transfer or assignment to or designation of a new lending office or other office for receiving payments under any Credit Document ("**Assignment Taxes**") to the extent such Assignment Taxes are imposed as a result of a connection between the assignor/participating Lender and/or the assignee/Participant and the taxing jurisdiction (other than a connection arising solely from any Credit Documents or any transactions contemplated thereunder), except to the extent that any such action described in this proviso is requested or required by the Borrower Representative or (ii) Excluded Taxes.

"**Overadvance Borrowing Base**" shall mean during the period commencing on the Closing Date and ending on the third anniversary of the Closing Date, an amount equal to (a) the aggregate amount set forth opposite the time period in the table below (as such amount may be reduced from time to time pursuant to Section 4.2(b)) less (b) the principal amount of all outstanding Tranche B Loans.

Time Period	Amount
Closing Date through March 31, 2015	$10,000,000
April 1,2015 - June 30, 2015	$8,750,000
July 1, 2015 - September 30, 2015	$7,500,000
October 1, 2015 - December 31, 2015	$7,250,000
January 1, 2016 - March 31, 2016	$6,000,000
April 1, 2016 - June 30, 2016	$4,750,000
July 1, 2016 - September 30, 2016	$3,500,000
October 1, 2016 - December 31, 2016	$2,250,000
January 1, 2017 -February 12, 2017	$1,000,000
February 13, 2017 and thereafter	$0

"**Overadvance Loan**" shall mean a Revolving Credit Loan made pursuant to the Overadvance Borrowing Base.

"**Overnight Rate**" shall mean, for any day, with respect to any amount denominated in Dollars, the greater of (a) the Federal Funds Effective Rate and (b) an overnight rate determined by the Administrative Agent, the Letter of Credit Issuer, or the Swingline Lender, as the case may be, in accordance with banking industry rules on interbank compensation.

"**Parent Entity**" shall mean any Person that is a direct or indirect parent company (which may be organized as, among other things, a partnership) of Holdings and/or the Company, as applicable; provided that for purposes of clauses (i), (ii) and (iv) of the definition of Change of Control, references to the Company shall be deemed to refer to any such Parent Entity.

"**Participant**" shall have the meaning provided in Section 13.6(c)(i).

"**Participant Register**" shall have the meaning provided in Section 13.6(c)(ii).

"**Participating Member State**" shall mean 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.

"**Payment Conditions**" means, at the time of determination with respect to a specified transaction or payment, that (a) no Event of Default then exists or would arise as a result of the entering into of such transaction or the making of such payment, (b) no Overadvance Loans are then outstanding and (c) after giving effect to such transaction or payment, the Pro Forma Availability Condition has been satisfied. Prior to undertaking any specified transaction or payment which is subject to the Payment Conditions, the Borrowers shall deliver to the Administrative Agent evidence of satisfaction of the conditions contained in clause (c) above on a basis reasonably satisfactory to the Administrative Agent.

"**Payment Notice**" has the meaning assigned to it in Section 12.14(a).

"**Payment Recipient**" has the meaning assigned to it in Section 12.14(a).

"**Patriot Act**" shall have the meaning provided in Section 13.18.

"**PBGC**" shall mean the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

"**Pension Plan**" shall mean any employee pension benefit plan (as defined in Section 3(2) of ERISA, but excluding any Multiemployer Plan) in respect of which any Credit Party or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4062 or Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"**Permitted Acquisition**" shall have the meaning provided in clause (iii) of the definition of Permitted Investment.

"**Permitted Asset Swap**" shall mean the concurrent purchase and sale or exchange of Related Business Assets or a combination of Related Business Assets and cash or Cash Equivalents between the Company or a Restricted Subsidiary and another Person.

"**Permitted Credit Facilities**" shall mean the First Lien Term Loans and any other Indebtedness issued, incurred or otherwise obtained by the Borrower and/or any Restricted Subsidiary in respect of one or more series, issuances or tranches of secured or unsecured notes, loans, credit facilities and/or other secured or unsecured Indebtedness.

"**Permitted First Lien Exchange Notes**" shall mean "Permitted Debt Exchange Notes" as defined in the First Lien Term Loan Agreement that are not prohibited by the terms of this Agreement and the other Credit Documents.

"**Permitted First Lien Other Indebtedness**" shall mean any Indebtedness satisfying the requirements set forth in the definition of "Permitted Other Indebtedness Provisions" in the First Lien Term Loan Agreement.

"**Permitted Holders**" shall mean each of (i) the Initial Investors and their respective Affiliates and members of management and employees of the Company or any Subsidiary (or their respective direct or indirect parent) who are holders of Equity Interests of the Company (or its direct or indirect parent company) on the Closing Date and any group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act or any successor provision) of which any of the foregoing are members; provided that, in the case of such group and without giving effect to the existence of such group or any other group, such Initial Investors, their respective Affiliates and members of management, collectively, have beneficial ownership of more than 50% of the total voting power of the Voting Stock of the Company or any other direct or indirect parent company of the Company and (ii) any direct or indirect parent of the Company formed not in connection with, or in contemplation of, a transaction (other than Transactions) that, assuming such parent was not formed, after giving effect thereto would constitute a Change of Control.

"**Permitted Investments**" shall mean:

(i) any Investment in the Company or any Restricted Subsidiary; provided, that the aggregate amount of such Investments by a Credit Party in Restricted Subsidiaries that are not Credit Parties shall not exceed the greater of (a) $25,000,000 and (b) 50% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of such Investment; provided, however, that if any Investment pursuant to this clause (i) is made in any Person that is not a Credit Party at the date of the making of such Investment and such

Person becomes a Credit Party after such date, such Investment shall thereafter be deemed to not utilized the basket in the basket in this proviso so long as such Person continues to be a Credit Party;

(ii) any Investment in cash, Cash Equivalents, or Investment Grade Securities at the time such Investment is made;

(iii) (a) any Transactions or Investments otherwise made in accordance with the Acquisition Agreement and (b) any Investment by the Company or any Restricted Subsidiary in a Person that is engaged in a Similar Business if as a result of such Investment (a "**Permitted Acquisition**"), (x) on the date the agreement for such Permitted Acquisition is executed, no Event of Default under Section 11.1 or 11.5 shall have occurred and be continuing and (y)(1) such Person becomes a Restricted Subsidiary or (2) such Person, in one transaction or a series of related transactions, is merged, consolidated, or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Company or a Restricted Subsidiary, and, in each case, any Investment held by such Person; provided that such Investment was not acquired by such Person in contemplation of such acquisition, merger, consolidation, or transfer;

(iv) any Investment in securities or other assets not constituting cash, Cash Equivalents, or Investment Grade Securities and received in connection with an Asset Sale made pursuant to Section 10.4 or any other disposition of assets not constituting an Asset Sale;

(v) (a) any Investment existing or contemplated on the Closing Date and, in each case, listed on Schedule 10.5 and (b) Investments consisting of any modification, replacement, renewal, reinvestment, or extension of any such Investment; provided that the amount of any such Investment is not increased from the amount of such Investment on the Closing Date except pursuant to the terms of such Investment (including in respect of any unused commitment), plus any accrued but unpaid interest (including any portion thereof which is payable in kind in accordance with the terms of such modified, extended, renewed, or replaced Investment) and premium payable by the terms of such Indebtedness thereon and fees and expenses associated therewith as of the Closing Date;

(vi) any Investment acquired by the Company or any Restricted Subsidiary (a) in exchange for any other Investment or accounts receivable held by the Company or any such Restricted Subsidiary in connection with or as a result of a bankruptcy, workout, reorganization, or recapitalization of the Company of such other Investment or accounts receivable or (b) as a result of a foreclosure by the Company or any Restricted Subsidiary with respect to any secured Investment or other transfer of title with respect to any secured Investment in default;

(vii) (a) Hedging Obligations permitted under clause (j) of Section 10.1 and Cash Management Services~~;~~ and Bank Products or (b) Hedging Obligations (as defined in the First Lien Term Loan Agreement) permitted under the First Lien Term Loan Agreement, Cash Management Services (as defined in the First Lien Term Loan Agreement) and Bank Products (as defined in the First Lien Term Loan Agreement);

(viii) any Investment in a Similar Business having an aggregate Fair Market Value, taken together with all other Investments made pursuant to this clause (viii) that are at that time outstanding, not to exceed the greater of (a) $20,000,000 and (b) 40% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of such Investment (with the Fair Market Value of each Investment being measured at the time made and

without giving effect to subsequent changes in value); provided, however, that if any Investment pursuant to this clause (viii) is made in any Person that is not a Credit Party at the date of the making of such Investment and such Person becomes a Credit Party after such date, such investment shall thereafter be deemed to have been made pursuant to clause (i) above and shall cease to have been made pursuant to this clause (viii) for so long as such Person continues to be a Credit Party;

(ix) Investments the payment for which (a) consists of Equity Interests of the Company or any direct or indirect parent company of the Company (exclusive of Disqualified Stock) or (b) the aggregate Net Cash Proceeds and the Fair Market Value of marketable securities or other property received by the Company since immediately after the Closing Date from the issuance or sale of Equity Interests of the Company or any direct or indirect parent company of the Company (exclusive of Disqualified Stock) and, in the case of clause (b), such Investment is made within ninety (90) days of the receipt of such Net Cash Proceeds; provided that such Equity Interests will not increase the amount available for Restricted Payments under clause (iii) of Section 10.5(a) of the First Lien Term Loan Agreement or the Second Lien Credit Agreement, are not used as for a Cure Amount, or are not used to incur Indebtedness permitted by Section 10.1 or to make any Restricted Payment permitted by Section 10.5(b);

(x) guarantees of Indebtedness permitted under Section 10.1 and Investments resulting from Liens permitted under Section 10.2;

(xi) any transaction to the extent it constitutes an Investment that is permitted and made in accordance with the provisions of Section 10.10;

(xii) Investments consisting of purchases and acquisitions of inventory, supplies, material, equipment, or other similar assets in the ordinary course of business;

(xiii) additional Investments having an aggregate Fair Market Value, taken together with all other Investments made pursuant to this clause (xiii) that are at that time outstanding (without giving effect to the sale of an Unrestricted Subsidiary to the extent the proceeds of such sale do not consist of cash or marketable securities), not to exceed the greater of (a) $15,000,000 and (b) 30% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of such Investment (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value); provided, however, that if any Investment pursuant to this clause (xiii) is made in any Person that is not a Credit Party at the date of the making of such Investment and such Person becomes a Credit Party after such date, such investment shall thereafter be deemed to have been made pursuant to clause (i) above and shall cease to have been made pursuant to this clause (xiii) for so long as such Person continues to be a Credit Party;

(xiv) [reserved];

(xv) advances to, or guarantees of Indebtedness of, employees not in excess of the greater of (a) $2,500,000 and (b) 5% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of such Investment;

(xvi) (a) loans and advances to officers, directors, managers, and employees for business-related travel expenses, moving expenses, and other similar expenses, in each case incurred in the ordinary course of business or consistent with past practices, (b) non-cash loans and advances to fund such Person's purchase of Equity Interests of the Company or any direct or

indirect parent company thereof and (c) promissory notes received from stockholders of the Company, any direct or indirect parent company of the Company or any Subsidiary in connection with the exercise of stock options in respect of the Equity Interests of the Company, any direct or indirect parent company of the Company and the Subsidiaries;

(xvii) Investments consisting of extensions of trade credit in the ordinary course of business;

(xviii) Investments in the ordinary course of business consisting of Uniform Commercial Code Article 3 endorsements for collection or deposit and Uniform Commercial Code Article 4 customary trade arrangements with customers consistent with past practices;

(xix) non-cash Investments in connection with Permitted Reorganizations;

(xx) the licensing and contribution of Intellectual Property pursuant to joint marketing arrangements with other Persons, in the ordinary course of business; and

(xxi) other Investments to the extent at the time such Investment is made, the Payment Conditions have been satisfied.

"**Permitted Liens**" shall mean, with respect to any Person:

(i) pledges or deposits by such Person under workmen's compensation laws, unemployment insurance laws, or similar legislation, or good faith deposits in connection with bids, tenders, contracts (other than for the payment of Indebtedness), or leases to which such Person is a party, or deposits to secure public or statutory obligations of such Person or deposits of cash or U.S. government bonds to secure surety or appeal bonds to which such Person is a party, or deposits as security for the payment of rent or deposits made to secure obligations arising from contractual or warranty refunds, in each case incurred in the ordinary course of business;

(ii) Liens imposed by law, such as carriers', warehousemen's, materialmen's, repairmen's, and mechanics' Liens, in each case for sums not yet overdue for a period of more than 60 days or being contested in good faith by appropriate proceedings or other Liens arising out of judgments or awards against such Person with respect to which such Person shall then be proceeding with an appeal or other proceedings for review if adequate reserves with respect thereto are maintained on the books of such Person in accordance with GAAP;

(iii) Liens for taxes, assessments, or other governmental charges not yet overdue for a period of more than 60 days or which are being contested in good faith by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of such Person in accordance with GAAP or are not required to be paid pursuant to Section 8.11, or for property taxes on property the Company or one of its Subsidiaries has determined to abandon if the sole recourse for such tax, assessment, charge, levy, or claim is to such property;

(iv) Liens in favor of issuers of performance, surety, bid, indemnity, warranty, release, appeal, or similar bonds or with respect to other regulatory requirements or letters of credit or bankers' acceptances issued, and completion guarantees provided for, in each case

pursuant to the request of and for the account of such Person in the ordinary course of its business;

(v) minor survey exceptions, minor encumbrances, ground leases, easements, or reservations of, or rights of others for, licenses, rights-of-way, servitudes, sewers, electric lines, drains, telegraph and telephone and cable television lines, gas and oil pipelines, and other similar purposes, or zoning, building codes, or other restrictions (including, without limitation, minor defects or irregularities in title and similar encumbrances) as to the use of real properties or Liens incidental, to the conduct of the business of such Person or to the ownership of its properties which were not incurred in connection with Indebtedness and which do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person, and Liens disclosed as exceptions to coverage in the final title policies and endorsements issued to the Collateral Agent with respect to any Mortgaged Properties;

(vi) Liens securing Indebtedness permitted to be incurred pursuant to clause (a), (b) and (v) (so long as, in each case, such Liens are subject to the ABL/Term Loan Intercreditor Agreement), (d), (l)(ii), (n), or (r) of Section 10.1 or Indebtedness permitted pursuant to the first paragraph of Section 10.1; provided that, (a) in the case of clause (d) of Section 10.1, such Lien may not extend to any property or equipment (or assets affixed or appurtenant thereto) other than the property or equipment being financed or refinanced under such clause (d) of Section 10.1, replacements of such property, equipment or assets, and additions and accessions and in the case of multiple financings of equipment provided by any lender, other equipment financed by such lender; (b) in the case of clause (r) of Section 10.1, such Lien may not extend to any assets other than the assets owned by the Foreign Subsidiaries incurring such Indebtedness; (c) in the cases of clause (n) and the first paragraph of Section 10.1, if such Indebtedness is (x) pari passu in right of security with the Obligations or First Lien Obligations, the Company shall be in compliance on a Pro Forma Basis (including any adjustments required by such definition as a result of a contemplated Permitted Acquisition) with the First Lien Secured Leverage Test and the Senior Secured Leverage Test or (y) junior in right of security to the Obligations or the First Lien Obligations, the Company shall be in compliance on a Pro Forma Basis (including any adjustments required by such definition as a result of a contemplated Permitted Acquisition) with the Senior Secured Leverage Test; and (d) in the case of any such Indebtedness for borrowed money incurred pursuant to the first paragraph of Section 10.1 or Section 10.1(l)(ii) that is secured by a Lien on the ABL Priority Collateral, such Liens are subordinated to the Liens on the ABL Priority Collateral securing the Obligations pursuant to, or in a manner substantially consistent with, the ABL/Term Loan Intercreditor Agreement;

(vii) subject to Section 9.14, other than with respect to Mortgaged Property, Liens existing on the Closing Date; provided that any Lien securing Indebtedness or other obligations in excess of (a) $2,500,000 individually or (b) $5,000,000 in the aggregate (when taken together with all other Liens securing obligations outstanding in reliance on this clause (b) that are not listed on Schedule 10.2) shall only be permitted if set forth on Schedule 10.2, and, in each case, any modifications, replacements, renewals, or extensions thereof;

(viii) Liens on property or shares of stock of a Person at the time such Person becomes a Subsidiary; provided such Liens are not created or incurred in connection with, or in contemplation of, such other Person becoming a Subsidiary; provided, further, however, that such Liens may not extend to any other property owned by the Company or any Restricted Subsidiary (other than, with respect to such Person, any replacements of such property or assets and additions and accessions thereto, after-acquired property subject to a Lien securing

Indebtedness and other obligations incurred prior to such time and which Indebtedness and other obligations are permitted hereunder that require, pursuant to their terms at such time, a pledge of after-acquired property of such Person, and the proceeds and the products thereof and customary security deposits in respect thereof and in the case of multiple financings of equipment provided by any lender, other equipment financed by such lender, it being understood that such requirement shall not be permitted to apply to any property to which such requirement would not have applied but for such acquisition);

(ix) Liens on property at the time the Company or a Restricted Subsidiary acquired the property, including any acquisition by means of a merger or consolidation with or into the Company or any Restricted Subsidiary or the designation of an Unrestricted Subsidiary as a Restricted Subsidiary; provided that such Liens are not created or incurred in connection with, or in contemplation of, such acquisition, merger, consolidation, or designation; provided, further, however, that such Liens may not extend to any other property owned by the Company or any Restricted Subsidiary (other than, with respect to such property, any replacements of such property or assets and additions and accessions thereto, after-acquired property subject to a Lien securing Indebtedness and other obligations incurred prior to such time and which Indebtedness and other obligations are permitted hereunder that require, pursuant to their terms at such time, a pledge of after-acquired property, and the proceeds and the products thereof and customary security deposits in respect thereof and in the case of multiple financings of equipment provided by any lender, other equipment financed by such lender, it being understood that such requirement shall not be permitted to apply to any property to which such requirement would not have applied but for such acquisition);

(x) Liens securing Indebtedness or other obligations of a Restricted Subsidiary owing to the Company or another Restricted Subsidiary permitted to be incurred in accordance with Section 10.1;

(xi) Liens securing (x) Hedging Obligations ~~and~~, Cash Management Services ~~so long as the related Indebtedness is, and is~~and Bank Products permitted hereunder ~~to be, secured by a Lien on the same property securing such~~(including, for the avoidance of doubt, Secured Hedge Obligations, Secured Cash Management Obligations and Secured Bank Product Obligations) and (y) Hedging Obligations ~~and~~, Cash Management Services~~;~~ and Bank Products (or similar terms) (including, for the avoidance of doubt, Secured Hedge Obligations, Secured Cash Management Obligations and Secured Bank Product Obligations (or similar term)) (in each with respect to this clause (y), as defined in the First Lien Term Loan Agreement);

(xii) Liens on specific items of inventory or other goods and proceeds of any Person securing such Person's obligations in respect of bankers' acceptances issued or created for the account of such Person to facilitate the purchase, shipment, or storage of such inventory or other goods;

(xiii) leases, subleases, licenses, or sublicenses (including of Intellectual Property) granted to others in the ordinary course of business which do not materially interfere with the ordinary conduct of the business of the Company or any Restricted Subsidiary and do not secure any Indebtedness;

(xiv) Liens arising from Uniform Commercial Code financing statement filings regarding operating leases or consignments entered into by the Company or any Restricted Subsidiary in the ordinary course of business;

(xv) Liens in favor of the Company or any other Guarantor;

(xvi) Liens on equipment of the Company or any Restricted Subsidiary granted in the ordinary course of business to the Company's or such Restricted Subsidiary's client at which such equipment is located;

(xvii) rights of set-off against credit balances of the Company or any of the Restricted Subsidiaries with credit card issuers or credit card processors or amounts owing by such credit card issuers or credit card processors to the Company or any of its Restricted Subsidiaries in the ordinary course of business secure the obligations of the Company or any of its Subsidiaries to the credit card issuers or credit card processors as a result of fees and charges;

(xviii) Liens to secure any refinancing, refunding, extension, renewal, or replacement (or successive refinancing, refunding, extensions, renewals, or replacements) as a whole, or in part, of any Indebtedness secured by any Lien referred to in clauses (vi), (vii), (viii), (ix), (x), and (xv) of this definition of Permitted Liens; provided that (a) such new Lien shall be limited to all or part of the same property that secured the original Lien (plus improvements on such property), (b) the Indebtedness secured by such Lien at such time is not increased to any amount greater than the sum of (1) the outstanding principal amount or, if greater, committed amount of the Indebtedness described under clauses (vi), (vii), (viii), (ix), (x), and (xv) at the time the original Lien became a Permitted Lien under this Agreement, and (2) an amount necessary to pay any fees and expenses, including premiums and accrued and unpaid interest, related to such refinancing, refunding, extension, renewal, or replacement and (c) in the case of any such Lien on the ABL Priority Collateral, such Liens are subordinated to the Liens on the ABL Priority Collateral securing the Obligations at least to the same extent as the Indebtedness being refinanced, refunded, extended, renewed, or replaced;

(xix) deposits made or other security provided to secure liabilities to insurance carriers under insurance or self-insurance arrangements in the ordinary course of business;

(xx) other Liens securing obligations incurred in the ordinary course of business which obligations do not exceed the greater of (a) $20,000,000 and (b) 40% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of the incurrence of such Lien provided, that in the case of any such Lien securing Indebtedness for borrowed money on the ABL Priority Collateral, such Liens are subordinated to the Liens on the ABL Priority Collateral securing the Obligations pursuant to, or in a manner consistent with, the ABL/Term Loan Intercreditor Agreement;

(xxi) Liens securing judgments for the payment of money not constituting an Event of Default under Section 11.6 or Section 11.11;

(xxii) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business;

(xxiii) Liens (a) of a collection bank arising under Section 4-210 of the Uniform Commercial Code or any comparable or successor provision on items in the course of collection, (b) attaching to commodity trading accounts or other commodity brokerage accounts incurred in the ordinary course of business and (c) in favor of banking or other financial institutions or other electronic payment service providers arising as a matter of law encumbering deposits (including

the right of set-off) and which are within the general parameters customary in the banking or finance industry;

(xxiv) Liens deemed to exist in connection with Investments in repurchase agreements permitted under Section 10.1; provided that such Liens do not extend to any assets other than those that are the subject of such repurchase agreement;

(xxv) Liens encumbering reasonable customary initial deposits and margin deposits and similar Liens attaching to commodity trading accounts or other brokerage accounts incurred in the ordinary course of business and not for speculative purposes;

(xxvi) Liens that are contractual rights of set-off (a) relating to the establishment of depository relations with banks not given in connection with the issuance of Indebtedness, (b) relating to pooled deposit or sweep accounts of the Company or any of the Restricted Subsidiaries to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Company and the Restricted Subsidiaries, or (c) relating to purchase orders and other agreements entered into by the Company or any of the Restricted Subsidiaries in the ordinary course of business;

(xxvii) Liens (a) solely on any cash earnest money deposits made by the Company or any of the Restricted Subsidiaries in connection with any letter of intent or purchase agreement permitted under this Agreement or (b) consisting of an agreement to dispose of any property pursuant to a disposition permitted hereunder;

(xxviii) rights reserved or vested in any Person by the terms of any lease, license, franchise, grant, or permit held by the Company or any of the Restricted Subsidiaries or by a statutory provision, to terminate any such lease, license, franchise, grant, or permit, or to require annual or periodic payments as a condition to the continuance thereof;

(xxix) restrictive covenants affecting the use to which real property may be put; provided that the covenants are complied with;

(xxx) security given to a public utility or any municipality or governmental authority when required by such utility or authority in connection with the operations of that Person in the ordinary course of business;

(xxxi) zoning by-laws and other land use restrictions, including, without limitation, site plan agreements, development agreements, and contract zoning agreements;

(xxxii) Liens arising out of conditional sale, title retention, consignment, or similar arrangements for sale of goods entered into by the Company or any Restricted Subsidiary in the ordinary course of business;

(xxxiii) Liens arising under the Security Documents;

(xxxiv) Liens on goods purchased in the ordinary course of business the purchase price of which is financed by a documentary letter of credit issued for the account of the Company or any of its Subsidiaries;

(xxxv) (a) Liens on Equity Interests in joint ventures; provided that any such Lien is in favor of a creditor of such joint venture and such creditor is not an Affiliate of any partner to such joint venture and (b) purchase options, call, and similar rights of, and restrictions for the

benefit of, a third party with respect to Equity Interests held by the Company or any Restricted Subsidiary in joint ventures;

(xxxvi) Liens on cash and Cash Equivalents that are earmarked to be used to satisfy or discharge Indebtedness; provided (a) such cash and/or Cash Equivalents are deposited into an account from which payment is to be made, directly or indirectly, to the Person or Persons holding the Indebtedness that is to be satisfied or discharged, (b) such Liens extend solely to the account in which such cash and/or Cash Equivalents are deposited and are solely in favor of the Person or Persons holding the Indebtedness (or any agent or trustee for such Person or Persons) that is to be satisfied or discharged, and (c) the satisfaction or discharge of such Indebtedness is expressly permitted hereunder; and

(xxxvii) with respect to any Foreign Subsidiary, other Liens and privileges arising mandatorily by any Requirement of Law.

For purposes of this definition, the term Indebtedness shall be deemed to include interest, premiums (if any), fees and expenses on such Indebtedness.

"**Permitted Reorganization**" shall mean re-organizations and other activities related to tax planning and re-organization, so long as, after giving effect thereto, the security interest of the Lenders in the Collateral, taken as a whole, is not materially impaired.

"**Permitted Sale Leaseback**" shall mean any Sale Leaseback consummated by the Company or any of the Restricted Subsidiaries after the Closing Date; provided that any such Sale Leaseback not between the Company and a Restricted Subsidiary is consummated for fair value as determined at the time of consummation in good faith by (i) the Company or such Restricted Subsidiary or (ii) in the case of any Sale Leaseback (or series of related Sales Leasebacks) the aggregate proceeds of which exceed the greater of (a) $15,000,000 and (b) 30% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of the incurrence of such Sale Leaseback, the board of directors (or analogous governing body) of the Company or such Restricted Subsidiary (which such determination may take into account any retained interest or other Investment of the Company or such Restricted Subsidiary in connection with, and any other material economic terms of, such Sale Leaseback).

"**Permitted Second Lien Exchange Notes**" shall mean "Permitted Debt Exchange Notes" as defined in the Second Lien Credit Agreement that are not prohibited by the terms of this Agreement and the other Credit Documents.

"**Person**" shall mean any individual, partnership joint venture, firm, corporation, limited liability company, association, trust, or other enterprise or any Governmental Authority.

"**Pit Inventory**" shall mean Inventory located in a clearance center (the "**Pit**") located within certain showrooms of the Credit Parties and/or maintained on an electronic "e-Pit".

"**Plan**" shall mean, other than any Multiemployer Plan, any employee benefit plan (as defined in Section 3(3) of ERISA), including any employee welfare benefit plan (as defined in Section 3(1) of ERISA), any employee pension benefit plan (as defined in Section 3(2) of ERISA), and any plan which is both an employee welfare benefit plan and an employee pension benefit plan, and in respect of which any Credit Party or, any ERISA Affiliate, is (or, if such Plan were terminated, would under Section 4062 or

Section 4069 of ERISA be reasonably likely to be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"**Platform**" shall have the meaning provided in Section 13.17(a).

"**Pledge Agreement**" shall mean the Pledge Agreement, entered into by the Credit Parties party thereto and the Collateral Agent for the benefit of the Secured Parties, substantially in the form of Exhibit C.

"**Post-Acquisition Period**" shall mean, with respect to any Permitted Acquisition, the period beginning on the date such Permitted Acquisition is consummated and ending on the last day of the eighth full consecutive fiscal quarter immediately following the date on which such Permitted Acquisition is consummated.

"**Pounds Sterling**" shall mean British Pounds Sterling or any successor currency in the United Kingdom.

"**Present Fair Salable Value**" shall mean the amount that could be obtained by an independent willing seller from an independent willing buyer if the assets (both tangible and intangible) of the Company and the other Restricted Subsidiaries taken as a whole are sold on a going concern basis with reasonable promptness in an arm's-length transaction under present conditions for the sale of comparable business enterprises insofar as such conditions can be reasonably evaluated.

"**primary obligor**" shall have the meaning provided such term in the definition of Contingent Obligations.

"**Prime Rate**" shall mean the "prime rate" referred to in the definition of ABR.

"**Pro Forma Adjustment**" shall mean, for any Test Period that includes all or any part of a fiscal quarter included in any Post-Acquisition Period, with respect to the Acquired EBITDA of the applicable Acquired Entity or Business or Converted Restricted Subsidiary or the Consolidated EBITDA of the Company, the pro forma increase or decrease in such Acquired EBITDA or such Consolidated EBITDA, as the case may be, projected by the Company in good faith as a result of (i) actions taken during such Post-Acquisition Period for the purposes of realizing reasonably identifiable and factually supportable cost savings or (ii) any additional costs incurred during such Post-Acquisition Period, in each case in connection with the combination of the operations of such Acquired Entity or Business or Converted Restricted Subsidiary with the operations of the Company and the Restricted Subsidiaries; provided that (a) at the election of the Company, such Pro Forma Adjustment shall not be required to be determined for any Acquired Entity or Business or Converted Restricted Subsidiary to the extent the aggregate consideration paid in connection with such acquisition was less than $5,000,000 and (b) so long as such actions are taken during such Post-Acquisition Period or such costs are incurred during such Post-Acquisition Period, as applicable, it may be assumed, for purposes of projecting such pro forma increase or decrease to such Acquired EBITDA or such Consolidated EBITDA, as the case may be, that the applicable amount of such cost savings will be realizable during the entirety of such Test Period, or the applicable amount of such additional costs, as applicable, will be incurred during the entirety of such Test Period; provided, further, that any such pro forma increase or decrease to such Acquired EBITDA or such Consolidated EBITDA, as the case may be, shall be without duplication for cost savings or additional costs already included in such Acquired EBITDA or such Consolidated EBITDA, as the case may be, for such Test Period.

"**Pro Forma Availability**" means, for any date of calculation with respect to any transaction or payment, Excess Availability after giving effect to such transaction or payment on Pro Forma Basis.

"**Pro Forma Availability Condition**" means, for any date of calculation with respect to any transaction or payment, that either (i) (a) the (x) Pro Forma Availability on such date and (y) average daily Excess Availability for a period of thirty (30) consecutive days immediately preceding such transaction or payment is greater than 12.5% of the Line Cap (or, solely in connection with a Restricted Payment (other than a Restricted Investment), 15.0%) and (b) the Fixed Charge Coverage Ratio, calculated as of the last day of the most recently ended Test Period, after giving effect to such transaction or payment on a Pro Forma Basis, is greater than 1.00:1.00 or (ii) the (x) Pro Forma Availability on such date and (y) average daily Excess Availability for a period of thirty (30) consecutive days immediately preceding such transaction or payment is greater than 17.5% of the Line Cap (or, solely in connection with a Restricted Payment (other than a Restricted Investment), 20.0%).

"**Pro Forma Basis**," "**Pro Forma Compliance**," and "**Pro Forma Effect**" shall mean, with respect to compliance with any test, financial ratio, or covenant hereunder, that (i) to the extent applicable, the Pro Forma Adjustment shall have been made and (ii) all Specified Transactions and the following transactions in connection therewith shall be deemed to have occurred as of the first day of the applicable period of measurement in such test or covenant: (a) income statement items (whether positive or negative) attributable to the property or Person subject to such Specified Transaction, (1) in the case of a sale, transfer, or other disposition of all or substantially all Capital Stock in any Restricted Subsidiary of the Company or any division, product line, or facility used for operations of the Company or any of its Restricted Subsidiaries, shall be excluded, and (2) in the case of a Permitted Acquisition or Investment described in the definition of Specified Transaction, shall be included, (b) any retirement of Indebtedness, and (c) any incurrence or assumption of Indebtedness by the Company or any of the Restricted Subsidiaries in connection therewith (it being agreed that if such Indebtedness has a floating or formula rate, such Indebtedness shall have an implied rate of interest for the applicable period for purposes of this definition determined by utilizing the rate that is or would be in effect with respect to such Indebtedness as at the relevant date of determination); provided that, without limiting the application of the Pro Forma Adjustment pursuant to clause (a) above, the foregoing pro forma adjustments may be applied to any such test or covenant solely to the extent that such adjustments are consistent with the definition of Consolidated EBITDA and give effect to operating expense reductions that are (x)(1) directly attributable to such transaction, (2) expected to have a continuing impact on the Company, any Borrower or any of the other Restricted Subsidiaries, and (3) factually supportable or (y) otherwise consistent with the definition of Pro Forma Adjustment.

"**Pro Forma Entity**" shall have the meaning provided in the definition of the term Acquired EBITDA.

"**Prohibited Transaction**" shall have the meaning assigned to such term in Section 406 of ERISA and Section 4975(c) of the Code.

"**Protective Advances**" shall have the meaning set forth in Section 2.1(f).

"**Public Company Costs**" shall mean costs relating to compliance with the provisions of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, as applicable to companies with equity or debt securities held by the public, the rules of national securities exchange companies with listed equity or debt securities, directors' or managers' compensation, fees and expense reimbursement, costs relating to investor relations, shareholder meetings and reports to shareholders or

debtholders, directors' and officers' insurance and other executive costs, legal and other professional fees, and listing fees.

"**Public Lender Presentation**" shall mean the Lenders' Presentation of the Company dated January 2014.

"**Qualified Proceeds**" shall mean assets that are used or useful in, or Capital Stock of any Person engaged in, a Similar Business.

"**Qualified Stock**" of any Person shall mean Capital Stock of such Person other than Disqualified Stock of such Person.

"**Qualifying IPO**" shall mean the issuance by the Company or any Parent Entity of its common Equity Interests in an underwritten primary public offering (other than a public offering pursuant to a registration statement on Form S-8) pursuant to an effective registration statement filed with the SEC in accordance with the Securities Act (whether alone or in connection with a secondary public offering) or in a firm commitment underwritten offering (or series of related offerings of securities to the public pursuant to a final prospectus) made pursuant to the Securities Act.

"**Real Estate**" shall have the meaning provided in Section 9.1(f).

"**Refinancing Indebtedness**" shall have the meaning provided in Section 10.1(m).

"**Refunding Capital Stock**" shall have the meaning provided in Section 10.5(b)(2).

"**Register**" shall have the meaning provided in Section 13.6(b)(iv).

"**Regulation T**" shall mean Regulation T of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"**Regulation U**" shall mean Regulation U of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"**Regulation X**" shall mean Regulation X of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"**Reimbursement Date**" shall have the meaning provided in Section 3.4(a).

"**Reimbursement Obligations**" shall mean the Borrowers' obligations to reimburse Unpaid Drawings pursuant to Section 3.4(a).

"**Related Business Assets**" shall mean assets (other than cash or Cash Equivalents) used or useful in a Similar Business; provided that any assets received by the Company or the Restricted Subsidiaries in exchange for assets transferred by the Company or a Restricted Subsidiary shall not be deemed to be Related Business Assets if they consist of securities of a Person, unless upon receipt of the securities of such Person, such Person would become a Restricted Subsidiary.

"**Related Fund**" shall mean, with respect to any Lender that is a Fund, any other Fund that is advised or managed by (a) such Lender, (b) an Affiliate of such Lender or (c) an entity or an Affiliate of such entity that administers, advises or manages such Lender.

"**Related Parties**" shall mean, with respect to any specified Person, such Person's Affiliates and the directors, officers, employees, agents, trustees, and advisors of such Person and any Person that possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of such Person, whether through the ability to exercise voting power, by contract or otherwise.

"**Release**" shall mean any release, spill, emission, discharge, disposal, escaping, leaking, pumping, pouring, dumping, emptying, injection, or leaching into the environment.

"**Relevant Governmental Body**" means the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

"**Removal Effective Date**" shall have the meaning provided in Section 12.9(b).

"**Rent and Charges Reserve**" means a reserve, established in the Administrative Agent's Credit Judgment no earlier than ninety (90) days after the Closing Date, for any leased location in a Landlord Lien State where Inventory included in the Borrowing Base is located or where books and records relating to Collateral included in the Borrowing Base are located, in an amount not in excess of two (2) month's rent to any landlord, mortgagee or other Person who possesses any such Collateral or could assert a Lien thereon, unless a Lien Waiver has been obtained from such landlord, mortgagee or other person; provided, that (i) the Rent and Charges Reserve for any location shall not exceed the amount advanced against Collateral consisting of Inventory located at such location and (ii) no Rent and Charges Reserve shall be established for any location at which the aggregate Value of all Inventory at such location is less than $100,000.

"**Reorganization**" shall mean, with respect to any Multiemployer Plan, the condition that such plan is in reorganization within the meaning of Section 4241 of ERISA.

"**Reportable Event**" shall mean any "reportable event", as defined in Section 4043(c) of ERISA or the regulations issued thereunder, with respect to a Pension Plan (other than a Pension Plan maintained by an ERISA Affiliate that is considered an ERISA Affiliate only pursuant to subsection (m) or (o) of Section 414 of the Code), other than those events as to which notice is waived pursuant to PBGC Reg. § 4043.

"**Required Lenders**" shall mean, at any date, Non-Defaulting Lenders holding a majority of the Adjusted Total Revolving Credit Commitment at such date (or, if the Total Revolving Credit Commitment has been terminated at such time, a majority of the aggregate Revolving Credit Exposure of all Lenders (excluding Revolving Credit Exposure of Defaulting Lenders) at such time); provided that at any time there is more than one Non-Defaulting Lender hereunder, if one Non-Defaulting Lender holds more than a majority of the Adjusted Total Revolving Credit Commitment or the Total Revolving Credit Exposure, as applicable, then "Required Lenders" shall include such Non-Defaulting Lender plus one additional Non-Defaulting Lender who is not an Affiliate of such Non-Defaulting Lender.

"**Requirement of Law**" shall mean, as to any Person, the certificate of incorporation and by-laws or other organizational or governing documents of such Person, and any law, treaty, rule, or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or assets or to which such Person or any of its property or assets is subject.

"**Resignation Effective Date**" shall have the meaning provided in Section 12.9(a).

"**Restricted Investment**" shall mean an Investment other than a Permitted Investment.

"**Restricted Payment**" shall have the meaning provided in Section 10.5(a).

"**Restricted Subsidiary**" shall mean any Subsidiary of the Company other than an Unrestricted Subsidiary.

"**Retired Capital Stock**" shall have the meaning provided in Section 10.5(b)(2).

"**Revolving Credit Commitment**" shall mean, as to each Lender, its obligation to make Revolving Credit Loans to the Borrowers pursuant to Section 2.1(b), in an aggregate principal amount at any one time outstanding not to exceed the amount set forth, and opposite such Lender's name on Schedule 1.1(b) under the caption Revolving Credit Commitment or in the Assignment and Acceptance pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement (including Section 2.14). The aggregate Revolving Credit Commitments of all Lenders shall be (i) $40,000,000 on the Closing Date and (ii) $55,000,000 on the Amendment No. 2 Effective Date after giving effect to Amendment No. 2 (the "**Initial Revolving Credit Commitments**"), as such amount may be adjusted from time to time in accordance with the terms of this Agreement. The aggregate Revolving Credit Commitments of all Lenders on the Amendment No. 3 Effective Date is $70,000,000. The aggregate Revolving Credit Commitments of all Lenders on the Amendment No. 4 Effective Date is $150,000,000. The aggregate Revolving Credit Commitments of all Lenders on the Amendment No. 8 Effective Date is $125,000,000.

"**Revolving Credit Commitment Percentage**" shall mean at any time, for each Lender, the percentage obtained by dividing (i) such Lender's Revolving Credit Commitment at such time by (ii) the amount of the Total Revolving Credit Commitment at such time; provided that at any time when the Total Revolving Credit Commitment shall have been terminated, each Lender's Revolving Credit Commitment Percentage shall be the percentage obtained by dividing (a) such Lender's Revolving Credit Exposure at such time by (b) the Revolving Credit Exposure of all Lenders at such time.

"**Revolving Credit Exposure**" shall mean, with respect to any Lender at any time, the sum of (i) the aggregate amount of the principal amount of Revolving Credit Loans of such Lender then outstanding, (ii) such Lender's Letter of Credit Exposure at such time, and (iii) such Lender's Revolving Credit Commitment Percentage of the aggregate principal amount of all outstanding Swingline Loans at such time.

"**Revolving Credit Facility**" shall mean, at any time, the aggregate amount of the Lenders' Revolving Credit Commitments at such time.

"**Revolving Credit Loan**" shall have the meaning provided in Section 2.1(b).

"**Revolving Credit Maturity Date**" shall mean July 1, 2029.

"**Revolving Credit Termination Date**" shall mean the date on which the Revolving Credit Commitments shall have terminated, no Revolving Credit Loans, Swingline Loans or Protective Advances shall be outstanding and the Letters of Credit Outstanding shall have been reduced to zero or Cash Collateralized.

"**Revolving Loan**" shall mean, collectively or individually as the context may require, any (i) Revolving Credit Loan, (ii) Extended Revolving Credit Loan and (iii) Incremental Revolving Credit Loan, in each case made pursuant to and in accordance with the terms and conditions of this Agreement.

"**S&P**" shall mean Standard & Poor's Ratings Services or any successor by merger or consolidation to its business.

"**Sale Leaseback**" shall mean any arrangement with any Person providing for the leasing by the Company or any Restricted Subsidiary of any real or tangible personal property, which property has been or is to be sold or transferred by the Company or such Restricted Subsidiary to such Person in contemplation of such leasing.

"**SEC**" shall mean the Securities and Exchange Commission or any successor thereto.

"**Second Lien Administrative Agent**" shall have the meaning assigned to the term "Administrative Agent" in the Second Lien Credit Agreement.

"**Second Lien Collateral Agent**" shall have the meaning assigned to the term "Collateral Agent" in the Second Lien Credit Agreement.

"**Second Lien Credit Agreement**" shall mean the Credit Agreement, dated as of the Closing Date, among Holdings, the Borrower(s), the guarantors party thereto, the lenders party thereto, and the Second Lien Administrative Agent (as such agreement may be amended, supplemented, waived or otherwise modified from time to time or refunded, refinanced, restructured, replaced, renewed, repaid, increased or extended from time to time (whether in whole or in part, whether with the original administrative agent and lenders or other agents and lenders or otherwise, and whether provided under the original Second Lien Credit Agreement or other credit agreements or otherwise, unless such agreement, instrument or document expressly provides that it is not intended to be and is not a Second Lien Credit Agreement)).

"**Second Lien Credit Documents**" shall mean the Second Lien Credit Agreement and each other document executed in connection therewith or pursuant thereto.

"**Second Lien Facility**" shall have the meaning provided in the recitals of this Agreement.

"**Second Lien Loans**" shall have the meaning provided to the term "Loans" in the Second Lien Credit Agreement and any modification, replacement, refinancing, refunding, renewal, or extension thereof.

"**Section 2.14 Additional Amendment**" shall have the meaning provided in Section 2.14(g)(iv).

"**Section 9.1 Financials**" shall mean the financial statements delivered, or required to be delivered, pursuant to Section 9.1(a) or (b) together with the accompanying officer's certificate delivered, or required to be delivered, pursuant to Section 9.1(d).

"**Secured Bank Product Agreement**" shall mean any Bank Product Agreement that is entered into by and between the Borrower or any of the Restricted Subsidiaries and any Bank Product Provider, which is specified in writing by the Borrower to the Administrative Agent as constituting a Secured Bank Product Agreement hereunder; provided that any such Bank Product Agreement shall not constitute a Secured Bank Product Agreement hereunder to the extent it constitutes a "Secured Bank Product Agreement" (or similar term) as defined in the First Lien Term Loan Agreement.

"**Secured Bank Product Obligations**" shall mean Obligations under any Secured Bank Product Agreement.

"**Secured Cash Management Agreement**" shall mean any Cash Management Agreement that is entered into by and between Holdings or any of the Restricted Subsidiaries and any Cash Management Bank, which is specified in writing by the Borrower Representative to the Administrative Agent as constituting a Secured Cash Management Agreement hereunder.

"**Secured Cash Management Obligations**" shall mean Obligations under Secured Cash Management Agreements.

"**Secured Hedge Agreement**" shall mean any Hedge Agreement that is entered into by and between Holdings or any Restricted Subsidiary and any Hedge Bank, which is specified in writing by the Borrower Representative to the Administrative Agent as constituting a Secured Hedge Agreement hereunder.

"**Secured Hedge Obligations**" shall mean Obligations under Secured Hedge Agreements.

"**Secured Hedge Reserve**" means the aggregate amount of reserves established by the Administrative Agent from time to time during the continuance of a Cash Dominion Period in respect of Secured Hedge Obligations, including reserves which the Administrative Agent shall establish in the amounts set forth in written notices from any Cash Management Bank party to a Secured Cash Management Agreement. The amount of any Secured Hedge Reserve established by the Administrative Agent (x) shall have a reasonable relationship to the Secured Hedge Obligation that is the basis for such Reserve as determined by the Administrative Agent in its Credit Judgment as being appropriate to reflect the reasonably anticipated liabilities and obligations of the Credit Parties with respect to Secured Hedge Agreements then provided or outstanding and (y) shall not be duplicative of other Borrowing Base Reserves then in effect.

"**Secured Parties**" shall mean the Administrative Agent, the Collateral Agent, the Letter of Credit Issuer, and each Lender, in each case with respect to the Credit Facilities, each Hedge Bank that is party to any Secured Hedge Agreement with the Company or any Restricted Subsidiary, each Cash Management Bank that is party to a Secured Cash Management Agreement with the Company or any Restricted Subsidiary, each Bank Product Provider that is a party to a Secured Bank Product Agreement and each sub-agent pursuant to Section 12 appointed by the Administrative Agent with respect to matters relating to the Credit Facilities or the Collateral Agent with respect to matters relating to any Security Document.

"**Security Agreement**" shall mean the Security Agreement entered into by the Borrowers, the other grantors party thereto, and the Collateral Agent for the benefit of the Secured Parties, substantially in the form of Exhibit D.

"**Security Documents**" shall mean, collectively, the Guarantee, the Pledge Agreement, the Security Agreement, the Mortgages, the ABL/Term Loan Intercreditor Agreement and each other security agreement or other instrument or document executed and delivered pursuant to Sections 9.11, 9.12, or 9.14 or pursuant to any other such Security Documents to secure the Obligations.

"**Seller**" shall have the meaning provided in the preamble to this Agreement.

"**Senior Secured Leverage Test**" shall mean, as of any date of determination, with respect to the last day of the most recently ended Test Period, the Consolidated Senior Secured Debt to Consolidated EBITDA Ratio shall be no greater than 5.50 to 1.00.

"**Series**" shall have the meaning provided in Section 2.14(a).

"**Shrink**" means Inventory identified by the Borrowers as lost, misplaced, or stolen.

"**Similar Business**" shall mean any business conducted or proposed to be conducted by the Company and the Restricted Subsidiaries on the Closing Date or any business that is similar, reasonably related, synergistic, incidental, or ancillary thereto.

"**SOFR**" means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the SOFR Administrator's Website on the immediately succeeding Business Day.

"**SOFR Administrator**" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"**SOFR Administrator's Website**" means the website of the Federal Reserve Bank of New York, currently at http://www.newyorkfed.org, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

"**SOFR Determination Day**" has the meaning assigned to such term in the definition of "Daily Simple SOFR".

"**SOFR Rate Day**" has the meaning assigned to such term in the definition of "Daily Simple SOFR".

"**Sold Entity or Business**" shall have the meaning provided in the definition of the term Consolidated EBITDA.

"**Solvent**" shall mean, after giving effect to the consummation of the Transactions, that (i) the Present Fair Saleable Value of the assets of the Borrowers and the other Restricted Subsidiaries taken as a whole exceed the amount that will be required to pay the probable liability of the Borrowers and its Restricted Subsidiaries on their Stated Liabilities and Identified Contingent Liabilities as they become absolute and matured; (ii) the Present Fair Salable Value of the assets of the Borrowers and the other Restricted Subsidiaries taken as a whole exceed their Stated Liabilities and Identified Contingent Liabilities; (iii) the Borrowers and the Restricted Subsidiaries taken as a whole do not have Unreasonably Small Capital; and (iv) the Borrowers and the Restricted Subsidiaries taken as a whole do not intend to incur, or believe that they will incur, debts including current obligations beyond their ability to pay such debts as they mature in the ordinary course of business.

"**Specified Default**" means (i) the failure of any Credit Party to comply with the terms of Section 9.1(h) and such failure has not been remedied within a period of five (5) days or (ii) the occurrence of any Event of Default specified in Section 11.1, Section 11.3 (solely as it relates to the Borrowers' failure to comply with the covenants set forth in Section 9.2(b)), and Section 11.5.

"**Specified Representations**" shall mean the representations and warranties with respect to the Company and Holdings set forth in Sections 8.1(a) (with respect to the Company and Holdings only), 8.2 (with respect to the Company and Holdings only, as related to the borrowing under, guaranteeing under, granting of security interests in the Collateral to, and performance of, the Credit Documents), 8.3(b)

(with respect to the Company and Holdings only and as related to the borrowing under, guaranteeing under, granting of security interests in the Collateral to, and performance of, the Credit Documents), 8.5, 8.7, 8.17, 8.18, and, except with respect to items referred to on Schedule 9.14(d) and subject to the last paragraph of Section 6.2, 8.19 of this Agreement.

"**Specified Transaction**" shall mean, with respect to any period, any Investment (including a Permitted Acquisition), any asset sale, incurrence or repayment of Indebtedness, Restricted Payment, Subsidiary designation, Incremental Revolving Credit Commitment, or other event that by the terms of this Agreement requires Pro Forma Compliance with a test or covenant hereunder or requires such test or covenant to be calculated on a Pro Forma Basis.

"**Sponsor**" shall mean Bain Capital Partners, LLC and/or its Affiliates that are controlled directly or indirectly by Bain Capital Partners, LLC (including, as applicable, related funds, general partners thereof and limited partners thereof, but solely to the extent any such limited partners are directly or indirectly participating as investors pursuant to a side-by-side investing arrangement, but not including, however, any portfolio company of any of the foregoing).

"**Sponsor Management Agreement**" shall mean the Advisory Agreement, dated as of as of February 12, 2014, by and among BDF Holding Corp., the Company, Bob's Discount Furniture, LLC, BDF Intermediate, LLC, Bob's Discount Furniture I, LLC, Bob's Discount Furniture II, LLC, Bob's Discount Furniture of Massachusetts, LLC, Furniture North, LLC, RAKG Partners, LLC, Bob's Discount Furniture of NY, LLC, and Bain Capital Partners, LLC.

"**Sponsor Model**" shall mean the Sponsor's financial model dated January 9, 2014 used in connection with the syndication of the Facilities.

"**Spot Rate**" for any currency shall mean the rate determined by the Administrative Agent to be the rate quoted by the Administrative Agent as the spot rate for the purchase by the Administrative Agent of such currency with another currency through its principal foreign exchange trading office at approximately 11:00 a.m. on the date as of which the foreign exchange computation is made; provided that the Administrative Agent may obtain such spot rate from another financial institution designated by the Administrative Agent if it does not have as of the date of determination a spot buying rate for any such currency.

"**SPV**" shall have the meaning provided in Section 13.6(g).

"**Stated Amount**" of any Letter of Credit shall mean the maximum amount from time to time available to be drawn thereunder, determined without regard to whether any conditions to drawing could then be met; provided, however, that with respect to any Letter of Credit that by its terms or the terms of any Issuer Document provides for one or more automatic increases in the stated amount thereof, the Stated Amount shall be deemed to be the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

"**Stated Liabilities**" shall mean the recorded liabilities (including contingent liabilities that would be recorded in accordance with GAAP) of the Company and the Restricted Subsidiaries taken as a whole, as of the date hereof after giving effect to the consummation of the Transactions (including the execution and delivery of this Agreement, the making of the First Lien Term Loans and the Second Lien Loans and the use of proceeds of such First Lien Term Loans and the Second Lien Loans on the date hereof), determined in accordance with GAAP consistently applied.

"**Stock Equivalents**" shall mean all securities convertible into or exchangeable for Capital Stock and all warrants, options, or other rights to purchase or subscribe for any Capital Stock, whether or not presently convertible, exchangeable, or exercisable.

"**Store**" means any retail store (which includes any real property, fixtures, equipment, Inventory and other property related thereto) operated, or to be operated, by the Company or any Restricted Subsidiary.

"**Subordinated Indebtedness**" shall mean Indebtedness of the Company, any Borrower or any other Guarantor that is by its terms subordinated in right of payment to the obligations of the Company, such Borrower, or such Guarantor, as applicable, under this Agreement or the Guarantee, as applicable.

"**Subsidiary**" of any Person shall mean and include (i) any corporation more than 50% of whose Capital Stock of any class or classes having by the terms thereof ordinary voting power to elect a majority of the directors of such corporation (irrespective of whether or not at the time Capital Stock of any class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time owned by such Person directly or indirectly through Subsidiaries, or (ii) any limited liability company, partnership, association, joint venture, or other entity of which such Person directly or indirectly through Subsidiaries has more than a 50% equity interest at the time. Unless otherwise expressly provided, all references herein to a Subsidiary shall mean a Subsidiary of the Company.

"**Subsidiary Borrower**" shall mean any Subsidiary designated pursuant to Section 2.17 that has not ceased to be a Subsidiary Borrower pursuant to Section 2.17.

"**Successor Borrower**" shall have the meaning provided in Section 10.3(a).

"**Supermajority Lenders**" means, at any time, Lenders (other than Defaulting Lenders) having Commitments aggregating more than 66 2/3% of the Total Revolving Credit Commitment, or if the Commitments have been terminated, Lenders (other than Defaulting Lenders) whose percentage of the Revolving Credit Exposure (calculated assuming settlement and repayment of all Swingline Loans by the Lenders) aggregate more than 66 2/3% of the aggregate Revolving Credit Exposure; provided that at any time there is more than one Non-Defaulting Lender hereunder, if one Non-Defaulting Lender holds more than 66 2/3% of the Adjusted Total Revolving Credit Commitment or the Total Revolving Credit Exposure, as applicable, then "Supermajority Lenders" shall include such Non-Defaulting Lender plus one additional Non-Defaulting Lender who is not an Affiliate of such Non-Defaulting Lender.

"**Swap Obligation**" shall mean, with respect to any Credit Party, any obligation to pay or perform under any agreement, contract, or transaction that constitutes a "swap" within the meaning of section 1 (a)(47) of the Commodity Exchange Act.

"**Swingline Commitment**" shall mean the amount of $7,500,000. Swingline Commitment is part of and not in addition to the Revolving Credit Commitment.

"**Swingline Exposure**" shall mean at any time the aggregate principal amount at such time of all outstanding Swingline Loans. The Swingline Exposure of any Lender at any time shall equal its Revolving Credit Commitment Percentage of the aggregate Swingline Exposure at such time.

"**Swingline Lender**" shall mean Royal Bank of Canada, in its capacity as lender of Swingline Loans hereunder or any replacement or successor thereto.

"**Swingline Loans**" shall have the meaning provided in Section 2.1(c).

"**Swingline Maturity Date**" shall mean, with respect to any Swingline Loan, the date that is five Business Days prior to the Revolving Credit Maturity Date.

"**Syndication Agent**" shall mean UBS Securities LLC.

"**Taxes**" shall mean any and all present or future taxes, duties, levies, imposts, assessments, deductions, withholdings (including backup withholding), fees, or other similar charges imposed by any Governmental Authority and any interest, fines, penalties, or additions to tax with respect to the foregoing.

"**Term Loan Priority Accounts**" means "Term Loan Priority Accounts" as defined in the ABL/Term Loan Intercreditor Agreement.

"**Term Loan Priority Collateral**" means "Term Priority Collateral" as defined in the ABL/Term Loan Intercreditor Agreement.

"**Term SOFR**" means, for any Interest Period for a duration of one-month, three-months, or six-months or twelve-months (in each case, subject to the availability thereof) for a Term SOFR Rate Loan, the greater of (a) the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (the "**Term SOFR Determination Day**") that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator and (b) the Floor; provided, however, that if as of 5:00 p.m. (New York City time) on any Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Term SOFR Determination Day.

"**Term SOFR Adjustment**" means, for any Interest Period, 0.10% (10 basis points).

"**Term SOFR Administrator**" means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

"**Term SOFR Determination Day**" has the meaning assigned to it under the definition of Term SOFR.

"**Term SOFR Rate Loan**" shall mean a Loan (other than a Swingline Loan) at any time that bears interest based on Adjusted Term SOFR, other than pursuant to clause (iii) of the definition of "ABR".

"**Term SOFR Reference Rate**" means the forward-looking term rate based on SOFR.

"**Terminated Contracts**" shall mean binding contracts with customers that have terminated (whether on or before their stated expiration).

"**Test Period**" shall mean, for any determination under this Agreement, the four consecutive fiscal quarters of the Company then last ended and for which Section 9.1 Financials shall have been delivered (or required to be delivered) to the Administrative Agent (or, before the first delivery of Section 9.1 Financials, the most recent period of four fiscal quarters at the end of which financial statements are available).

"**Title Policy**" shall have the meaning provided in Section 9.14(d)(ii).

"**Total Credit Exposure**" shall mean, at any date, the Total Revolving Credit Commitment at such date (or, if the Total Revolving Credit Commitment shall have terminated on such date, the aggregate Revolving Credit Exposure of all Lenders at such date).

"**Total Debt Leverage Test**" shall mean, as of any date of determination, with respect to the last day of the most recently ended Test Period, the Consolidated Total Debt to Consolidated EBITDA Ratio shall be no greater than 5.50 to 1.00.

"**Total Revolving Credit Commitment**" shall mean the sum of the Initial Revolving Credit Commitments and the Incremental Revolving Credit Commitments, if applicable, of all the Lenders.

"**Tranche**" shall mean any of the Tranche A Loans, the Tranche B Loans or the Overadvance Loans.

"**Tranche A Borrowing Base**" shall mean (a) 90% of Eligible Credit Card Receivables, plus (b) 90% of the appraised Net Orderly Liquidation Value of Eligible Inventory, less (c) Borrowing Base Reserves.

"**Tranche A Loan**" shall mean a Revolving Credit Loan made pursuant to the Tranche A Borrowing Base.

"**Tranche B Borrowing Base**" shall mean the lesser of (a) $6,000,000 and (b) (i) 5% of Eligible Credit Card Receivables, plus (ii) 7.5% of the appraised Net Orderly Liquidation Value of Eligible Inventory.

"**Tranche B Loan**" shall mean a Revolving Credit Loan made pursuant to the Tranche B Borrowing Base.

"**Transaction Expenses**" shall mean any fees, costs, or expenses incurred or paid by Holdings, the Borrowers, or any of their respective Affiliates in connection with the Transactions, this Agreement, and the other Credit Documents, the transactions contemplated hereby and thereby.

"**Transactions**" shall mean, collectively, the transactions contemplated by this Agreement, the First Lien Term Loan Agreement, the Second Lien Credit Agreement, the Acquisition, and the Equity Investments, any repayment, repurchase, prepayment, or defeasance of Indebtedness of the Company or any of its Subsidiaries in connection therewith, the consummation of any other transactions in connection with the foregoing (including in connection with the Acquisition Agreement and the payment of the fees and expenses incurred in connection with any of the foregoing (including the Transaction Expenses)).

"**Transferee**" shall have the meaning provided in Section 13.6(e).

"**Type**" shall mean as to any Revolving Loan, its nature as an ABR Loan or a Term SOFR Rate Loan.

"**UCP**" shall mean, with respect to any Letter of Credit, the Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce ("**ICC**") Publication No. 600 (or such later version thereof as may be in effect at the time of issuance).

"**UK Financial Institution**" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended form time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"**UK Resolution Authority**" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"**Unadjusted Benchmark Replacement**" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"**Unfinanced Capital Expenditures**" means, with respect to the Company and the Restricted Subsidiaries for any period, Capital Expenditures of the Company and the Restricted Subsidiaries for such period paid in cash, exclusive of (a) any Capital Expenditures made with (i) the proceeds of any equity securities issued or capital contributions received or Indebtedness borrowed (excluding borrowings under this Agreement) by the Company or any Restricted Subsidiary in connection with such Capital Expenditures, (ii) the proceeds from any casualty insurance or condemnation or eminent domain or (iii) the proceeds from any sale or other disposition of the Company or any Restricted Subsidiary's assets (other than assets constituting Collateral consisting of Accounts or Inventory and the proceeds thereof), (b) any portion of the purchase price of a Permitted Acquisition or other permitted Investment which is allocated to property, plant or equipment acquired as part of such Permitted Acquisition or permitted Investment or (c) any expenditures which are contractually required to be, and are, reimbursed to the Company or the Restricted Subsidiaries in cash by a third party (including landlords) during such period of calculation.

"**Unpaid Drawing**" shall have the meaning provided in Section 3.4(a).

"**Unreasonably Small Capital**" shall mean, the capital of the Borrowers and the Restricted Subsidiaries, taken as a whole, after consummation of the Transactions (including the execution and delivery of this Agreement, the making of the Loans, the First Lien Term Loans and the Second Lien Loans and the use of proceeds of such Loans, such First Lien Term Loans and such Second Lien Loans on the date hereof) is not unreasonably small in relation to the business of the Borrower and the Restricted Subsidiaries, taken as a whole, contemplated as of the Closing Date.

"**Unrestricted Subsidiary**" shall mean (i) any Subsidiary of the Company which at the time of determination is an Unrestricted Subsidiary (as designated by the board of directors of the Company, as provided below) and (ii) any Subsidiary of an Unrestricted Subsidiary.

The board of directors of the Company may designate any Subsidiary of the Company (including any existing Subsidiary and any newly acquired or newly formed Subsidiary) to be an Unrestricted Subsidiary unless such Subsidiary or any of its Subsidiaries owns any Equity Interests or Indebtedness of, or owns or holds any Lien on, any property of, the Company or any Subsidiary of the Company (other than any Subsidiary of the Subsidiary to be so designated or an Unrestricted Subsidiary); provided that,

(a) such designation complies with Section 10.5,

(b) immediately after giving effect to such designation no Event of Default shall have occurred and be continuing or would result therefrom, and

(c) each of (1) the Subsidiary to be so designated and (2) its Subsidiaries has not at the time of designation, and does not thereafter, create, incur, issue, assume, guarantee, or otherwise become directly or indirectly liable with respect to any Indebtedness pursuant to which the lender has recourse to any of the assets of Holdings or any Restricted Subsidiary except for Indebtedness that could otherwise be incurred by Holdings or such Restricted Subsidiary hereunder and, if such Indebtedness is secured, the Liens securing such Indebtedness are permitted to be incurred by Holdings or such Restricted Subsidiary hereunder.

The board of directors of the Company may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; provided that, immediately after giving effect to such designation no Event of Default shall have occurred and be continuing and assuming such designation shall constitute the incurrence by such Restricted Subsidiary at the time of designation of any Indebtedness of such Restricted Subsidiary outstanding at such time either: (i) the Company would be in compliance on a Pro Forma Basis with the Total Debt Leverage Test set forth in the first paragraph of Section 10.1 or (ii) the Total Debt Leverage Ratio for the Company and the Restricted Subsidiaries on a Pro Forma Basis would be no greater than such ratio for the Company and the Restricted Subsidiaries immediately prior to such designation.

Notwithstanding the foregoing or anything to the contrary contained herein, (i) none of Holdings, any Borrower nor any of their respective Restricted Subsidiaries shall transfer any Material Intellectual Property to any Unrestricted Subsidiary outside of the ordinary course of business and (ii) at the time of designation as an Unrestricted Subsidiary, no Subsidiary so designated shall own any Material Intellectual Property.

Any such designation by the board of directors of the Company shall be notified by the Company to the Administrative Agent by promptly delivering to the Administrative Agent a copy of the Board Resolution giving effect to such designation and a certificate of an Authorized Officer of the Company certifying that such designation complied with the foregoing provisions.

"**U.S.**" and "**United States**" shall mean the United States of America.

"**U.S. Government Securities Business Day**" means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"**U.S. Lender**" shall have the meaning provided in Section 5.4(e)(ii)(A).

"**Voting Stock**" shall mean, with respect to any Person as of any date, the Capital Stock of such Person that is at the time entitled to vote in the election of the board of directors of such Person.

"**Wholly-Owned Restricted Subsidiary**" of any Person shall mean a Restricted Subsidiary of such Person, 100% of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares) shall at the time be owned by such Person or by one or more Wholly-Owned Subsidiaries of such Person.

"**Wholly-Owned Subsidiary**" of any Person shall mean a Subsidiary of such Person, 100% of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares) shall at the time be owned by such Person or by one or more Wholly-Owned Subsidiaries of such Person.

"**Withdrawal Liability**" shall mean liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Title IV of ERISA.

"**Withholding Agent**" shall mean any Credit Party, the Administrative Agent and, in the case of any U.S. federal withholding Tax, any other applicable withholding agent.

"**Write-Down and Conversion Powers**" means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

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

(a) The meanings of defined terms are equally applicable to the singular and plural forms of the defined terms.

(b) The words "herein", "hereto", "hereof", and "hereunder" and words of similar import when used in any Credit Document shall refer to such Credit Document as a whole and not to any particular provision thereof.

(c) Section, Exhibit, and Schedule references are to the Credit Document in which such reference appears.

(d) The term "including" is by way of example and not limitation.

(e) The term "documents" includes any and all instruments, documents, agreements, certificates, notices, reports, financial statements and other writings, however evidenced, whether in physical or electronic form.

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

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

(h) The words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(i) All references to "knowledge" or "awareness" of any Credit Party or any Restricted Subsidiary thereof means the actual knowledge of an Authorized Officer of such Credit Party or such Restricted Subsidiary.

1.3 Accounting Terms.

(a) Except as expressly provided herein, all accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP, applied in a consistent manner.

(b) Notwithstanding anything to the contrary herein, for purposes of determining compliance with any test or covenant contained in this Agreement with respect to any period during which any Specified Transaction occurs, the Consolidated Total Debt to Consolidated EBITDA Ratio, the Consolidated First Lien Secured Debt to Consolidated EBITDA Ratio, the First Lien Secured Leverage Test, the Consolidated Senior Secured Debt to Consolidated EBITDA Ratio and the Senior Secured Leverage Test shall each be calculated with respect to such period and such Specified Transaction on a Pro Forma Basis.

(c) Where reference is made to "the Company and the Restricted Subsidiaries on a consolidated basis" or similar language, such consolidation shall not include any Subsidiaries of the Company other than Restricted Subsidiaries.

1.4 Rounding. Any financial ratios required to be maintained by the Company pursuant to this Agreement (or required to be satisfied in order for a specific action to be permitted under this Agreement) shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number.

1.5 References to Agreements Laws, Etc. Unless otherwise expressly provided herein, (a) references to Organizational Documents, agreements (including the Credit Documents), and other Contractual Requirements shall be deemed to include all subsequent amendments, restatements, amendment, and restatements, extensions, supplements, modifications, replacements, refinancings, renewals, or increases, but only to the extent that such amendments, restatements, amendment, and restatements, extensions, supplements, modifications, replacements, refinancings, renewals, or increases are permitted by any Credit Document; and (b) references to any Requirement of Law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing, or interpreting such Requirement of Law.

1.6 Exchange Rates. Notwithstanding the foregoing, for purposes of any determination under Section 9, Section 10 or Section 11 or any determination under any other provision of this Agreement expressly requiring the use of a current exchange rate, all amounts incurred, outstanding, or proposed to be incurred or outstanding in currencies other than Dollars shall be translated into Dollars at the Spot Rate; provided, however, that for purposes of determining compliance with Section 10 with respect to the amount of any Indebtedness, Restricted Investment, Lien, Asset Sale, or Restricted Payment in a currency other than Dollars, no Default or Event of Default shall be deemed to have occurred solely as a result of changes in rates of exchange occurring after the time such Indebtedness,

Lien or Restricted Investment is incurred or Asset Sale or Restricted Payment made; provided that, for the avoidance of doubt, the foregoing provisions of this Section 1.6 shall otherwise apply to such Sections, including with respect to determining whether any Indebtedness, Lien, or Investment may be incurred or Asset Sale or Restricted Payment made at any time under such Sections. For purposes of any determination of Consolidated Total Debt, amounts in currencies other than Dollars shall be translated into Dollars at the currency exchange rates used in preparing the most recently delivered Section 9.1 Financials.

1.7 Interest Rates; Benchmark Notification. The interest rate on a Loan denominated in Dollars may be derived from an interest rate benchmark that may be discontinued or is, or may in the future become, the subject of regulatory reform. Upon the occurrence of a Benchmark Transition Event, Section 2.20 provides a mechanism for determining an alternative rate of interest. The Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the continuation of, the administration of, submission of, calculation of, performance of or any other matter related to any interest rate used in this Agreement (including, without limitation, the ABR, Daily Simple SOFR, SOFR, the Term SOFR Reference Rate, Adjusted Term SOFR or Term SOFR) or any component definition thereof or rates referred to in the definition thereof, or with respect to any alternative or successor rate thereto, or replacement rate thereof (including any Benchmark Replacement), including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce the same value or economic equivalence of, or have the same value or economic equivalence of as the existing interest rate (or any component thereof) being replaced or have the same volume or liquidity as did any existing interest rate (or any component thereof) prior to its discontinuance or unavailability. The Administrative Agent and its affiliates and/or other related entities may engage in transactions that affect the calculation of any interest rate (or component thereof) used in this Agreement or any alternative, successor or alternative rate (including any Benchmark Replacement) and/or any relevant adjustments thereto, in each case, in a manner adverse to the Borrowers. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any interest rate used in this Agreement, any component thereof, or rates referred to in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrowers, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

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

1.9 Timing of Payment or Performance. When the payment of any obligation or the performance of any covenant, duty, or obligation is stated to be due or performance required on (or before) a day which is not a Business Day, the date of such payment (other than as described in the definition of Interest Period) or performance shall extend to the immediately succeeding Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

1.10 Certifications. All certifications to be made hereunder by an officer or representative of a Credit Party shall be made by such a Person in his or her capacity solely as an officer or a representative of such Credit Party, on such Credit Party's behalf and not in such Person's individual capacity.

1.11 Compliance with Certain Sections. In the event that any Lien, Investment, Indebtedness (whether at the time of incurrence or upon application of all or a portion of the proceeds thereof), disposition, Restricted Payment, Affiliate transaction, Contractual Requirement, or prepayment of

Indebtedness meets the criteria of one or more than one of the categories of transactions then permitted pursuant to any clause or subsection of Section 10, such transaction (or portion thereof) at any time shall be permitted under one or more of such clauses as determined by the Borrower Representative in its sole discretion at such time.

Section 2. Amount and Terms of Credit.

2.1 Commitments.

(a) [Reserved],

(b) Subject to and upon the terms and conditions herein set forth, each Lender severally agrees to make Revolving Credit Loans denominated in Dollars to the Borrowers from its applicable lending office (each such loan (including any Protective Advances), a "**Revolving Credit Loan**") in an aggregate principal amount not to exceed at any time outstanding the amount of such Lender's Revolving Credit Commitment, provided that any of the foregoing such Revolving Credit Loans (A) shall be made at any time and from time to time on and after the Closing Date and prior to the Revolving Credit Maturity Date, (B) may, at the option of the Borrower Representative be incurred and maintained as, and/or converted into, ABR Loans or Term SOFR Rate Loans that are Revolving Credit Loans; provided that all Revolving Credit Loans made by each of the Lenders pursuant to the same Borrowing shall, unless otherwise specifically provided herein, consist entirely of Revolving Credit Loans of the same Type, (C) may be repaid (without premium or penalty) and reborrowed in accordance with the provisions hereof, (D) shall not, for any Lender at any time, after giving effect thereto and to the application of the proceeds thereof, result in such Lender's Revolving Credit Exposure in respect of any Class of Revolving Loans at such time exceeding such Lender's Revolving Credit Commitment in respect of such Class of Revolving Loan at such time or the aggregate amount of the Lenders' Revolving Credit Exposures of any Class of Revolving Loans at such time exceeding the aggregate Revolving Credit Commitment with respect to such Class and (E) shall not, after giving effect thereto and to the application of the proceeds thereof, result at any time in the aggregate amount of the Lenders' Revolving Credit Exposures at such time exceeding the Line Cap then in effect. Each Revolving Credit Loan and any Swingline Loan made to a Borrower shall first be made as a Tranche B Loan and considered to be made pursuant to the Tranche B Borrowing Base except (i) Letters of Credit issued pursuant to Section 3 shall first be considered to be made pursuant to the Tranche A Borrowing Base, (ii) to the extent that the aggregate amount of the Lenders' Revolving Credit Exposures exceeds the Tranche B Borrowing Base, any such excess Revolving Credit Loans and Swingline Loans shall be considered to be made pursuant to the Tranche A Borrowing Base (and such Revolving Credit Loans and Swingline Loans shall constitute Tranche A Loans) in an aggregate amount not exceeding the Tranche A Borrowing Base and (iii) until the Overadvance Borrowing Base has been permanently reduced to zero, to the extent that the aggregate amount of the Lenders' Revolving Credit Exposures exceeds the sum of the Tranche B Borrowing Base and the Tranche A Borrowing Base, any such excess Revolving Credit Loans, Swingline Loans and Letter of Credit Exposure shall be considered to be made pursuant to the Overadvance Borrowing Base (and such Revolving Credit Loans, Swingline Loans and Letters of Credit shall constitute Overadvance Loans) in an aggregate amount not exceeding the Overadvance Borrowing Base.

(c) Subject to and upon the terms and conditions herein set forth, the Swingline Lender in its individual capacity agrees, at any time and from time to time on and after the Closing Date and prior to the Swingline Maturity Date, to make a loan or loans (each a "**Swingline Loan**" and, collectively the "**Swingline Loans**") to the Borrowers in Dollars, which Swingline Loans (i) shall be ABR Loans, (ii) shall have the benefit of the provisions of Section 2.1(d), (iii) shall not exceed at any time outstanding the Swingline Commitment, (iv) shall not, after giving effect thereto and to the application of the proceeds thereof, result at any time in the aggregate amount of the Lenders' Revolving Credit Exposures at such

time exceeding the Line Cap then in effect, and (v) may be repaid and reborrowed in accordance with the provisions hereof. On the Swingline Maturity Date, all Swingline Loans shall be repaid in full. Each Swingline Loan shall be made pursuant to the Tranche A Borrowing Base, the Tranche B Borrowing Base or the Overadvance Borrowing Base as provided in Section 2.1(b) and shall be subject to all the terms and conditions (including for calculating interest therein) applicable to Revolving Credit Loans made pursuant to the Tranche A Borrowing Base as Tranche A Loans, the Tranche B Borrowing Base as Tranche B Loans and the Overadvance A Borrowing Base as Overadvance Loans, as applicable, except that all payments with respect thereto shall be payable to the Swingline Lender for its own account. The Swingline Lender shall not make any Swingline Loan after receiving a written notice from the Borrower Representative, the Administrative Agent or the Required Lenders stating that a Default or Event of Default exists and is continuing until such time as the Swingline Lender shall have received written notice of (i) rescission of all such notices from the party or parties originally delivering such notice or (ii) the waiver of such Default or Event of Default in accordance with the provisions of Section 13.1.

(d) On any Business Day, the Swingline Lender may, in its sole discretion, give notice to the Administrative Agent that all then-outstanding Swingline Loans shall be funded with a Borrowing of Revolving Credit Loans in which case Revolving Credit Loans constituting ABR Loans shall be made on the immediately succeeding Business Day (each such Borrowing, a "**Mandatory Borrowing**") by each Lender pro rata based on each Lender's Revolving Credit Commitment Percentage, and the proceeds thereof shall be applied directly to the Swingline Lender to repay the Swingline Lender for such outstanding Swingline Loans. Each Lender hereby irrevocably agrees to make such Revolving Credit Loans upon one Business Day's notice pursuant to each Mandatory Borrowing in the amount and in the manner specified in the preceding sentence and on the date specified to it in writing by the Swingline Lender notwithstanding (i) that the amount of the Mandatory Borrowing may not comply with the minimum amount for each Borrowing specified in Section 2.2, (ii) whether any conditions specified in Section 7 are then satisfied, (iii) whether a Default or an Event of Default has occurred and is continuing, (iv) the date of such Mandatory Borrowing, or (v) any reduction in the Total Revolving Credit Commitment after any such Swingline Loans were made. In the event that, in the sole judgment of the Swingline Lender, any Mandatory Borrowing cannot for any reason be made on the date otherwise required above (including as a result of the commencement of a proceeding under the Bankruptcy Code in respect of any Borrower), each Lender hereby agrees that it shall forthwith purchase from the Swingline Lender (without recourse or warranty) such participation of the outstanding Swingline Loans as shall be necessary to cause the Lenders to share in such Swingline Loans ratably based upon their respective Revolving Credit Commitment Percentages; provided that all principal and interest payable on such Swingline Loans shall be for the account of the Swingline Lender until the date the respective participation is purchased and, to the extent attributable to the purchased participation, shall be payable to such Lender purchasing same from and after such date of purchase.

(e) If the maturity date shall have occurred in respect of any tranche of Revolving Credit Commitments (the "**Expiring Credit Commitment**") at a time when another tranche or tranches of Revolving Credit Commitments is or are in effect with a longer maturity date (each a "**Non-Expiring Credit Commitment**" and collectively, the "Non-Expiring Credit Commitments"), then with respect to each outstanding Swingline Loan, if consented to by the Swingline Lender (such consent not to be unreasonably withheld, conditioned or delayed), on the earliest occurring maturity date such Swingline Loan shall be deemed reallocated to the tranche or tranches of the Non-Expiring Credit Commitments on a pro rata basis; provided that (x) to the extent that the amount of such reallocation would cause the aggregate credit exposure to exceed the aggregate amount of such Non-Expiring Credit Commitments, immediately prior to such reallocation the amount of Swing Line Loans to be reallocated equal to such excess shall be repaid or Cash Collateralized and (y) notwithstanding the foregoing, if a Default or Event of Default has occurred and is continuing, the Borrowers shall still be obligated to pay Swingline Loans allocated to the Lenders holding the Expiring Credit Commitments at the maturity date of the Expiring

Credit Commitment or if the Loans have been accelerated prior to the maturity date of the Expiring Credit Commitment. Upon the maturity date of any tranche of Revolving Credit Commitments, the sublimit for Swingline Loans may be reduced as agreed between the Swingline Lender and the Borrower Representative, without the consent of any other Person.

(f) Protective Advances.

(i) The Administrative Agent shall be authorized, in its discretion, at any time that any conditions in Section 7 are not satisfied, to make ABR Loans that are Revolving Credit Loans ("**Protective Advances**") (1) up to an aggregate amount of $5,000,000 outstanding at any time, if the Administrative Agent deems such Loans necessary or desirable to preserve or protect Collateral, the Secured Parties' rights under the Credit Documents or which is otherwise for the benefit of the Secured Parties and/or to enhance the collectability or repayment of Obligations; or (2) to pay any other amounts chargeable to Credit Parties under any Credit Documents, including costs, fees and expenses. Each Protective Advance shall be subject to all the terms and conditions applicable to other Revolving Credit Loans and may constitute Swingline Loans. Protective Advances may be made in a principal amount that would cause the aggregate Revolving Credit Exposure of all Lenders to exceed the Line Cap, but in no event shall Protective Advances be required that would cause the aggregate Revolving Credit Exposures of all Lenders to exceed the Total Revolving Credit Commitments. Each Lender shall participate in each Protective Advance on a pro rata basis based upon its Revolving Credit Commitment Percentage. Supermajority Lenders may at any time revoke the Administrative Agent's authority to make further Protective Advances by written notice to the Administrative Agent. Absent such revocation, the Administrative Agent's determination that funding of a Protective Advance is appropriate shall be conclusive. At any time, the Administrative Agent may request the Lenders to make a Revolving Credit Loan to repay a Protective Advance on the same terms as are applicable to Swingline Loans under Section 2.1(d). At any other time, the Administrative Agent may require the Lenders to fund their risk participations described in Section 2.1 (f)(ii).

(ii) Upon the making of a Protective Advance by the Administrative Agent (whether before or after the occurrence of a Default or Event of Default), each Lender shall be deemed, without further action by any party hereto, unconditionally and irrevocably to have purchased from the Administrative Agent without recourse or warranty, an undivided interest and participation in such Protective Advance in proportion to its Revolving Credit Exposure. From and after the date, if any, on which any Lender is required to fund its participation in any Protective Advance purchased hereunder, the Administrative Agent shall promptly distribute to such Lender, such Lender's Revolving Credit Exposure of all payments of principal and interest and all proceeds of Collateral (if any) received by the Administrative Agent in respect of such Protective Advance.

(iii) The making by the Administrative Agent of a Protective Advance shall not modify or abrogate any of the provisions hereof regarding the Lenders' obligations to purchase participations with respect to Letters of Credit Outstanding or Swingline Loans.

2.2 Minimum Amount of Each Borrowing; Maximum Number of Borrowings. The aggregate principal amount of each Borrowing of Revolving Credit Loans shall be in a minimum amount of at least the Minimum Borrowing Amount for such Type of Loans and in a multiple of $100,000 in excess thereof and Swingline Loans shall be in a minimum amount of $250,000 and in a multiple of $100,000 in excess thereof (except that Mandatory Borrowings shall be made in the amounts required by Section 2.1(d) and Revolving Credit Loans to reimburse the Letter of Credit Issuer with respect to any Unpaid Drawing shall be made in the amounts required by Section 3.3 or Section 3.4, as applicable).

More than one Borrowing may be incurred on any date; provided that at no time shall there be outstanding more than ten Borrowings of Term SOFR Rate Loans that are Revolving Credit Loans under this Agreement.

2.3 Notice of Borrowing.

(a) [Reserved],

(b) Whenever a Borrower desires to incur Revolving Credit Loans (other than Mandatory Borrowings or borrowings to repay Unpaid Drawings), the Borrower Representative shall give the Administrative Agent at the Administrative Agent's Office, (i) prior to 1:00 p.m. (New York City Time) at least three Business Days' prior written notice of each Borrowing of Revolving Credit Loans that are Term SOFR Rate Loans and (ii) prior to 10:00 a.m. (New York City time) one Business Day prior to such Borrowing written notice of each Borrowing of Revolving Credit Loans that are ABR Loans. Each such notice (a "Notice of Borrowing"), except as otherwise expressly provided in Section 2.10, shall specify (w) the aggregate principal amount of the Revolving Credit Loans to be made pursuant to such Borrowing, (x) the date of Borrowing (which shall be a Business Day), (y) whether the respective Borrowing shall consist of ABR Loans or Term SOFR Rate Loans that are Revolving Credit Loans and, if Term SOFR Rate Loans that are Revolving Credit Loans, the Interest Period to be initially applicable thereto, and (z) the identity of the applicable Borrower. The Administrative Agent shall promptly give each Lender written notice of each proposed Borrowing of Revolving Credit Loans, of such Lender's Revolving Credit Commitment Percentage thereof, of the identity of the Borrower, and of the other matters covered by the related Notice of Borrowing.

(c) Whenever a Borrower desires to incur Swingline Loans hereunder, the Borrower Representative shall give the Swingline Lender written notice with a copy to the Administrative Agent of each Borrowing of Swingline Loans prior to 2:00 p.m. (New York City time) on the date of such Borrowing. Each such notice shall specify (x) the aggregate principal amount of the Swingline Loans to be made pursuant to such Borrowing, (y) the date of Borrowing (which shall be a Business Day), and (z) the identity of the applicable Borrower.

(d) Mandatory Borrowings shall be made upon the notice specified in Section 2.1(d), with each Borrower irrevocably agreeing, by its incurrence of any Swingline Loan, to the making of Mandatory Borrowings as set forth in such Section.

(e) Borrowings to reimburse Unpaid Drawings shall be made upon the notice specified in Section 3.4(a).

(f) Without in any way limiting the obligation of the Borrower Representative to confirm in writing any notice it shall give hereunder by telephone (which such obligation is absolute), the Administrative Agent may act prior to receipt of written confirmation without liability upon the basis of such telephonic notice believed by the Administrative Agent in good faith to be from an Authorized Officer of the Borrower Representative.

2.4 Disbursement of Funds.

(a) No later than 1:00 p.m. (New York City time) on the date specified in each Notice of Borrowing (including Mandatory Borrowings), each Lender shall make available its pro rata portion, if any, of each Borrowing requested to be made on such date in the manner provided below; provided that on the Closing Date, such funds may be made available at such earlier time as may be agreed among the Lenders, the Company, and the Administrative Agent for the purpose of consummating the Transactions;

provided, further, that all Swingline Loans shall be made available to the Borrower in the full amount thereof by the Swingline Lender no later than 4:00 p.m. (New York City time).

(b) Each Lender shall make available all amounts it is to fund to the Borrower under any Borrowing for its applicable Commitments, and in immediately available funds, to the Administrative Agent at the Administrative Agent's Office and the Administrative Agent will (except in the case of Mandatory Borrowings and Borrowings to repay Unpaid Drawings) make available to the Borrower, by depositing to an account designated by the Borrower Representative to the Administrative Agent the aggregate of the amounts so made available in Dollars. Unless the Administrative Agent shall have been notified by any Lender prior to the date of any such Borrowing that such Lender does not intend to make available to the Administrative Agent its portion of the Borrowing or Borrowings to be made on such date, the Administrative Agent may assume that such Lender has made such amount available to the Administrative Agent on such date of Borrowing, and the Administrative Agent, in reliance upon such assumption, may (in its sole discretion and without any obligation to do so) make available to the Borrower a corresponding amount. If such corresponding amount is not in fact made available to the Administrative Agent by such Lender and the Administrative Agent has made available such amount to the Borrower, the Administrative Agent shall be entitled to recover such corresponding amount from such Lender. If such Lender does not pay such corresponding amount forthwith upon the Administrative Agent's demand therefor the Administrative Agent shall promptly notify the Borrower Representative and the Borrower shall immediately pay such corresponding amount to the Administrative Agent in Dollars. The Administrative Agent shall also be entitled to recover from such Lender or the Borrower interest on such corresponding amount in respect of each day from the date such corresponding amount was made available by the Administrative Agent to the Borrower to the date such corresponding amount is recovered by the Administrative Agent, at a rate per annum equal to (i) if paid by such Lender, the Overnight Rate or (ii) if paid by the Borrower, the then-applicable rate of interest or fees, calculated in accordance with Section 2.8, for the respective Loans.

(c) Nothing in this Section 2.4 shall be deemed to relieve any Lender from its obligation to, fulfill its commitments hereunder or to prejudice any rights that the Borrowers may have against any Lender as a result of any default by such Lender hereunder (it being understood, however, that no Lender shall be responsible for the failure of any other Lender to fulfill its commitments hereunder).

2.5 Repayment of Loans; Evidence of Debt.

(a) The Borrowers shall repay to the Administrative Agent for the benefit of the Lenders, on the Revolving Credit Maturity Date, the then outstanding Revolving Credit Loans made to such Borrower in Dollars. The Borrowers shall repay to the Administrative Agent for the benefit of the Lenders, on each Extended Revolving Loan Maturity Date, the then outstanding amount of Extended Revolving Credit Loans made to the Borrowers in Dollars. The Borrowers shall repay to the Swingline Lender, on the Swingline Maturity Date, the then outstanding Swingline Loans made to the Borrowers in Dollars.

(b) [Reserved],

(c) [Reserved],

(d) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the Indebtedness of the Borrowers to the appropriate lending office of such Lender resulting from each Loan made by such lending office of such Lender from time to time, including the amounts of principal and interest payable and paid to such lending office of such Lender from time to time under this Agreement.

(e) The Administrative Agent shall maintain the Register pursuant to Section 13.6(b), and a subaccount for each Lender, in which Register and subaccounts (taken together) shall be recorded (i) the amount of each Loan made hereunder, whether such Loan is a Revolving Credit Loan or Swingline Loan, as applicable, the Type and Tranche of each Loan made, the name of the Borrower and the Interest Period, if any, applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder, and (iii) the amount of any sum received by the Administrative Agent hereunder from the Borrower and each Lender's share thereof.

(f) The entries made in the Register and accounts and subaccounts maintained pursuant to clauses (d) and (e) of this Section 2.5 shall, to the extent permitted by applicable law, be prima facie evidence of the existence and amounts of the obligations of the Borrowers therein recorded; provided, however, that the failure of any Lender, the Administrative Agent or the Swingline Lender to maintain such account, such Register or subaccount, as applicable, or any error therein, shall not in any manner affect the obligation of any Borrower to repay (with applicable interest) the Loans made to such Borrower by such Lender in accordance with the terms of this Agreement.

(g) Each Borrower hereby agrees that, upon request of any Lender at any time and from time to time after a Borrower has made an initial borrowing hereunder, the Borrowers shall provide to such Lender, at the Borrowers' own expense, a promissory note, substantially in the form of Exhibit G, evidencing the Revolving Loans and Swingline Loans, respectively, owing to such Lender. Thereafter, unless otherwise agreed to by the applicable Lender, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 13.6) be represented by one or more promissory notes in such form payable to the payee named therein (or, if requested by such payee, to such payee or its registered assigns).

2.6 Conversions and Continuations.

(a) Subject to the penultimate sentence of this clause (a), (x) the Borrowers shall have the option on any Business Day to convert all or a portion equal to at least $500,000 of the outstanding principal amount of one Type of Revolving Credit Loans of one Type into a Borrowing or Borrowings of another Type and (y) the Borrowers shall have the option on any Business Day to continue the outstanding principal amount of any Term SOFR Rate Loans as Term SOFR Rate Loans for an additional Interest Period; provided that (i) no partial conversion of Term SOFR Rate Loans shall reduce the outstanding principal amount of Term SOFR Rate Loans made pursuant to a single Borrowing to less than the Minimum Borrowing Amount, (ii) ABR Loans may not be converted into Term SOFR Rate Loans if an Event of Default is in existence on the date of the conversion and the Administrative Agent has or the Required Lenders have determined in its or their sole discretion not to permit such conversion, (iii) Term SOFR Rate Loans may not be continued as Term SOFR Rate Loans for an additional Interest Period if an Event of Default is in existence on the date of the proposed continuation and the Administrative Agent has or the Required Lenders have determined in its or their sole discretion not to permit such continuation, and (iv) Borrowings resulting from conversions pursuant to this Section 2.6 shall be limited in number as provided in Section 2.2. Each such conversion or continuation shall be effected by the Borrower Representative by giving the Administrative Agent at the Administrative Agent's Office prior to 1:00 p.m. (New York City time) at least (i) three Business Days' notice, in the case of a continuation of or conversion to Term SOFR Rate Loans (other than in the case of a notice delivered on the Closing Date, which shall be deemed to be effective on the Closing Date), or (ii) one Business Day's notice in the case of a conversion into ABR Loans prior written notice (each, a "**Notice of Conversion or Continuation**" substantially in the form of Exhibit K) specifying the Loans to be so converted or continued, the Type of Loans to be converted or continued into and, if such Loans are to be converted into or continued as Term SOFR Rate Loans, the Interest Period to be initially applicable

thereto. The Administrative Agent shall give each applicable Lender notice as promptly as practicable of any such proposed conversion or continuation affecting any of its Loans.

(b) If any Event of Default is in existence at the time of any proposed continuation of any Term SOFR Rate Loans denominated in Dollars and the Administrative Agent has or the Required Lenders have determined in its or their sole discretion not to permit such continuation, such Term SOFR Rate Loans shall be automatically converted on the last day of the current Interest Period into ABR Loans. If upon the expiration of any Interest Period in respect of Term SOFR Rate Loans, a Borrower has failed to elect a new Interest Period to be applicable thereto as provided in clause (a), such Borrower shall be deemed to have elected to convert such Borrowing of Term SOFR Rate Loans into a Borrowing of ABR Loans, effective as of the expiration date of such current Interest Period.

2.7 Pro Rata Borrowings. Each Borrowing of Revolving Credit Loans (other than Swingline Loans and Protective Advances) under this Agreement shall be made by the Lenders pro rata on the basis of their then-applicable Revolving Credit Commitment Percentages. Each Borrowing of Incremental Revolving Credit Loans under this Agreement shall be made by the Lenders pro rata on the basis of their then-applicable Incremental Revolving Credit Commitments. It is understood that (a) no Lender shall be responsible for any default by any other Lender in its obligation to make Loans hereunder and that each Lender severally but not jointly shall be obligated to make the Loans provided to be made by it hereunder, regardless of the failure of any other Lender to fulfill its commitments hereunder and (b) other than as expressly provided herein with respect to a Defaulting Lender, failure by a Lender to perform any of its obligations under any of the Credit Documents shall not release any Person from performance of its obligation, under any Credit Document.

2.8 Interest.

(a) The unpaid principal amount of each ABR Loan shall bear interest from the date of the Borrowing thereof until maturity (whether by acceleration or otherwise) at a rate per annum that shall at all times be the Applicable Margin for ABR Loans plus the ABR, in each case, in effect from time to time.

(b) The unpaid principal amount of each Term SOFR Rate Loan shall bear interest from the date of the Borrowing thereof until maturity thereof (whether by acceleration or otherwise) at a rate per annum that shall at all times be the Applicable Margin for SOFR Loans plus the relevant Adjusted Term SOFR.

(c) If all or a portion of (i) the principal amount of any Loan or (ii) any interest payable thereon or any other amount payable hereunder shall not be paid when due (whether at the stated maturity, by acceleration or otherwise but after giving effect to any grace period set forth herein), such overdue amount shall bear interest at a rate per annum that is (the "**Default Rate**") (x) in the case of overdue principal, the rate that would otherwise be applicable thereto *plus* 2.00% or (y) in the case of any other overdue amount, including overdue interest, to the extent permitted by applicable law, the rate described in Section 2.8(a) *plus* 2.00% from the date of such non-payment to the date on which such amount is paid in full (after as well as before judgment).

(d) Interest on each Loan shall accrue from and including the date of any Borrowing to but excluding the date of any repayment thereof; provided that any Loan that is repaid on the same date on which it is made shall bear interest for one day. Except as provided below, interest shall be payable (i) in respect of each ABR Loan, quarterly in arrears on the last Business Day of each March, June, September and December, (ii) in respect of each Term SOFR Rate Loan, on the last day of each Interest Period applicable thereto and, in the case of an Interest Period in excess of three months, on each date occurring

at three-month intervals after the first day of such Interest Period, and (iii) in respect of each Loan, (A) on any prepayment in respect of Term SOFR Rate Loans, (B) at maturity (whether by acceleration or otherwise), and (C) after such maturity, on demand.

(e) All computations of interest hereunder shall be made in accordance with Section 5.5.

(f) The Administrative Agent, upon determining the interest rate for any Borrowing of Term SOFR Rate Loans, shall promptly notify the Borrower Representative and the relevant Lenders thereof. Each such determination shall, absent clearly demonstrable error, be final and conclusive and binding on all parties hereto.

(g) In connection with the use or administration of SOFR or Term SOFR, the Administrative Agent and the Borrower Representative will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Credit Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Credit Document. The Administrative Agent will promptly notify the Borrower Representative and the Lenders of the effectiveness of any Benchmark Replacement Conforming Changes in connection with the use or administration of SOFR or Term SOFR, as applicable.

2.9 Interest Periods. At the time the Borrower Representative gives a Notice of Borrowing or Notice of Conversion or Continuation in respect of the making of, or conversion into or continuation as, a Borrowing of Term SOFR Rate Loans in accordance with Section 2.6(a), the Borrower Representative shall give the Administrative Agent written notice of the Interest Period applicable to such Borrowing.

Notwithstanding anything to the contrary contained above:

(a) the initial Interest Period for any Borrowing of Term SOFR Rate Loans shall commence on the date of such Borrowing (including the date of any conversion from a Borrowing of ABR Loans) and each Interest Period occurring thereafter in respect of such Borrowing shall commence on the day on which the next preceding Interest Period expires;

(b) if any Interest Period relating to a Borrowing of Term SOFR Rate Loans begins on the last Business Day of a calendar month or begins on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period, such Interest Period shall end on the last Business Day of the calendar month at the end of such Interest Period;

(c) if any Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day; provided that if any Interest Period in respect of a Term SOFR Rate Loan would otherwise expire on a day that is not a Business Day but is a day of the month after which no further Business Day occurs in such month, such Interest Period shall expire on the immediately preceding Business Day; and

(d) the Borrowers shall not be entitled to elect any Interest Period in respect of any Term SOFR Rate Loan if such Interest Period would extend beyond the Maturity Date of such Loan.

2.10 Increased Costs, Illegality, Etc.

(a) In the event that (x) in the case of clause (i) below, the Administrative Agent and (y) in the case of clauses (ii) and (iii) below, the Required Lenders shall have reasonably determined (which

determination shall, absent clearly demonstrable error, be final and conclusive and binding upon all parties hereto):

(i) on any date for determining the Adjusted Term SOFR for any Interest Period that (x) deposits in the principal amounts and currencies of the Loans comprising such Term SOFR Rate Borrowing are not generally available in the relevant market or (y) by reason of any changes arising on or after the Closing Date affecting the interbank SOFR market, adequate and fair means do not exist for ascertaining the applicable interest rate on the basis provided for in the definition of the Adjusted Term SOFR;

(ii) at any time, that such Lender shall incur increased costs or reductions in the amounts received or receivable hereunder with respect to any Term SOFR Rate Loans (including any increased costs or reductions attributable to Taxes, other than any increase or reduction attributable to Taxes described in clauses (i) or (ii) of paragraph (d) of this Section 2.10) because of any Change in Law; or

(iii) at any time, that the making or continuance of any Term SOFR Rate Loans has become unlawful by compliance by such Lender in good faith with any law, governmental rule, regulation, guideline or order (or would conflict with any such governmental rule, regulation, guideline or order not having the force of law even though the failure to comply therewith would not be unlawful), or has become impracticable as a result of a contingency occurring after the Closing Date that materially and adversely affects the interbank SOFR market;

(such Loans, "**Impacted Loans**"), then, and in any such event, such Required Lenders (or the Administrative Agent, in the case of clause (i) above) shall within a reasonable time thereafter give notice (if by telephone, confirmed in writing) to the Borrower Representative and to the Administrative Agent of such determination (which notice the Administrative Agent shall promptly transmit to each of the other Lenders). Thereafter, (x) in the case of clause (i) above, Term SOFR Rate Loans shall no longer be available until such time as the Administrative Agent notifies the Borrower Representative and the Lenders that the circumstances giving rise to such notice by the Administrative Agent no longer exist (which notice the Administrative Agent agrees to give at such time when such circumstances no longer exist), and any Notice of Borrowing or Notice of Conversion given by the Borrower Representative with respect to Term SOFR Rate Loans that have not yet been incurred shall be deemed rescinded by the Borrower Representative, (y) in the case of clause (ii) above, the Borrower shall pay to such Lender, promptly after receipt of written demand therefor such additional amounts (in the form of an increased rate of, or a different method of calculating, interest or otherwise as such Required Lenders in their reasonable discretion shall determine) as shall be required to compensate such Lender for such actual increased costs or reductions in amounts receivable hereunder (it being agreed that a written notice as to the additional amounts owed to such Lender, showing in reasonable detail the basis for the calculation thereof, submitted to the Borrower Representative by such Lender shall, absent clearly demonstrable error, be final and conclusive and binding upon all parties hereto), and (z) in the case of clause (iii) above, the Borrower Representative shall take one of the actions specified in subclause (x) or (y), as applicable, of Section 2.10(b) promptly and, in any event, within the time period required by law.

Notwithstanding the foregoing, if the Administrative Agent has made the determination described in Section 2.10(a)(i)(x), the Administrative Agent, in consultation with the Borrower Representative and the affected Lenders, may establish an alternative interest rate for the Impacted Loans, in which case, such alternative rate of interest shall apply with respect to the Impacted Loans until (1) the Administrative Agent revokes the notice delivered with respect to the Impacted Loans under clause (x) of the first sentence of the immediately preceding paragraph, (2) the Administrative Agent or the affected Lenders notify the Administrative Agent and the Borrower Representative that such

alternative interest rate does not adequately and fairly reflect the cost to such Lenders of funding the Impacted Loans, (3) any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for such Lender or its applicable Lending Office to make, maintain or fund Loans whose interest is determined by reference to such alternative rate of interest or to determine or charge interest rates based upon such rate or any Governmental Authority has imposed material restrictions on the authority of such Lender to do any of the foregoing and provides the Administrative Agent and the Borrower Representative written notice thereof or (4) the occurrence of a Benchmark Transition Event.

(b) At any time that any Term SOFR Rate Loan is affected by the circumstances described in Section 2.10(a)(ii) or (iii), the Borrower Representative may (and in the case of a Term SOFR Rate Loan affected pursuant to Section 2.10(a)(iii) shall) either (x) if a Notice of Borrowing or Notice of Conversion or Continuation with respect to the affected Term SOFR Rate Loan has been submitted pursuant to Section 2.3 but the affected Term SOFR Rate Loan has not been funded or continued, cancel such requested Borrowing by giving the Administrative Agent written notice thereof on the same date that the Borrower Representative was notified by Lenders pursuant to Section 2.10(a)(ii) or (iii) or (y) if the affected Term SOFR Rate Loan is then outstanding, upon at least three Business Days' notice to the Administrative Agent, require the affected Lender to convert each such Term SOFR Rate Loan into an ABR Loan (the interest rate on which ABR Loans shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Adjusted Term SOFR component of the ABR), either on the last day of the Interest Period therefor, if all affected Lenders may lawfully continue to maintain such Term SOFR Rate Loan to such day, or immediately, if all affected Lenders may not lawfully continue to maintain such Term SOFR Rate Loan until, in each case of notice pursuant to Section 2.10(a)(iii), the Administrative Agent is advised in writing by each affected Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon SOFR, the Term SOFR Reference Rate, Adjusted Term SOFR or Term SOFR. Upon any such prepayment or conversion following receipt of notice of Impacted Loans, the Borrowers shall also pay accrued interest on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 2.11; provided that if more than one Lender is affected at any time, then all affected Lenders must be treated in the same manner pursuant to this Section 2.10(b).

(c) If, after the Closing Date, any Change in Law relating to capital adequacy or liquidity of any Lender or compliance by any Lender or its parent with any Change in Law relating to capital adequacy or liquidity occurring after the Closing Date, has or would have the effect of reducing the actual rate of return on such Lender's or its parent's or its Affiliate's capital or assets as a consequence of such Lender's commitments or obligations hereunder to a level below that which such Lender or its parent or its Affiliate could have achieved but for such Change in Law (taking into consideration such Lender's or its parent's policies with respect to capital adequacy or liquidity), then from time to time, promptly after demand by such Lender (with a copy to the Administrative Agent), the Borrowers shall pay to such Lender such actual additional amount or amounts as will compensate such Lender or its parent for such actual reduction, it being understood and agreed, however, that a Lender shall not be entitled to such compensation as a result of such Lender's compliance with, or pursuant to any request or directive to comply with, any law, rule or regulation as in effect on the Closing Date or to the extent such Lender is not imposing such charges on, or requesting such compensation from, borrowers (similarly situated to the Borrowers hereunder) under comparable syndicated credit facilities similar to the Credit Facilities. Each Lender, upon determining in good faith that any additional amounts will be payable pursuant to this Section 2.10(c), will give prompt written notice thereof to the Borrower Representative, which notice shall set forth in reasonable detail the basis of the calculation of such additional amounts, although the failure to give any such notice shall not, subject to Section 2.13, release or diminish the

Borrowers' obligations to pay additional amounts pursuant to this Section 2.10(c) promptly following receipt of such notice.

(d) It is understood that this Section 2.10 shall not apply to (i) Taxes indemnifiable under Section 5.4 or (ii) Excluded Taxes.

2.11 Compensation. If (a) any payment of principal of any Term SOFR Rate Loan is made by a Borrower to or for the account of a Lender other than on the last day of the Interest Period for such Term SOFR Rate Loan as a result of a payment or conversion pursuant to Sections 2.5, 2.6, 2.10, 5.1, 5.2 or 13.7, as a result of acceleration of the maturity of the Loans pursuant to Section 11 or for any other reason, (b) any Borrowing of Term SOFR Rate Loans is not made as a result of a withdrawn Notice of Borrowing or a failure to satisfy borrowing conditions, (c) any ABR Loan is not converted into a Term SOFR Rate Loan as a result of a withdrawn Notice of Conversion or Continuation, (d) any Term SOFR Rate Loan is not continued as a Term SOFR Rate Loan, as the case may be, as a result of a withdrawn Notice of Conversion or Continuation or (e) any prepayment of principal of any Term SOFR Rate Loan is not made as a result of a withdrawn notice of prepayment pursuant to Sections 5.1 or 5.2, the Borrower shall, after receipt of a written request by such Lender (which request shall set forth in reasonable detail the basis for requesting such amount), promptly pay to the Administrative Agent for the account of such Lender any amounts required to compensate such Lender for any additional losses, costs or expenses that such Lender may reasonably incur as a result of such payment, failure to convert, failure to continue or failure to prepay, including any loss, cost or expense (excluding loss of anticipated profits) actually incurred by reason of the liquidation or reemployment of deposits or other funds acquired by any Lender to fund or maintain such Term SOFR Rate Loan. A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender as specified in this Section 2.11 and setting forth in reasonable detail the manner in which such amount or amounts were determined shall be delivered to the Borrower Representative and shall be conclusive, absent manifest error.

2.12 Change of Lending Office. Each Lender agrees that, upon the occurrence of any event giving rise to the operation of Sections 2.10(a)(ii), 2.10(a)(iii), 2.10(b), 3.5 or 5.4 with respect to such Lender, it will, if requested by the Borrower Representative use reasonable efforts (subject to overall policy considerations of such Lender) to designate another lending office for any Loans affected by such event; provided that such designation is made on such terms that such Lender and its lending office suffer no unreimbursed cost or other material economic, legal or regulatory disadvantage, with the object of avoiding the consequence of the event giving rise to the operation of any such Section. Nothing in this Section 2.12 shall affect or postpone any of the obligations of the Borrower or the right of any Lender provided in Sections 2.10, 3.5 or 5.4.

2.13 Notice of Certain Costs. Notwithstanding anything in this Agreement to the contrary, to the extent any notice required by Sections 2.10, 2.11, 3.5 or 5.4 is given by any Lender more than 120 days after such Lender has knowledge (or should have had knowledge) of the occurrence of the event giving rise to the additional cost, reduction in amounts, loss, or other additional amounts described in such Sections, such Lender shall not be entitled to compensation under Sections 2.10, 2.11, 3.5 or 5.4, as the case may be, for any such amounts incurred or accruing prior to the 121st day prior to the giving of such notice to the Borrower Representative.

2.14 Incremental Facilities.

(a) The Borrower Representative may by written notice to Administrative Agent elect to request the establishment of one or more increases in Revolving Credit Commitments (the "Incremental Revolving Credit Commitments"), by an aggregate amount not in excess of the Maximum Incremental Facilities Amount in the aggregate and not less than $5,000,000 individually (or such lesser amount as

(x) may be approved by the Administrative Agent or (y) shall constitute the difference between the Maximum Incremental Facilities Amount and all such Incremental Revolving Credit Commitments obtained on or prior to such date). Each such notice shall specify the date (each, an "**Increased Amount Date**") on which the Borrower Representative proposes that the Incremental Revolving Credit Commitments shall be effective. The Borrower Representative may approach any Lender or any Person (other than a natural Person) to provide all or a portion of the Incremental Revolving Credit Commitments; provided that any Lender offered or approached to provide all or a portion of the Incremental Revolving Credit Commitments may elect or decline, in its sole discretion, to provide a Incremental Revolving Credit Commitment. If the existing Lenders are unwilling to increase their applicable commitments by an amount equal to the requested increase, the Administrative Agent, at the request of and in consultation with Borrower Representative, will use its commercially reasonable efforts to obtain one or more financial institutions which are not then Lenders (which financial institution may be suggested by Borrower) to become party to the Credit Documents and to provide a commitment to the extent necessary to satisfy Borrower Representative's requested increase in the Incremental Revolving Credit Commitments, as the case may be; provided, however, (a) compensation for any such assistance by the Administrative Agent shall be mutually agreed by the Administrative Agent and Borrower Representative, (b) such assistance shall be subject to the execution of a customary engagement letter and (c) Administrative Agent shall have no obligation to provide any such New Loan Commitment. In each case, such Incremental Revolving Credit Commitments shall become effective as of the applicable Increased Amount Date; provided that (i) the Overadvance Borrowing Base has been permanently reduced to $0 and no Event of Default shall exist on such Increased Amount Date before or after giving effect to such Incremental Revolving Credit Commitments, as applicable, (ii) the Incremental Revolving Credit Commitments shall be effected pursuant to one or more Joinder Agreements executed and delivered by the Borrower Representative and Administrative Agent, and each of which shall be recorded in the Register and shall be subject to the requirements set forth in Section 5.4(e), and (iii) the Borrowers shall make any payments required pursuant to Section 2.11 in connection with the Incremental Revolving Credit Commitments, as applicable. No Lender shall have any obligation to provide any Commitments pursuant to this Section 2.14(a).

(b) On any Increased Amount Date on which Incremental Revolving Credit Commitments are effected, subject to the satisfaction of the foregoing terms and conditions, (i) each Incremental Revolving Commitment shall be deemed for all purposes of this Agreement to be a Revolving Credit Commitment, (ii) each Loan made under an Incremental Revolving Credit Commitment (an "**Incremental Revolving Credit Loan**") shall be deemed, for all purposes, a Revolving Credit Loan and (iii) each Lender with an Incremental Revolving Credit Commitment (each an "**Incremental Revolving Loan Lender**") shall become a Lender with respect to the Incremental Revolving Credit Commitment and all matters relating thereto; provided that the Administrative Agent shall have consented (not to be unreasonably withheld or delayed) to such Incremental Revolving Loan Lender's providing such Incremental Revolving Credit Commitment to the extent such consent, if any, would be required under Section 13.6(b) for an assignment of Incremental Revolving Loans or Incremental Revolving Credit Commitments, as applicable, to such Incremental Revolving Loan Lender.

(c) On any Increased Amount Date, each Lender immediately prior to such increase will automatically and without further act be deemed to have assigned to each Incremental Revolving Loan Lender in respect of such increase, and each such Incremental Revolving Loan Lender will automatically and without further act be deemed to have assumed, a portion of such Lender's participations hereunder in outstanding Letters of Credit, after giving effect to each such deemed assignment and assumption of participations, the percentage of the aggregate outstanding participations hereunder in such Letters of Credit held by each Revolving Loan Lender (including each such Incremental Revolving Loan Lender), as applicable, will equal the percentage of the aggregate Total Revolving Credit Commitments of all Lenders under the Credit Facilities. Additionally, if any Revolving Credit Loans are outstanding under

the Credit Facilities at the time any Incremental Revolving Commitments are established, the applicable Lenders immediately after effectiveness of such Incremental Revolving Credit Commitments shall purchase and assign at par such amounts of the Revolving Credit Loans outstanding under the Credit Facilities at such time as the Administrative Agent may require such that all of the Lenders effectively participate in each of the outstanding Revolving Credit Loans on a pro rata basis of their Revolving Credit Commitment Percentages immediately after giving effect to all such assignments. The Administrative Agent and the Lenders hereby agree that the minimum borrowing, pro rata borrowing and pro rata payment requirements contained elsewhere in this Agreement shall not apply to the transactions effected pursuant to the immediately preceding sentence.

(d) [Reserved],

(e) Incremental Revolving Credit Commitments and Incremental Revolving Credit Loans shall be identical to the Initial Revolving Credit Commitments and the related Revolving Credit Loans; provided, that underwriting, arrangement, upfront or similar fees that may be agreed to among the Borrower Representative and the Lenders providing and/or arranging such Incremental Revolving Credit Commitments may be paid in connection with such Incremental Revolving Credit Commitments.

(f) Each Joinder Agreement may, without the consent of any other Lenders, effect technical and corresponding amendments to this Agreement and the other Credit Documents as may be necessary or appropriate, in the opinion of the Administrative Agent, to effect the provision of this Section 2.14.

(g) (i) [Reserved],

(ii) The Borrower Representative may at any time and from time to time request that all or a portion of the Revolving Credit Commitments of any Class, any Extended Revolving Credit Commitments and/or any Incremental Revolving Credit Commitments, each existing at the time of such request (each, an "**Existing Revolving Credit Commitment**" and any related revolving credit loans thereunder, "**Existing Revolving Credit Loans**"; each Existing Revolving Credit Commitment and related Existing Revolving Credit Loans together being referred to as an "**Existing Revolving Credit Class**") be converted to extend the termination date thereof and the scheduled maturity date(s) of any payment of principal with respect to all or a portion of any principal amount of Loans related to such Existing Revolving Credit Commitments (any such Existing Revolving Credit Commitments which have been so extended, "**Extended Revolving Credit Commitments**" and any related Loans, "**Extended Revolving Credit Loans**") and to provide for other terms consistent with this Section 2.14(g). In order to establish any Extended Revolving Credit Commitments, the Borrower Representative shall provide a notice to the Administrative Agent (who shall provide a copy of such notice to each of the Lenders of the applicable Class of Existing Revolving Credit Commitments which such request shall be offered equally to all such Lenders) setting forth the proposed terms of the Extended Revolving Credit Commitments to be established, which shall be identical to the terms of the applicable Tranche of Existing Revolving Credit Commitments (the "**Specified Existing Revolving Credit Commitment**") unless (x) the Lenders providing existing Revolving Credit Loans receive the benefit of such more favorable terms applicable before the Revolving Credit Termination Date or (y) any such provisions apply after the Revolving Credit Termination Date, in each case, to the extent provided in the applicable Extension Amendment; provided, however, that (w) all or any of the final maturity dates of such Extended Revolving Credit Commitments may be delayed to later dates than the final maturity dates of the Specified Existing Revolving Credit Commitments, (x) (A) the interest margins with respect to the Extended Revolving Credit Commitments may be higher or lower than the interest margins for the Specified Existing Revolving Credit Commitments and/or (B) additional fees and premiums may be payable to the Lenders providing

such Extended Revolving Credit Commitments in addition to or in lieu of any increased margins contemplated by the preceding clause (A) and (y) the revolving credit commitment fee rate with respect to the Extended Revolving Credit Commitments may be higher or lower than the Revolving Credit Commitment Fee Rate for the Specified Existing Revolving Credit Commitment; provided that, notwithstanding anything to the contrary in this Section 2.14(g) or otherwise, (1) the borrowing and repayment (other than (I) in connection with a permanent repayment and termination of commitments or (II) payments of interest and fees in different rates on Extended Revolving Credit Commitments) of Loans with respect to any Original Revolving Credit Commitments shall be made on a pro rata basis with all other Original Revolving Credit Commitments and (2) assignments and participations of Extended Revolving Credit Commitments and Extended Revolving Credit Loans shall be governed by the same assignment and participation provisions applicable to Revolving Credit Commitments and the Revolving Credit Loans related to such Commitments set forth in Section 13.6. No Lender shall have any obligation to agree to have any of its Revolving Credit Loans or Revolving Credit Commitments of any Existing Revolving Credit Class converted into Extended Revolving Credit Loans or Extended Revolving Credit Commitments pursuant to any Extension Request. Any Extended Revolving Credit Commitments of any Extension Series shall constitute a separate Class of revolving credit commitments from the Specified Existing Revolving Credit Commitments and from any other Existing Revolving Credit Commitments (together with any other Extended Revolving Credit Commitments so established on such date).

(iii) Any Lender (an "**Extending Lender**") wishing to have all or a portion of its Revolving Credit Commitments or Extended Revolving Credit Commitment of the Existing Class or Existing Classes subject to such Extension Request converted into Extended Revolving Credit Commitments shall notify the Administrative Agent (an "**Extension Election**") on or prior to the date specified in such Extension Request of the amount of its Revolving Credit Commitments or Extended Revolving Credit Commitment of the Existing Class or Existing Classes subject to such Extension Request that it has elected to convert into Extended Revolving Credit Commitments. In the event that the aggregate amount of Revolving Credit Commitments or Extended Revolving Credit Commitment of the Existing Class or Existing Classes subject to Extension Elections exceeds the amount of Extended Revolving Credit Commitments requested pursuant to the Extension Request, Revolving Credit Commitments or Extended Revolving Credit Commitments of the Existing Class or Existing Classes subject to Extension Elections shall be converted to Extended Revolving Credit Commitments on a pro rata basis based on the amount of Revolving Credit Commitments or Extended Revolving Credit Commitment included in each such Extension Election. Notwithstanding the conversion of any Existing Revolving Credit Commitment into an Extended Revolving Credit Commitment, such Extended Revolving Credit Commitment shall be treated identically to all other Original Revolving Credit Commitments for purposes of the obligations of a Lender in respect of Swingline Loans under Section 2.1(c), Protective Advances pursuant to Section 2.1(f) and Letters of Credit under Section 3, except that the applicable Extension Amendment may provide that the Swingline Maturity Date and/or the L/C Facility Maturity Date may be extended and the related obligations to make Swingline Loans and issue Letters of Credit may be continued so long as the Swingline Lender and/or the Letter of Credit Issuer, as applicable, have consented to such extensions in their sole discretion (it being understood that no consent of any other Lender shall be required in connection with any such extension).

(iv) [Reserved],

(v) Extended Revolving Credit Commitments shall be established pursuant to an amendment (an "**Extension Amendment**") to this Agreement (which, except to the extent

expressly contemplated by the penultimate sentence of this Section 2.14(g)(iv) and notwithstanding anything to the contrary set forth in Section 13.1, shall not require the consent of any Lender other than the Extending Lenders and New Commitment Lenders with respect to the Extended Revolving Credit Commitments established thereby) executed by the Credit Parties, the Administrative Agent and the Extending Lenders or New Commitment Lenders, as applicable. No Extension Amendment shall provide for any tranche of Extended Revolving Credit Commitments in an aggregate principal amount that is less than $5,000,000. In addition to any terms and changes required or permitted by Section 2.14(g)(i), each Extension Amendment may, but shall not be required to, impose additional requirements (not inconsistent with the provisions of this Agreement in effect at such time) with respect to the final maturity of Incremental Revolving Credit Commitments incurred following the date of such Extension Amendment. Notwithstanding anything to the contrary in this Section 2.14(g) and without limiting the generality or applicability of Section 13.1 to any Section 2.14 Additional Amendments, any Extension Amendment may provide for additional terms and/or additional amendments other than those referred to or contemplated above (any such additional amendment, a "**Section 2.14 Additional Amendment**") to this Agreement and the other Credit Documents; provided that such Section 2.14 Additional Amendments are within the requirements of Section 2.14(g)(i) and do not become effective prior to the time that such Section 2.14 Additional Amendments have been consented to by such of the Lenders, Credit Parties and other parties (if any) as may be required in order for such Section 2.14 Additional Amendments to become effective in accordance with Section 13.1.

(vi) Notwithstanding anything to the contrary contained in this Agreement, (A) on any date on which any Existing Class is converted to extend the related scheduled maturity date(s) in accordance with clauses (i) and/or (ii) above (an "**Extension Date**"), in the case of the Specified Existing Revolving Credit Commitments of each Extending Lender, except to the extent of New Commitments by New Commitment Lenders, the aggregate principal amount of such Specified Existing Revolving Credit Commitments shall be deemed reduced by an amount equal to the aggregate principal amount of Extended Revolving Credit Commitments so converted by such Lender on such date, and such Extended Revolving Credit Commitments (including any New Commitments established in connection therewith) shall be established as a separate Class of revolving credit commitments from the Specified Existing Revolving Credit Commitments and from any other Existing Revolving Credit Commitments (together with any other Extended Revolving Credit Commitments so established on such date) and (B) if, on any Extension Date, any Loans of any Extending Lender are outstanding under the applicable Specified Existing Revolving Credit Commitments, such Loans (and any related participations) shall be deemed to be allocated as Extended Revolving Credit Loans (and related participations) and Existing Revolving Credit Loans (and related participations) in the same proportion as such Extending Lender's Specified Existing Revolving Credit Commitments to Extended Revolving Credit Commitments.

(vii) The Administrative Agent and the Lenders (other than the Swingline Lender to the extent such consent is expressly required by this Section 2.14) hereby consent to the consummation of the transactions contemplated by this Section 2.14 (including, for the avoidance of doubt, payment of any interest, fees, or premium in respect of any Extended Revolving Commitments on such terms as may be set forth in the relevant Extension Amendment) and hereby waive the requirements of any provision of this Agreement (including, without limitation, any pro rata payment or amendment section) or any other Credit Document that may otherwise prohibit or restrict any such extension or any other transaction contemplated by this Section 2.14.

(viii) No conversion of Loans pursuant to any Extension in accordance with this Section 2.14(g) shall constitute a voluntary or mandatory payment or prepayment for purposes of this Agreement.

2.15 [Reserved].

2.16 Defaulting Lenders.

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of Required Lenders and Section 13.1.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Section 11 or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 13.8 shall be applied at such time or times as may be determined by the Administrative Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; second, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to the Letter of Credit Issuer, Swingline Lender or the Administrative Agent (in respect of Protective Advances) hereunder; third, to Cash Collateralize the Letter of Credit Issuer's Fronting Exposure with respect to such Defaulting Lender in accordance with Section 3.8; fourth, as the Borrower Representative may request (so long as no Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; fifth, if so determined by the Administrative Agent and the Borrower Representative, to be held in a deposit account and released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (y) Cash Collateralize the Letter of Credit Issuer's future Fronting Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with Section 3.8; sixth, to the payment of any amounts owing to the Borrowers, the Lenders, the Administrative Agent, the Letter of Credit Issuer or Swingline Lender as a result of any judgment of a court of competent jurisdiction obtained by any Borrower, any Lender, the Administrative Agent, the Letter of Credit Issuer or the Swingline Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and seventh, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans or L/C Borrowings in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 7 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and L/C Obligations owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Obligations owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in L/C Obligations and Swingline Loans are held by the Lenders pro rata in accordance with the Commitments hereunder without giving effect to Section 2.16(a)(iv). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section 2.16(a)(ii) shall be

deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees; Default Interest.

(A) No Defaulting Lender shall be entitled to receive any fee payable under Section 4 or any interest at the Default Rate payable under Section 2.8(c) for any period during which that Lender is a Defaulting Lender (and the Borrowers shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(B) Each Defaulting Lender shall be entitled to receive Letter of Credit Fees for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Applicable Percentage of the stated amount of Letters of Credit for which it has provided Cash Collateral pursuant to Section 3.8.

(C) With respect to any Letter of Credit Fee not required to be paid to any Defaulting Lender pursuant to clause (A) or (B) above, the Borrowers shall (x) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in L/C Obligations that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below, (y) pay to the Letter of Credit Issuer the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to such Letter of Credit's Fronting Exposure to such Defaulting Lender, and (z) not be required to pay the remaining amount of any such fee.

(iv) Reallocation of Applicable Percentages to Reduce Fronting Exposure. All or any part of such Defaulting Lender's participation in L/C Obligations and Swingline Loans shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Revolving Credit Commitment Percentages (calculated without regard to such Defaulting Lender's Commitment) but only to the extent that such reallocation does not cause the aggregate Revolving Credit Exposure of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Commitment. No reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(v) Cash Collateral, Repayment of Swing Line Loans. If the reallocation described in clause (a)(iv) above cannot, or can only partially, be effected, the Borrowers shall, without prejudice to any right or remedy available to them hereunder or under applicable law, (x) first, prepay Swingline Loans in an amount equal to the Swingline Lenders' Fronting Exposure and (y) second, Cash Collateralize the Letter of Credit Issuers' Fronting Exposure in accordance with the procedures set forth in Section 3.8.

(b) Defaulting Lender Cure. If the Borrower Representative, the Administrative Agent, the Swingline Lender, and the Letter of Credit Issuer agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase at par that

portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Revolving Credit Loans and funded and unfunded participations in Letters of Credit and Swingline Loans to be held on a pro rata basis by the Lenders in accordance with their Revolving Credit Commitment Percentages (without giving effect to Section 2.16(a)(iv)), whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrowers while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

2.17 Designation of Subsidiary Borrowers. After the Closing Date, the Borrower Representative may, at any time and from time to time, designate any Domestic Subsidiary that is a Wholly-Owned Restricted Subsidiary as a Subsidiary Borrower by delivery to the Administrative Agent of a Borrower Subsidiary Agreement executed by such Subsidiary and the Borrower Representative and the satisfaction of the other conditions precedent set forth in Section 13.24, and upon such delivery and satisfaction or such conditions precedent, such Subsidiary shall for all purposes of this Agreement and the other Credit Documents be a Subsidiary Borrower and a party to this Agreement. As soon as practicable upon receipt of a Borrowing Subsidiary Agreement, the Administrative Agent shall furnish a copy thereof to each Lender. Notwithstanding anything in this Agreement to the contrary, the Total Revolving Credit Commitments shall not be increased and no Revolving Credit Commitment of any Lender shall be increased without such Lender's prior written consent.

2.18 Borrower Representative. Each Subsidiary Borrower hereby designates the Company as its representative and agent (in such capacity, the "**Borrower Representative**") for all purposes under the Credit Documents, including requests for Loans and Letters of Credit, designation of interest rates, delivery or receipt of communications, preparation and delivery of financial reports, requests for waivers, amendments or other accommodations, actions under the Credit Documents (including in respect of compliance with covenants), and all other dealings with the applicable Administrative Agent, the Letter of Credit Issuer, the Swingline Lender or any Lender. The Company hereby accepts such appointment as Borrower Representative. The Administrative Agent, the Letter of Credit Issuer, the Swingline Lender and the Lenders shall be entitled to rely upon, and shall be fully protected in relying upon, any notice or communication (including any notice of borrowing) delivered by Borrower Representative on behalf of any Borrower. The Administrative Agent, the Letter of Credit Issuer, the Swingline Lender and the Lenders may give any notice or communication with a Borrower hereunder to the Borrower Representative on behalf of such Borrower. Each of the Administrative Agent, Letter of Credit Issuer, the Swingline Lender and the Lenders shall have the right, in its discretion, to deal exclusively with the Borrower Representative for any or all purposes under the Credit Documents. Each Borrower agrees that any notice, election, communication, representation, agreement or undertaking made on its behalf by the Borrower Representative shall be binding upon and enforceable against it. Anything contained herein to the contrary notwithstanding, no Borrower (other than the Borrower Representative) shall be authorized to request any Borrowing or Letter of Credit hereunder without the prior written consent of the Company.

2.19 Borrowing Base Reserves; Changes to Borrowing Base Reserves.

(a) The initial Borrowing Base Reserves as of the Closing Date are those set forth in the Borrowing Base Certificate delivered to the Administrative Agent on the Closing Date.

(b) The Administrative Agent may hereafter establish additional Borrowing Base Reserves or change any of the Borrowing Base Reserves in effect on the Closing Date, in the exercise of its Credit Judgment; provided that such Borrowing Base Reserves shall not be established or changed except upon

not less than five (5) days written notice to the Borrower Representative (during which period the Administrative Agent shall be available to discuss any such proposed Borrowing Base Reserve with the Borrowers); provided further that no such prior notice shall be required (1) if a Specified Default has occurred and is continuing, (1) changes to any Borrowing Base Reserves resulting solely by virtue of mathematical calculations of the amount of the Borrowing Base Reserve in accordance with the methodology of calculation previously utilized, or (2) changes to Borrowing Base Reserves or the establishment of additional Borrowing Base Reserves if it would be reasonably likely that a Material Adverse Effect under clause (b)(ii) of the definition thereof would occur were such Borrowing Base Reserves not changed or established prior to the expiration of such five (5) day period. Upon delivery of a notice described above, the Credit Parties may take such action as may be required so that the event, condition, circumstance or new fact that is the basis for such Borrowing Base Reserve or increase no longer exists, in a manner and to the extent reasonably satisfactory to the Administrative Agent.

(c) The amount of any Borrowing Base Reserve established by the Administrative Agent shall have a reasonable relationship as determined by the Administrative Agent in its Credit Judgment to the event, condition or other matter that is the basis for such Borrowing Base Reserve. Notwithstanding anything herein to the contrary, (i) a Borrowing Base Reserve shall not be established to the extent it is duplicative of any specific item excluded as ineligible in the definitions of Eligible Credit Card Receivables, Eligible In-Transit Inventory and Eligible Inventory, but the Administrative Agent shall retain the right, subject to the requirements of this clause (c), to establish a Borrowing Base Reserve with respect to prospective changes in Eligible Credit Card Receivables, Eligible In-Transit Inventory or Eligible Inventory that may reasonably be anticipated and (ii) circumstances, conditions, events or contingencies existing or arising prior to the Closing Date of which the Administrative Agent had actual knowledge prior to the Closing Date shall not be the basis for the establishment of Borrowing Base Reserves unless the Administrative Agent establishes such Borrowing Base Reserves on the Closing Date (subject to the notice requirements of the above clause (b)) or such circumstances, conditions, events or contingencies shall have changed in a manner materially adverse to the Administrative Agent and the Lenders since the Closing Date.

2.20 Term ~~SOFR~~SOFR Availability.

(a) Benchmark Replacement.

(i) Notwithstanding anything to the contrary herein or in any other Credit Document, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Credit Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Credit Document and (y) if a Benchmark Replacement is determined in accordance with clause (2) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Credit Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Credit Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders

comprising the Required Lenders. If the Benchmark Replacement is Daily Simple SOFR, all interest payments will be payable on a quarterly basis.

(ii) No agreement in respect of Swap Obligations shall be deemed to be a "Credit Document" for purposes of this Section 2.20.

(b) Benchmark Replacement Conforming Changes. In connection with the use, administration, adoption or implementation of a Benchmark Replacement, the Administrative Agent and the Borrower Representative will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Credit Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Credit Document.

(c) Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower Representative and the Lenders (and, if applicable, provide the relevant amendment to this Agreement related to) of (i) the implementation of any Benchmark Replacement, (ii) the effectiveness of any Benchmark Replacement Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement, (iii) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (d) below and (iv) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.20 including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their reasonable discretion and without consent from any other party to this Agreement or any other Credit Document, except, in each case, as expressly required pursuant to this Section 2.20.

(d) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Credit Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including the Term SOFR Reference Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the administrator of such Benchmark or the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative or in compliance with or aligned with the IOSCO Principles for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) Benchmark Unavailability Period. Upon the Borrowers' receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrowers may revoke any request for a Term SOFR Rate Loan of, conversion to or continuation of Term SOFR Rate Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrowers will be deemed to have converted any such request into a request for a Borrowing of or conversion to ABR Loans. During

any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of the ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of the ABR.

Section 3. Letters of Credit.

3.1 Letters of Credit.

(a) Subject to and upon the terms and conditions herein set forth, at any time and from time to time after the Closing Date and prior to the L/C Facility Maturity Date, the Letter of Credit Issuer agrees, in reliance upon the agreements of the Lenders set forth in this Section 3, to issue from time to time from the Closing Date through the L/C Facility Maturity Date for the account of the Borrowers (or, so long as the Borrowers are the primary obligors, for the account of Holdings or any Restricted Subsidiary (other than the Borrowers)) letters of credit or bank guarantees (the "**Letters of Credit**" and each, a "**Letter of Credit**") in such form as may be approved by the Letter of Credit Issuer in its reasonable discretion.

(b) Notwithstanding the foregoing, (i) no Letter of Credit shall be issued the Stated Amount of which, when added to the Letters of Credit Outstanding at such time, would exceed the Line Cap then in effect; (ii) no Letter of Credit shall be issued the Stated Amount of which would cause the aggregate amount of the Lenders' Revolving Credit Exposures at the time of the issuance thereof to exceed the Line Cap then in effect; (iii) unless otherwise agreed to by the Issuing Lender and the Administrative Agent, each Letter of Credit shall have an expiration date occurring no later than one year after the date of issuance thereof (except with respect to trade Letters of Credit, which may have an expiration date occurring no later than 180 days after the date of issuance thereof, or as set forth in Section 3.2(d)), provided that in no event shall such expiration date occur later than the L/C Facility Maturity Date, in each case, unless otherwise agreed upon by the Administrative Agent, the Letter of Credit Issuer and, unless such Letter of Credit has been Cash Collateralized, the Lenders; (iv) the Letter of Credit shall be denominated in Dollars; (v) no Letter of Credit shall be issued if it would be illegal under any applicable law for the beneficiary of the Letter of Credit to have a Letter of Credit issued in its favor; and (vi) no Letter of Credit shall be issued by the Letter of Credit Issuer after it has received a written notice from any Credit Party or the Administrative Agent or the Required Lenders stating that a Default or Event of Default has occurred and is continuing until such time as the Letter of Credit Issuer shall have received a written notice of (x) rescission of such notice from the party or parties originally delivering such notice or (y) the waiver of such Default or Event of Default in accordance with the provisions of Section 13.1.

(c) Upon at least two Business Days' prior written notice to the Administrative Agent and the Letter of Credit Issuer (which notice the Administrative Agent shall promptly transmit to each of the Lenders), the Borrowers shall have the right, on any day, permanently to terminate or reduce the Letter of Credit Commitment in whole or in part; provided that, after giving effect to such termination or reduction, the Letters of Credit Outstanding shall not exceed the Letter of Credit Commitment.

(d) [Reserved],

(e) The Letter of Credit Issuer shall not be under any obligation to issue any Letter of Credit if:

(i) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms enjoin or restrain the Letter of Credit Issuer from issuing such Letter of Credit, or any law applicable to the Letter of Credit Issuer or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over the Letter of

Credit Issuer shall prohibit, or request that the Letter of Credit Issuer refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon the Letter of Credit Issuer with respect to such Letter of Credit any restriction, reserve or capital requirement (in each case, for which the Letter of Credit Issuer is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose upon the Letter of Credit Issuer any unreimbursed loss, cost or expense which was not applicable on the Closing Date and which the Letter of Credit Issuer in good faith deems material to it;

(ii) the issuance of such Letter of Credit would violate one or more policies of the Letter of Credit Issuer applicable to letters of credit generally;

(iii) except as otherwise agreed by the Administrative Agent and the Letter of Credit Issuer, such Letter of Credit is in an initial Stated Amount less than $50,000, in the case of a commercial Letter of Credit, or $10,000, in the case of a standby Letter of Credit;

(iv) unless otherwise agreed by the Administrative Agent and the Letter of Credit Issuer, such Letter of Credit is denominated in a currency other than Dollars;

(v) such Letter of Credit contains any provisions for automatic reinstatement of the Stated Amount after any drawing thereunder; or

(vi) a default of any Lender's obligations to fund under Section 3.3 exists or any Lender is at such time a Defaulting Lender hereunder, unless, in each case, the Borrowers have entered into arrangements reasonably satisfactory to the Letter of Credit Issuer to eliminate the Letter of Credit Issuer's risk with respect to such Lender or such risk has been reallocated in accordance with Section 2.16.

(f) The Letter of Credit Issuer shall not increase the Stated Amount of any Letter of Credit if the Letter of Credit Issuer would not be permitted at such time to issue such Letter of Credit in its amended form under the terms hereof.

(g) The Letter of Credit Issuer shall be under no obligation to amend any Letter of Credit if (A) the Letter of Credit Issuer would have no obligation at such time to issue such Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of such Letter of Credit does not accept the proposed amendment to such Letter of Credit.

(h) The Letter of Credit Issuer shall act on behalf of the Lenders with respect to any Letters of Credit issued by it and the documents associated therewith and the Letter of Credit Issuer shall have all of the benefits and immunities (A) provided to the Administrative Agent in Section 13 with respect to any acts taken or omissions suffered by the Letter of Credit Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and Issuer Documents pertaining to such Letters of Credit as fully as if the term "Administrative Agent" as used in Section 13 included the Letter of Credit Issuer with respect to such acts or omissions, and (B) as additionally provided herein with respect to the Letter of Credit Issuer.

3.2 Letter of Credit Requests.

(a) Whenever a Borrower desires that a Letter of Credit be issued for its account or amended, the Borrower Representative shall give the Administrative Agent and the Letter of Credit Issuer a Letter of Credit Request by no later than 1:00 p.m. (New York City time) at least three Business Days (or such other period as may be agreed upon by the Borrower Representative, the Administrative

Agent and the Letter of Credit Issuer) prior to the proposed date of issuance or amendment. Each Letter of Credit Request shall be executed by the Borrower Representative. Such Letter of Credit Request may be sent by facsimile, by United States mail, by overnight courier, by electronic transmission using the system provided by the Letter of Credit Issuer, by personal delivery or by any other means acceptable to the Letter of Credit Issuer.

(b) In the case of a request for an initial issuance of a Letter of Credit, such Letter of Credit Request shall specify in form and detail reasonably satisfactory to the Letter of Credit Issuer: (A) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (B) the Stated Amount thereof in Dollars; (C) the expiry date thereof; (D) the name and address of the beneficiary thereof; (E) the documents to be presented by such beneficiary in case of any drawing thereunder; (F) the full text of any certificate to be presented by such beneficiary in case of any drawing thereunder; (G) the identity of the applicant; and (H) such other matters as the Letter of Credit Issuer may reasonably require. In the case of a request for an amendment of any outstanding Letter of Credit, such Letter of Credit Request shall specify in form and detail reasonably satisfactory to the Letter of Credit Issuer (I) the Letter of Credit to be amended; (II) the proposed date of amendment thereof (which shall be a Business Day); (III) the nature of the proposed amendment; and (IV) such other matters as the Letter of Credit Issuer may reasonably require. Additionally, the Borrower Representative shall furnish to the Letter of Credit Issuer and the Administrative Agent such other documents and information pertaining to such requested Letter of Credit issuance or amendment, including any Issuer Documents, as the Letter of Credit Issuer or the Administrative Agent may reasonably require.

(c) Promptly after receipt of any Letter of Credit Request, the Letter of Credit Issuer will confirm with the Administrative Agent in writing that the Administrative Agent has received a copy of such Letter of Credit Request from the Borrower Representative and, if not, the Letter of Credit Issuer will provide the Administrative Agent with a copy thereof. Unless the Letter of Credit Issuer has received written notice from any Lender, the Administrative Agent or any Credit Party, at least one Business Day prior to the requested date of issuance or amendment of the Letter of Credit, that one or more applicable conditions contained in Sections 6 (solely with respect to any Letter of Credit issued on the Closing Date) and 7 shall not then be satisfied to the extent required thereby, then, subject to the terms and conditions hereof, the Letter of Credit Issuer shall, on the requested date, issue a Letter of Credit for the account of such Borrower (or, so long as the Borrowers are the primary obligors, for the account of Holdings or another Restricted Subsidiary) or enter into the applicable amendment, as the case may be, in each case in accordance with the Letter of Credit Issuer's usual and customary business practices.

(d) If the Borrower Representative so requests in any Letter of Credit Request, the Letter of Credit Issuer shall agree to issue a Letter of Credit that has automatic extension provisions (each, an "**Auto-Extension Letter of Credit**"); provided that any such Auto-Extension Letter of Credit must permit the Letter of Credit Issuer to prevent any such extension at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof and the Borrower Representative not later than a day (the "**Non-Extension Notice Date**") in each such twelve-month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by the Letter of Credit Issuer, the Borrower Representative shall not be required to make a specific request to the Letter of Credit Issuer for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Lenders shall be deemed to have authorized (but may not require) the Letter of Credit Issuer to permit the extension of such Letter of Credit at any time to an expiry date not later than the L/C Facility Maturity Date, unless otherwise agreed upon by the Administrative Agent and the Letter of Credit Issuer; provided, however, that the Letter of Credit Issuer shall not permit any such extension if (A) the Letter of Credit Issuer has reasonably determined that it would not be permitted, or would have no obligation, at such time to issue such Letter of Credit in its revised form (as extended)

under the terms hereof (by reason of the provisions of clause (b) of Section 3.1 or otherwise), or (B) it has received written notice on or before the day that is seven Business Days before the Non-Extension Notice Date from the Administrative Agent, any Lender or the Borrower Representative that one or more of the applicable conditions specified in Sections 6 and 7 are not then satisfied, and in each such case directing the Letter of Credit Issuer not to permit such extension.

(e) Promptly after its delivery of any Letter of Credit or any amendment to a Letter of Credit (including any Existing Letter of Credit) to an advising bank with respect thereto or to the beneficiary thereof, the Letter of Credit Issuer will also deliver to the Borrower Representative and the Administrative Agent a true and complete copy of such Letter of Credit or amendment. On the first Business Day of each month, the Letter of Credit Issuer shall provide the Administrative Agent a list of all Letters of Credit (including any Existing Letter of Credit) issued by it that are outstanding at such time.

(f) The making of each Letter of Credit Request shall be deemed to be a representation and warranty by the Borrower Representative that the Letter of Credit may be issued in accordance with, and will not violate the requirements of, Section 3.1(b).

3.3 Letter of Credit Participations.

(a) Immediately upon the issuance by the Letter of Credit Issuer of any Letter of Credit, the Letter of Credit Issuer shall be deemed to have sold and transferred to each Lender (each such Lender, in its capacity under this Section 3.3, an "**L/C Participant**"), and each such L/C Participant shall be deemed irrevocably and unconditionally to have purchased and received from the Letter of Credit Issuer, without recourse or warranty, an undivided interest and participation (each an "**L/C Participation**"), to the extent of such L/C Participant's Revolving Credit Commitment Percentage in each Letter of Credit, each substitute therefor, each drawing made thereunder and the obligations of the Borrowers under this Agreement with respect thereto, and any security therefor or guaranty pertaining thereto; provided that the Letter of Credit Fees will be paid directly to the Administrative Agent for the ratable account of the L/C Participants as provided in Section 4.1(b) and the L/C Participants shall have no right to receive any portion of any Fronting Fees.

(b) In determining whether to pay under any Letter of Credit, the relevant Letter of Credit Issuer shall have no obligation relative to the L/C Participants other than to confirm that any documents required to be delivered under such Letter of Credit have been delivered and that they appear to comply on their face with the requirements of such Letter of Credit. Any action taken or omitted to be taken by the relevant Letter of Credit Issuer under or in connection with any Letter of Credit issued by it, if taken or omitted in the absence of gross negligence or willful misconduct as determined in the final non-appealable judgment of a court of competent jurisdiction, shall not create for the Letter of Credit Issuer any resulting liability.

(c) In the event that the Letter of Credit Issuer makes any payment under any Letter of Credit issued by it and the applicable Borrower shall not have repaid such amount in full to the respective Letter of Credit Issuer through the Administrative Agent pursuant to Section 3.4(a), the Administrative Agent shall promptly notify each L/C Participant of such failure, and each L/C Participant shall promptly and unconditionally pay to the Administrative Agent for the account of the Letter of Credit Issuer, the amount of such L/C Participant's Revolving Credit Commitment Percentage of such unreimbursed payment in Dollars and in immediately available funds. If and to the extent such L/C Participant shall not have so made its Revolving Credit Commitment Percentage of the amount of such payment available to the Administrative Agent for the account of the Letter of Credit Issuer, such L/C Participant agrees to pay to the Administrative Agent for the account of the Letter of Credit Issuer, forthwith on demand, such

amount, together with interest thereon for each day from such date until the date such amount is paid to the Administrative Agent for the account of the Letter of Credit Issuer at a rate per annum equal to the Overnight Rate from time to time then in effect, plus any administrative, processing or similar fees that are reasonably and customarily charged by the Letter of Credit Issuer in connection with the foregoing. The failure of any L/C Participant to make available to the Administrative Agent for the account of the Letter of Credit Issuer its Revolving Credit Commitment Percentage of any payment under any Letter of Credit shall not relieve any other L/C Participant of its obligation hereunder to make available to the Administrative Agent for the account of the Letter of Credit Issuer its Revolving Credit Commitment Percentage of any payment under such Letter of Credit on the date required, as specified above, but no L/C Participant shall be responsible for the failure of any other L/C Participant to make available to the Administrative Agent such other L/C Participant's Revolving Credit Commitment Percentage of any such payment.

(d) Whenever the Administrative Agent receives a payment in respect of an unpaid reimbursement obligation as to which the Administrative Agent has received for the account of the Letter of Credit Issuer any payments from the L/C Participants pursuant to clause (c) above, the Administrative Agent shall promptly pay to each L/C Participant that has paid its Revolving Credit Commitment Percentage of such reimbursement obligation, in Dollars and in immediately available funds, an amount equal to such L/C Participant's share (based upon the proportionate aggregate amount originally funded by such L/C Participant to the aggregate amount funded by all L/C Participants) of the amount so paid in respect of such reimbursement obligation and interest thereon accruing after the purchase of the respective L/C Participations at the Overnight Rate.

(e) The obligations of the L/C Participants to make payments to the Administrative Agent for the account of the Letter of Credit Issuer with respect to Letters of Credit shall be irrevocable and not subject to counterclaim, set-off or other defense or any other qualification or exception whatsoever and shall be made in accordance with the terms and conditions of this Agreement under all circumstances.

(f) If any payment received by the Administrative Agent for the account of the Letter of Credit Issuer pursuant to Section 3.3(c) is required to be returned under any of the circumstances described in Section 3.20 (including pursuant to any settlement entered into by the Letter of Credit Issuer in its discretion), each Lender shall pay to the Administrative Agent for the account of the Letter of Credit Issuer its Revolving Credit Commitment Percentage thereof on demand of the Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned by such Lender, at a rate per annum equal to the applicable Overnight Rate from time to time in effect. The obligations of the Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

3.4 Agreement to Repay Letter of Credit Drawings.

(a) Each Borrower hereby jointly and severally agrees to reimburse the Letter of Credit Issuer, by making payment with respect to any drawing under any Letter of Credit in Dollars. Any such reimbursement shall be made by the Borrower to the Administrative Agent in immediately available funds for any payment or disbursement made by the Letter of Credit Issuer under any Letter of Credit (each such amount so paid until reimbursed, an "**Unpaid Drawing**") no later than the date that is one Business Day after the date on which the Borrower Representative receives written notice of such payment or disbursement (the "**Reimbursement Date**"), with interest on the amount so paid or disbursed by the Letter of Credit Issuer, to the extent not reimbursed prior to 5:00 p.m. (New York City time) on the Reimbursement Date, from the Reimbursement Date to the date the Letter of Credit Issuer is reimbursed therefor at a rate per annum that shall at all times be the Applicable Margin for ABR Loans that are Revolving Credit Loans applicable under Section 2.1(b) *plus* the ABR as in effect from time to

time, provided that, notwithstanding anything contained in this Agreement to the contrary, (i) unless the Borrower Representative shall have notified the Administrative Agent and the relevant Letter of Credit Issuer prior to 1:00 p.m. (New York City time) on the Reimbursement Date that the Borrower intends to reimburse the relevant Letter of Credit Issuer for the amount of such drawing with funds other than the proceeds of Loans, the Borrower Representative shall be deemed to have given a Notice of Borrowing requesting that, with respect to Letters of Credit, the Lenders make Revolving Credit Loans (which shall be ABR Loans) on the Reimbursement Date in the amount of such drawing and (ii) the Administrative Agent shall promptly notify each L/C Participant of such drawing and the amount of its Revolving Credit Loan to be made in respect thereof, and each L/C Participant shall be irrevocably obligated to make a Revolving Credit Loan to the Borrower in Dollars in the manner deemed to have been requested in the amount of its Revolving Credit Commitment Percentage of the applicable Unpaid Drawing by 2:00 p.m. (New York City time) on such Reimbursement Date by making the amount of such Revolving Credit Loan available to the Administrative Agent. Such Revolving Credit Loans shall be made without regard to the Minimum Borrowing Amount. The Administrative Agent shall use the proceeds of such Revolving Credit Loans solely for purpose of reimbursing the Letter of Credit Issuer for the related Unpaid Drawing. In the event that the Borrower fails to Cash Collateralize any Letter of Credit that is outstanding on the L/C Facility Maturity Date, the full amount of the Letters of Credit Outstanding in respect of such Letter of Credit shall be deemed to be an Unpaid Drawing subject to the provisions of this Section 3.4 except that the Letter of Credit Issuer shall hold the proceeds received from the L/C Participants as contemplated above as cash collateral for such Letter of Credit to reimburse any Drawing under such Letter of Credit and shall use such proceeds first, to reimburse itself for any Drawings made in respect of such Letter of Credit following the L/C Facility Maturity Date, second, to the extent such Letter of Credit expires or is returned undrawn while any such cash collateral remains, to the repayment of obligations in respect of any Revolving Credit Loans that have not been paid at such time and third, to the Borrowers or as otherwise directed by a court of competent jurisdiction. Nothing in this Section 3.4(a) shall affect the Borrowers' obligation to repay all outstanding Revolving Credit Loans when due in accordance with the terms of this Agreement.

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

(i) any lack of validity or enforceability of this Agreement or any of the other Credit Documents;

(ii) the existence of any claim, set-off, defense or other right that any Borrower may have at any time against a beneficiary named in a Letter of Credit, any transferee of any Letter of Credit (or any Person for whom any such transferee may be acting), the Administrative Agent, the Letter of Credit Issuer, any Lender or other Person, whether in connection with this Agreement, any Letter of Credit, the transactions contemplated herein or any unrelated transactions (including any underlying transaction between a Borrower and the beneficiary named in any such Letter of Credit);

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

(iv) waiver by the Letter of Credit Issuer of any requirement that exists for the Letter of Credit Issuer's protection and not the protection of a Borrower (or Holdings or other

Restricted Subsidiary) or any waiver by the Letter of Credit Issuer which does not in fact materially prejudice such Borrower (or Holdings or other Restricted Subsidiary);

(v) any payment made by the Letter of Credit Issuer in respect of an otherwise complying item presented after the date specified as the expiration date of, or the date by which documents must be received under, such Letter of Credit if presentation after such date is authorized by the UCC, the ISP or the UCP, as applicable;

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

(vii) honor of a demand for payment presented electronically even if such Letter of Credit requires that demand be in the form of a draft; or

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

(c) The Borrowers shall not be obligated to reimburse the Letter of Credit Issuer for any wrongful payment made by the Letter of Credit Issuer under the Letter of Credit issued by it as a result of acts or omissions constituting willful misconduct or gross negligence on the part of the Letter of Credit Issuer as determined in the final non-appealable judgment of a court of competent jurisdiction.

3.5 Increased Costs. If after the Closing Date, the adoption of any applicable law, treaty, rule, or regulation, or any change therein, or any change in the interpretation or administration thereof by any Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof, or actual compliance by the Letter of Credit Issuer or any L/C Participant with any request or directive made or adopted after the Closing Date (whether or not having the force of law), by any such authority, central bank or comparable agency shall either (x) impose, modify or make applicable any reserve, deposit, capital adequacy or similar requirement against letters of credit issued by the Letter of Credit Issuer, or any L/C Participant's L/C Participation therein, or (y) impose on the Letter of Credit Issuer or any L/C Participant any other conditions or costs affecting its obligations under this Agreement in respect of Letters of Credit or L/C Participations therein or any Letter of Credit or such L/C Participant's L/C Participation therein, and the result of any of the foregoing is to increase the actual cost to the Letter of Credit Issuer or such L/C Participant of issuing, maintaining or participating in any Letter of Credit, or to reduce the actual amount of any sum received or receivable by the Letter of Credit Issuer or such L/C Participant hereunder (including any increased costs or reductions attributable to Taxes, other than any such increase or reduction attributable to (i) Taxes indemnifiable under Section 5.4 or (ii) Excluded Taxes) in respect of Letters of Credit or L/C Participations therein, then, promptly after receipt of written demand to the Borrower Representative by the Letter of Credit Issuer or such L/C Participant, as the case may be (a copy of which notice shall be sent by the Letter of Credit Issuer or such L/C Participant to the Administrative Agent (with respect to a Letter of Credit issued on account of such Borrower (or Holdings or other Restricted Subsidiary))), such Borrower shall pay to the Letter of Credit Issuer or such L/C Participant such actual additional amount or amounts as will compensate the Letter of Credit Issuer or such L/C Participant for such increased cost or reduction, it being understood and agreed,

however, that the Letter of Credit Issuer or an L/C Participant shall not be entitled to such compensation as a result of such Person's compliance with, or pursuant to any request or directive to comply with, any such law, rule or regulation as in effect on the Closing Date. A certificate submitted to the Borrower Representative by the relevant Letter of Credit Issuer or an L/C Participant, as the case may be (a copy of which certificate shall be sent by the Letter of Credit Issuer or such L/C Participant to the Administrative Agent), setting forth in reasonable detail the basis for the determination of such actual additional amount or amounts necessary to compensate the Letter of Credit Issuer or such L/C Participant as aforesaid shall be conclusive and binding on the Borrowers absent clearly demonstrable error.

3.6 New or Successor Letter of Credit Issuer.

(a) The Letter of Credit Issuer may resign as the Letter of Credit Issuer upon 60 days' prior written notice to the Administrative Agent, the Lenders, and the Borrower Representative. The Borrower Representative may replace the Letter of Credit Issuer for any reason upon written notice to the Administrative Agent and the Letter of Credit Issuer. The Borrower Representative may add Letter of Credit Issuers at any time upon notice to the Administrative Agent. If the Letter of Credit Issuer shall resign or be replaced, or if the Borrower Representative shall decide to add a new Letter of Credit Issuer under this Agreement, then the Borrower Representative may appoint from among the Lenders a successor issuer of Letters of Credit or a new Letter of Credit Issuer, as the case may be, or, with the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed), another successor or new issuer of Letters of Credit, whereupon such successor issuer accepting such appointment shall succeed to the rights, powers and duties of the replaced or resigning Letter of Credit Issuer under this Agreement and the other Credit Documents, or such new issuer of Letters of Credit accepting such appointment shall be granted the rights, powers and duties of the Letter of Credit Issuer hereunder, and the term Letter of Credit Issuer shall mean such successor or such new issuer of Letters of Credit effective upon such appointment. At the time such resignation or replacement shall become effective, the Borrowers shall pay to the resigning or replaced Letter of Credit Issuer all accrued and unpaid fees applicable to the Letters of Credit pursuant to Sections 4.1(b) and 4.1(d). The acceptance of any appointment as the Letter of Credit Issuer hereunder whether as a successor issuer or new issuer of Letters of Credit in accordance with this Agreement, shall be evidenced by an agreement entered into by such new or successor issuer of Letters of Credit, in a form reasonably satisfactory to the Borrower Representative and the Administrative Agent and, from and after the effective date of such agreement, such new or successor issuer of Letters of Credit shall become the Letter of Credit Issuer hereunder. After the resignation or replacement of the Letter of Credit Issuer hereunder, the resigning or replaced Letter of Credit Issuer shall remain a party hereto and shall continue to have all the rights and obligations of the Letter of Credit Issuer under this Agreement and the other Credit Documents with respect to Letters of Credit issued by it prior to such resignation or replacement, but shall not be required to issue additional Letters of Credit. In connection with any resignation or replacement pursuant to this clause (a) (but, in case of any such resignation, only to the extent that a successor issuer of Letters of Credit shall have been appointed), either (i) the Borrower Representative, the resigning or replaced Letter of Credit Issuer and the successor issuer of Letters of Credit shall arrange to have any outstanding Letters of Credit issued by the resigning or replaced Letter of Credit Issuer replaced with Letters of Credit issued by the successor issuer of Letters of Credit or (ii) the Borrower Representative shall cause the successor issuer of Letters of Credit, if such successor issuer is reasonably satisfactory to the replaced or resigning Letter of Credit Issuer, to issue "back-stop" Letters of Credit naming the resigning or replaced Letter of Credit Issuer as beneficiary for each outstanding Letter of Credit issued by the resigning or replaced Letter of Credit Issuer, which new Letters of Credit shall be denominated in the same currency as, and shall have a face amount equal to, the Letters of Credit being back-stopped and the sole requirement for drawing on such new Letters of Credit shall be a drawing on the corresponding back-stopped Letters of Credit. After any resigning or replaced Letter of Credit Issuer's resignation or replacement as Letter of Credit Issuer, the provisions of this Agreement relating to the Letter of Credit Issuer shall inure to its benefit as to any

actions taken or omitted to be taken by it (A) while it was the Letter of Credit Issuer under this Agreement or (B) at any time with respect to Letters of Credit issued by such Letter of Credit Issuer.

(b) To the extent there are, at the time of any resignation or replacement as set forth in clause (a) above, any outstanding Letters of Credit, nothing herein shall be deemed to impact or impair any rights and obligations of any of the parties hereto with respect to such outstanding Letters of Credit (including, without limitation, any obligations related to the payment of Fees or the reimbursement or funding of amounts drawn), except that the Borrowers, the resigning or replaced Letter of Credit Issuer and the successor issuer of Letters of Credit shall have the obligations regarding outstanding Letters of Credit described in clause (a) above.

3.7 Role of Letter of Credit Issuer. Each Lender and each Borrower agree that, in paying any drawing under a Letter of Credit, the Letter of Credit Issuer shall not have any responsibility to obtain any document (other than any sight draft, certificates and documents expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering any such document. None of the Letter of Credit Issuer, the Administrative Agent, any of their respective Affiliates nor any correspondent, participant or assignee of the Letter of Credit Issuer shall be liable to any Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the Required Lenders; (ii) any action taken or omitted in the absence of gross negligence or willful misconduct as determined in the final non-appealable judgment of a court of competent jurisdiction; or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or Issuer Document. The Borrowers hereby assume all risks of the acts or omissions of any beneficiary or transferee with respect to its use of any Letter of Credit; provided that this assumption is not intended to, and shall not, preclude the Borrowers' pursuit of such rights and remedies as they may have against the beneficiary or transferee at law or under any other agreement. None of the Letter of Credit Issuer, the Administrative Agent, any of their respective Affiliates nor any correspondent, participant or assignee of the Letter of Credit Issuer shall be liable or responsible for any of the matters described in Section 3.3(b); provided that anything in such Section to the contrary notwithstanding, the Borrowers may have a claim against the Letter of Credit Issuer, and the Letter of Credit Issuer may be liable to the Borrowers, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by the Borrowers which the Borrowers prove were caused by the Letter of Credit Issuer's willful misconduct or gross negligence or the Letter of Credit Issuer's willful failure to pay under any Letter of Credit after the presentation to it by the beneficiary of a sight draft and certificate(s) strictly complying with the terms and conditions of a Letter of Credit in each case as determined in the final non-appealable judgment of a court of competent jurisdiction. In furtherance and not in limitation of the foregoing, the Letter of Credit Issuer may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, and the Letter of Credit Issuer shall not be responsible for the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign a Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason.

The Letter of Credit Issuer may send a Letter of Credit or conduct any communication to or from the beneficiary via the Society for Worldwide Interbank Financial Telecommunication ("**SWIFT**") message or overnight courier, or any other commercially reasonable means of communicating with a beneficiary.

3.8 Cash Collateral.

(a) Certain Credit Support Events. Upon the written request of the Administrative Agent or the Letter of Credit Issuer, if (i) as of the L/C Facility Maturity Date, any L/C Obligation for any reason remains outstanding, (ii) the Borrowers shall be required to provide Cash Collateral pursuant to Section 2.1(e), 3.1(b), 3.4(a), 3.12, 5.2, 11.13 or 11.14, or (iii) the provisions of Section 2.16(a)(v) are in effect, the Borrowers shall immediately (in the case of clause (ii) above) or within one Business Day (in all other cases) following any written request by the Administrative Agent or the Letter of Credit Issuer, provide Cash Collateral in an amount not less than the applicable Minimum Collateral Amount (determined in the case of Cash Collateral provided pursuant to clause (iii) above, after giving effect to Section 2.16(a)(iv) and any Cash Collateral provided by the Defaulting Lender).

(b) Grant of Security Interest. The Borrowers, and to the extent provided by any Defaulting Lender, such Defaulting Lender, hereby grant to (and subject to the control of) the Administrative Agent, for the benefit of the Administrative Agent, the Letter of Credit Issuer and the Lenders, and agree to maintain, a first priority security interest in all such cash, deposit accounts and all balances therein as described in Section 3.8(a), and all other property so provided as collateral pursuant hereto, and in all proceeds of the foregoing, all as security for the obligations to which such Cash Collateral may be applied pursuant to Section 3.8(c). If at any time the Administrative Agent determines that Cash Collateral is subject to any right or claim of any Person other than the Administrative Agent or the Letter of Credit Issuer as herein provided, other than Permitted Liens, or that the total amount of such Cash Collateral is less than the Minimum Collateral Amount, the Borrowers will, promptly upon written demand by the Administrative Agent, pay or provide to the Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency. Cash Collateral shall be maintained in blocked, interest bearing deposit accounts with the Administrative Agent. The Borrowers shall pay on demand therefor from time to time all customary account opening, activity and other administrative fees and charges in connection with the maintenance and disbursement of Cash Collateral.

(c) Application. Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under any of this Section 3.8 or Sections 2.16, 5.2, or 11.13 in respect of Letters of Credit shall be held and applied to the satisfaction of the specific L/C Obligations, obligations to fund participations therein (including, as to Cash Collateral provided by a Defaulting Lender, any interest accrued on such obligation) and other obligations for which the Cash Collateral was so provided, prior to any other application of such property as may otherwise be provided for herein.

(d) Cash Collateral (or the appropriate portion thereof) provided to reduce Fronting Exposure or to secure other obligations shall be released promptly following (i) the elimination of the applicable Fronting Exposure or other obligations giving rise thereto (including by the termination of Defaulting Lender status of the applicable Lender (or, as appropriate, its assignee following compliance with Section 13.6(b)(ii)) or there is no longer existing an Event of Default) or (ii) the determination by the Administrative Agent and the Letter of Credit Issuer that there exists excess Cash Collateral.

3.9 Applicability of ISP and UCP. Unless otherwise expressly agreed by the Letter of Credit Issuer and the applicable Borrower when a Letter of Credit is issued, (i) the rules of the ISP shall apply to each standby Letter of Credit, and (ii) the rules of the Uniform Customs and Practice for Documentary Credits, as most recently published by the International Chamber of Commerce at the time of issuance, shall apply to each commercial Letter of Credit. Notwithstanding the foregoing, the Letter of Credit Issuer shall not be responsible to such Borrower for, and the Letter of Credit Issuer's rights and remedies against such Borrower shall not be impaired by, any action or inaction of the Letter of Credit Issuer required or permitted under any law, order, or practice that is required or permitted to be applied to any Letter of Credit or this Agreement, including the applicable law or any order of a jurisdiction where the

Letter of Credit Issuer or the beneficiary is located, the practice stated in the ISP or UCP, as applicable, or in the decisions, opinions, practice statements, or official commentary of the ICC Banking Commission, the Bankers Association for Finance and Trade - International Financial Services Association (BAFT-IFSA), or the Institute of International Banking Law & Practice, whether or not any Letter of Credit chooses such law or practice.

3.10 Conflict with Issuer Documents. In the event of any conflict between the terms hereof and the terms of any Issuer Document, the terms hereof shall control and any grant of security interest in any Issuer Documents shall be void.

3.11 Letters of Credit Issued for Restricted Subsidiaries. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, Holdings or a Restricted Subsidiary, the Borrowers shall be jointly and severally obligated to reimburse the Letter of Credit Issuer hereunder for any and all drawings under such Letter of Credit. The Borrowers hereby acknowledge that the issuance of Letters of Credit for the account of Holdings or any other Restricted Subsidiaries inures to the benefit of each Borrower and that each Borrower's business derives substantial benefits from the businesses of Holdings and the other Restricted Subsidiaries.

3.12 Provisions Related to Extended Revolving Credit Commitments. If the Letter of Credit Expiration Date in respect of any tranche of Revolving Credit Commitments occurs prior to the expiry date of any Letter of Credit, then (i) if consented to by the Letter of Credit Issuer which issued such Letter of Credit, if one or more other tranches of Revolving Credit Commitments in respect of which the Letter of Credit Expiration Date shall not have so occurred are then in effect, such Letters of Credit for which consent has been obtained shall automatically be deemed to have been issued (including for purposes of the obligations of the Lenders to purchase participations therein and to make Revolving Credit Loans and payments in respect thereof pursuant to Sections 3.3 and 3.4) under (and ratably participated in by Lenders pursuant to) the Revolving Credit Commitments in respect of such non-terminating tranches up to an aggregate amount not to exceed the aggregate amount of the unutilized Revolving Credit Commitments thereunder at such time (it being understood that no partial face amount of any Letter of Credit may be so reallocated) and (ii) to the extent not reallocated pursuant to immediately preceding clause (i), the Borrowers shall Cash Collateralize any such Letter of Credit in accordance with Section 3.8. Upon the maturity date of any tranche of Revolving Credit Commitments, the sublimit for Letters of Credit may be reduced as agreed between the Letter of Credit Issuer and the Borrower Representative, without the consent of any other Person.

Section 4. Fees.

4.1 Fees.

(a) Without duplication, the Borrowers jointly and severally agree to pay to the Administrative Agent in Dollars, for the account of each Lender (in each case pro rata according to the respective Revolving Credit Commitments of all such Lenders), a commitment fee (the "**Commitment Fee**") for each day from the Closing Date to the Revolving Credit Termination Date. Each Commitment Fee shall be payable (x) quarterly in arrears on the last Business Day of each March, June, September, and December (for the three-month period (or portion thereof) ended on such day for which no payment has been received) and (y) on the Revolving Credit Termination Date (for the period ended on such date for which no payment has been received pursuant to clause (x) above), and shall be computed for each day during such period at a rate per annum equal to the Commitment Fee Rate in effect on such day on the Available Commitment in effect on such day.

(b) Without duplication, the Borrowers jointly and severally agree to pay to the Administrative Agent in Dollars for the account of the Lenders pro rata on the basis of their respective Letter of Credit Exposure, a fee in respect of each Letter of Credit issued on any Borrower's or any of the other Restricted Subsidiaries' behalf (the "Letter of Credit Fee"), for the period from the date of issuance of such Letter of Credit to the termination date of such Letter of Credit computed at the per annum rate for each day equal to the Applicable Margin for Term SOFR Rate Revolving Credit Loans applicable under Section 2.1(b). Except as provided below, such Letter of Credit Fees shall be due and payable (x) quarterly in arrears on the last Business Day of each March, June, September, and December and (y) on the date upon which the Total Revolving Credit Commitment terminates and the Letters of Credit Outstanding shall have been reduced to zero.

(c) Without duplication, the Borrowers jointly and severally agree to pay to the Administrative Agent in Dollars, for its own account, administrative agent fees as have been previously agreed in writing or as may be agreed in writing from time to time.

(d) Without duplication, the Borrowers jointly and severally agree to pay to the Letter of Credit Issuer a fee in Dollars in respect of each Letter of Credit issued by it to a Borrower (the "**Fronting Fee**") (i) with respect to each commercial Letter of Credit, at the rate of 0.125%, computed on the amount of such Letter of Credit, and (ii) with respect to each standby Letter of Credit, for the period from the date of issuance of such Letter of Credit to the termination date of such Letter of Credit, computed at the rate for each day equal to 0.125% per annum on the average daily Stated Amount of such Letter of Credit (or at such other rate per annum as agreed in writing between the Borrower Representative and the Letter of Credit Issuer). Such Fronting Fees shall be due and payable (x) quarterly in arrears on the first Business Day after the end of each of March, June, September and December and (y) on the date upon which the Total Revolving Credit Commitment terminates and the Letters of Credit Outstanding shall have been reduced to zero.

(e) Without duplication, the Borrowers jointly and severally agree to pay directly to the Letter of Credit Issuer in Dollars upon each issuance or renewal of, drawing under, and/or amendment of, a Letter of Credit issued by it such amount as shall at the time of such issuance or renewal of, drawing under, and/or amendment be the processing charge that the Letter of Credit Issuer is customarily charging for issuances or renewals of, drawings under or amendments of, letters of credit issued by it.

(f) Notwithstanding the foregoing, the Borrowers shall not be obligated to pay any amounts to any Defaulting Lender pursuant to this Section 4.1.

4.2 Voluntary Reduction of Revolving Credit Commitments.

(a) Upon at least two (2) Business Days' prior written notice to the Administrative Agent at the Administrative Agent's Office (which notice the Administrative Agent shall promptly transmit to each of the Lenders), the Borrowers shall have the right, without premium or penalty, on any day, to terminate or permanently reduce Revolving Credit Commitments in whole or in part; provided that (a) any such reduction shall apply proportionately and permanently to reduce the Revolving Credit Commitment of each of the Lenders of any applicable Class and any such reduction or termination shall be accompanied by any repayment of Revolving Credit Loans required under Section 5.2(b), except that (i) notwithstanding the foregoing, in connection with the establishment on any date of any Extended Revolving Credit Commitments pursuant to Section 2.14(g), the Revolving Credit Commitments of any one or more Lenders providing any such Extended Revolving Credit Commitments on such date shall be reduced in an amount equal to the amount of Revolving Credit Commitments so extended on such date (provided that after giving effect to any such reduction and to the repayment of any Revolving Credit Loans made on such date, the Revolving Credit Exposure of any such Lender does not exceed the

Revolving Credit Commitment thereof and (ii) the Borrowers may at their election permanently reduce the Revolving Credit Commitment of a Defaulting Lender to $0 without affecting the Revolving Credit Commitments of any other Lender, and (b) after giving effect to such termination or reduction and to any prepayments of the Loans made on the date thereof in accordance with this Agreement, the aggregate amount of the Lenders' Revolving Credit Exposures shall not exceed the Line Cap and the aggregate amount of the Lenders' Revolving Credit Exposures in respect of any Class shall not exceed the aggregate Revolving Credit Commitment of such Class. Each such reduction shall be in the principal amount of $5,000,000 or any integral multiple thereof (or if less, the remaining applicable amount at the time of such termination or reduction). Each such reduction or termination shall (i) be applied ratably to each Lender holding the Revolving Credit Commitments and (ii) be irrevocable at the effective time of any such termination or reduction. The Borrowers shall pay to the Administrative Agent for application as provided herein (i) at the effective time of any such termination (but not any partial reduction), all earned and unpaid fees under the Fee Letter and the Commitment Fee accrued on the Revolving Credit Commitments so terminated.

(b) Upon at least two (2) Business Days' prior written notice to the Administrative Agent Office (which notice the Administrative Agent shall promptly transmit to each of the Lenders), the Borrowers shall have the right, without premium or penalty, on any day, to terminate or permanently reduce the then applicable amount set forth in clause (a) of the definition of Overadvance Borrowing Base in whole or in part. Each partial reduction of the Overadvance Borrowing Base shall be in the principal amount of $1,000,000 or any integral multiple thereof (or if less, the remaining applicable amount at the time of such termination or reduction). Any such reduction shall be accompanied by any repayment of Revolving Credit Loans required under Section 5.2(b).

(c) At any time on or after the first anniversary of the Closing Date and so long as the Overadvance Borrowing Base has been permanently reduced to $0, upon at least two (2) Business Days' prior written notice to the Administrative Agent Office (which notice the Administrative Agent shall promptly transmit to each of the Lenders), the Borrowers shall have the right, without premium or penalty, on any day, to terminate or permanently reduce the then applicable amount set forth in clause (a) of the definition of Tranche B Borrowing Base in whole or in part. Each partial reduction of the Overadvance Borrowing Base shall be in the principal amount of $1,000,000 or any integral multiple thereof (or if less, the remaining applicable amount at the time of such termination or reduction). Any such reduction shall be accompanied by any repayment of Revolving Credit Loans required under Section 5.2(b).

4.3 Mandatory Termination of Commitments.

(a) The Revolving Credit Commitment shall terminate at 5:00 p.m. (New York City time) on the Revolving Credit Maturity Date.

(b) The Swingline Commitment shall terminate at 5:00 p.m. (New York City time) on the Swingline Maturity Date.

Section 5. Payments.

5.1 Voluntary Prepayments.

(a) The Borrowers shall have the right to prepay Loans, including Revolving Credit Loans and Swingline Loans, as applicable, without premium or penalty, in whole or in part from time to time on the following terms and conditions: (a) the Borrower Representative shall give the Administrative Agent at the Administrative Agent's Office written notice of its intent to make such prepayment, the amount of

such prepayment and (in the case of Term SOFR Rate Loans) the specific Borrowing(s) pursuant to which made, which notice shall be given by the Borrower Representative no later than 12:00 Noon (New York City time) (i) in the case of Term SOFR Rate Loans, three Business Days prior to, (ii) in the case of ABR Loans, one Business Day prior to or (iii) in the case of Swingline Loans, on, the date of such prepayment and shall promptly be transmitted by the Administrative Agent to each of the Lenders or the Swingline Lender, as the case may be; (b) each partial prepayment of (i) any Borrowing of Term SOFR Rate Loans shall be in a minimum amount of $1,000,000 and in multiples of $500,000 in excess thereof, (ii) any ABR Loans (other than Swingline Loans) shall be in a minimum amount of $500,000 and in multiples of $100,000 in excess thereof and (iii) Swingline Loans shall be in a minimum amount of $500,000 and in multiples of $100,000 in excess thereof, provided that no partial prepayment of Term SOFR Rate Loans made pursuant to a single Borrowing shall reduce the outstanding Term SOFR Rate Loans made pursuant to such Borrowing to an amount less than the applicable Minimum Borrowing Amount for such Term SOFR Rate Loans and (c) in the case of any prepayment of Term SOFR Rate Loans pursuant to this Section 5.1 on any day other than the last day of an Interest Period applicable thereto, the Borrower shall, promptly after receipt of a written request by any applicable Lender (which request shall set forth in reasonable detail the basis for requesting such amount), pay to the Administrative Agent for the account of such Lender any amounts required pursuant to Section 2.11. At the Borrower Representative's election in connection with any prepayment pursuant to this Section 5.1, such prepayment shall not be applied to any Revolving Credit Loan of a Defaulting Lender.

(b) Application to Revolving Credit Loans. Each prepayment of Revolving Credit Loans (x) shall be applied first, to the outstanding Overadvance Loans, second, to outstanding Tranche A Loans and third, to outstanding Tranche B Loans; provided that, with respect to any termination or permanent reduction of the then applicable amount set forth in clause (a) of the definition of Tranche B Borrowing Base in accordance with Section 4.2(c), the Borrower shall prepay the Tranche B Loans then outstanding without first repaying the Tranche A Loans then outstanding up to the amount of such reduction of, if such amount is reduced to $0, the entire principal amount of the then outstanding Tranche B Loans, (y) after giving effect to clause (x), each prepayment of any Loans made pursuant to a Borrowing shall be applied pro rata among such Loans; and (z) notwithstanding the provisions of the preceding clauses (x) or (y), no prepayment of Revolving Loans shall be applied to the Revolving Credit Loans of any Defaulting Lender unless otherwise agreed in writing by the Borrower Representative. With respect to each prepayment of Revolving Credit Loans, the Borrower Representative may designate the Types of Loans that are to be prepaid and the specific Borrowing(s) pursuant to which made. In the absence of a designation by the Borrower Representative as described in the preceding sentence with respect to the Type of Loans that are to be prepaid, the Administrative Agent shall, subject to the above, make such designation in its reasonable discretion with a view, but no obligation, to minimize breakage costs owing under Section 2.11. The voluntary prepayments set forth in this Section 5.2 shall not reduce the aggregate amount of Revolving Credit Commitments and amounts prepaid may be reborrowed.

5.2 Mandatory Prepayments.

(a) [Reserved].

(b) Repayment of Revolving Credit Loans.

(i) Except with respect to Protective Advances permitted under Section 2.1(f), if on any date the aggregate amount of the Lenders' Revolving Credit Exposures for any reason exceeds the Line Cap, then in effect, the Borrowers shall forthwith repay within one (1) Business Day after the date on which the Borrower Representative receives notice of such excess, Revolving Loans in an amount equal to such excess. If after giving effect to the prepayment of all outstanding Revolving Loans, the Lenders' Revolving Credit Exposures exceed the Line Cap

then in effect, the Borrowers shall Cash Collateralize the Letters of Credit Outstanding in relation to such Class to the extent of such excess within one (1) Business Day after the date on which the Borrower Representative receives notice of such excess.

(ii) During a Cash Dominion Period, upon the receipt of the Net Cash Proceeds from an Asset Sale Prepayment Event, the Borrowers shall, within three (3) Business Days after receipt of the Net Cash Proceeds of such Asset Sale Prepayment Event, prepay, in accordance with clause (e) below, Revolving Credit Loans with an equivalent principal amount equal to 100% of the Net Cash Proceeds from such Asset Sale Prepayment Event.

(c) [Reserved].

(d) [Reserved],

(e) Application to Revolving Credit Loans. With respect to each prepayment of Revolving Credit Loans required by Section 5.2(b), the Borrower Representative may designate (i) the Types of Loans that are to be prepaid and the specific Borrowing(s) pursuant to which made and (ii) the Revolving Loans to be prepaid, provided that (x) each prepayment shall be applied first, ratably to outstanding Swingline Loans and Unpaid Drawings, second to the prepayment of outstanding Overadvance Loans, third, to the prepayment of outstanding Tranche A Loans and fourth, to the prepayment of outstanding Tranche B Loans, (y) after giving effect to clause (x), each prepayment of any Loans made pursuant to a Borrowing shall be applied pro rata among such Loans; and (z) notwithstanding the provisions of the preceding clauses (x) or (y), no prepayment of Revolving Loans shall be applied to the Revolving Credit Loans of any Defaulting Lender unless otherwise agreed in writing by the Borrower Representative. In the absence of a designation by the Borrower Representative as described in the preceding sentence, the Administrative Agent shall, subject to the above, make such designation in its reasonable discretion with a view, but no obligation, to minimize breakage costs owing under Section 2.11. The mandatory prepayments set forth in this Section 5.2 shall not reduce the aggregate amount of Revolving Credit Commitments and amounts prepaid may be reborrowed in accordance with the terms hereof.

5.3 Method and Place of Payment.

(a) Except as otherwise specifically provided herein, all payments under this Agreement shall be made by the Borrowers, without set-off, counterclaim or deduction of any kind, to the Administrative Agent for the ratable account of the Lenders entitled thereto (or, in the case of the Swingline Loans to the Swingline Lender) or the Letter of Credit Issuer entitled thereto, as the case may be, not later than 2:00 p.m. (New York City time), in each case, on the date when due and shall be made in immediately available funds at the Administrative Agent's Office or at such other office as the Administrative Agent shall specify for such purpose by notice to the Borrower Representative (or, in the case of the Swingline Loans, at such office as the Swingline Lender shall specify for such purpose by Notice to the Borrower Representative), it being understood that written or facsimile notice by the Borrower Representative to the Administrative Agent to make a payment from the funds in the Borrowers' account at the Administrative Agent's Office shall constitute the making of such payment to the extent of such funds held in such account. All repayments or prepayments of any Loans (whether of principal, interest or otherwise) hereunder shall be made in Dollars. The Administrative Agent will thereafter cause to be distributed on the same day (if payment was actually received by the Administrative Agent prior to 2:00 p.m. (New York City time) or, otherwise, on the next Business Day) like funds relating to the payment of principal or interest or Fees ratably to the Lenders entitled thereto.

(b) Any payments under this Agreement that are made later than 2:00 p.m. (New York City time) may be deemed to have been made on the next succeeding Business Day in the Administrative

Agent's sole discretion (or, in the case of the Swingline Loans, at the Swingline Lender's sole discretion). Whenever any payment to be made hereunder shall be stated to be due on a day that is not a Business Day, the due date thereof shall be extended to the next succeeding Business Day and, with respect to payments of principal, interest shall be payable during such extension at the applicable rate in effect immediately prior to such extension.

5.4 Net Payments.

(a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes.

(i) Any and all payments by or on account of any obligation of any Credit Party hereunder or under any other Credit Document shall to the extent permitted by applicable laws be made free and clear of and without reduction or withholding for any Taxes.

(ii) If any Credit Party, the Administrative Agent or any other applicable Withholding Agent shall be required by applicable law to withhold or deduct any Taxes from any payment, then (A) such Withholding Agent shall withhold or make such deductions as are reasonably determined by such Withholding Agent to be required by applicable law, (B) such Withholding Agent shall timely pay the full amount withheld or deducted to the relevant Governmental Authority, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes or Other Taxes, the sum payable by the applicable Credit Party shall be increased as necessary so that after any required withholding or deductions have been made (including withholding or deductions applicable to additional sums payable under this Section 5.4) each Lender (or, in the case of a payment to the Administrative Agent for its own account, the Administrative Agent) receives an amount equal to the sum it would have received had no such withholding or deductions been made.

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

(c) Tax Indemnifications. Without limiting the provisions of subsection (a) or (b) above, the Borrowers shall indemnify the Administrative Agent and each Lender, and shall make payment in respect thereof within 15 days after demand therefor, for the full amount of Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section 5.4) payable by the Administrative Agent or such Lender, as the case may be, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of any such payment or liability (along with a written statement setting forth in reasonable detail the basis and calculation of such amounts) delivered to the Borrower Representative by a Lender, or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error. If the Borrower Representative reasonably believes that any such Indemnified Taxes or Other Taxes were not correctly or legally asserted, the Administrative Agent and/or each affected Lender will use reasonable efforts to cooperate with the Borrower Representative in pursuing a refund of such Indemnified Taxes or Other Taxes so long as such efforts would not, in the sole determination of the Administrative Agent or affected Lender, result in any additional costs, expenses or risks or be otherwise disadvantageous to it.

(d) Evidence of Payments. After any payment of Taxes by any Credit Party or the Administrative Agent to a Governmental Authority as provided in this Section 5.4, the Borrower

Representative shall deliver to the Administrative Agent or the Administrative Agent shall deliver to the Borrower Representative, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by laws to report such payment or other evidence of such payment reasonably satisfactory to the Borrower Representative or the Administrative Agent, as the case may be.

(e) Status of Lenders and Tax Documentation.

(i) Each Lender shall deliver to the Borrower Representative and to the Administrative Agent, at such time or times reasonably requested by the Borrower Representative or the Administrative Agent, such properly completed and executed documentation prescribed by applicable laws or by the taxing authorities of any jurisdiction and such other reasonably requested information as will permit the Borrower Representative or the Administrative Agent, as the case may be, to determine (A) whether or not any payments made hereunder or under any other Credit Document are subject to Taxes, (B) if applicable, the required rate of withholding or deduction, and (C) such Lender's entitlement to any available exemption from, or reduction of, applicable Taxes in respect of any payments to be made to such Lender by any Credit Party pursuant to any Credit Document or otherwise to establish such Lender's status for withholding tax purposes in the applicable jurisdiction. Any documentation and information required to be delivered by a Lender pursuant to this Section 5.4(e) (including any specific documentation set forth in subsection (ii) below) shall be delivered by such Lender (i) on or prior to the Closing Date (or on or prior to the date it becomes a party to this Agreement), (ii) on or before any date on which such documentation expires or becomes obsolete or invalid, (iii) after the occurrence of any change in the Lender's circumstances requiring a change in the most recent documentation previously delivered by it to the Borrower Representative and the Administrative Agent, and (iv) from time to time thereafter if reasonably requested by the Borrower Representative or the Administrative Agent, and each such Lender shall promptly notify in writing the Borrower Representative and the Administrative Agent if such Lender is no longer legally eligible to provide any documentation previously provided.

(ii) Without limiting the generality of the foregoing:

(A) any Lender that is a "United States person" within the meaning of Section 7701(a)(30) of the Code (a "**U.S. Lender**") shall deliver to the Borrower Representative and the Administrative Agent executed originals of Internal Revenue Service Form W-9 or such other documentation or information prescribed by applicable laws or reasonably requested by the Borrower Representative or the Administrative Agent as will enable the Borrower Representative or the Administrative Agent, as the case may be, to determine whether or not such Lender is subject to backup withholding or information reporting requirements;

(B) each Non-U.S. Lender that is entitled under the Code or any applicable treaty to an exemption from or reduction of U.S. federal withholding tax with respect to any payments hereunder or under any other Credit Document shall deliver to the Borrower Representative and the Administrative Agent (in such number of copies as shall be requested by the recipient) whichever of the following is applicable:

(1) executed originals of Internal Revenue Service Form W-8BEN (or any successor form thereto) claiming eligibility for benefits of an income tax treaty to which the United States is a party;

(2) executed originals of Internal Revenue Service Form W-8ECI (or any successor form thereto);

(3) in the case of a Non-U.S. Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate, substantially in the form of Exhibit J-l, J-2, J-3 or J-4, as applicable, (a "**Non-Bank Tax Certificate**"), to the effect that such Non-U.S. Lender is not (A) a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (B) a "10 percent shareholder" of a Borrower within the meaning of Section 881(c)(3)(B) of the Code, or (C) a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code and that no payments under any Credit Document are effectively connected with such Non-U.S. Lender's conduct of a United States trade or business and (y) executed originals of Internal Revenue Service Form W-8BEN (or any successor thereto);

(4) where such Lender is a partnership (for U.S. federal income tax purposes) or otherwise not a beneficial owner (e.g., where such Lender has sold a participation), IRS Form W-8IMY (or any successor thereto) and all required supporting documentation (including, where one or more of the underlying beneficial owner(s) is claiming the benefits of the portfolio interest exemption, a Non-Bank Tax Certificate of such beneficial owner(s)) (provided that, if the Non-U.S. Lender is a partnership and not a participating Lender, the Non-Bank Tax Certificate(s) may be provided by the Non-U.S. Lender on behalf of the direct or indirect partner(s)); or

(5) executed originals of any other form prescribed by applicable laws as a basis for claiming exemption from or a reduction in United States federal withholding tax together with such supplementary documentation as may be prescribed by applicable laws to permit the Borrower Representative or the Administrative Agent to determine the withholding or deduction required to be made;

(C) if a payment made to a Lender under any Credit Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower Representative and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower Representative or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471 (b)(3)(C)(i) of the Code) and such additional

documentation reasonably requested by the Borrower Representative or the Administrative Agent as may be necessary for the Borrower Representative and the Administrative Agent to comply with their obligations under FATCA, to determine whether such Lender has complied with such Lender's obligations under FATCA or to determine the amount, if any, to deduct and withhold from such payment. Solely for purposes of this clause (C), FATCA shall include any amendments made to FATCA after the date of this Agreement; and

(D) If the Administrative Agent is a "United States person" (as defined in Section 7701 (a)(3 0) of the Code), it shall provide the Company with two duly completed original copies of Internal Revenue Service Form W-9. If the Administrative Agent is not a "United States person" (as defined in Section 7701(a)(30) of the Code), it shall provide (1) Internal Revenue Service Form W-8ECI with respect to payments to be received by it as a beneficial owner and (2) Internal Revenue Service Form W-8IMY (together with required accompanying documentation) with respect to payments to be received by it on behalf of the Lenders.

(iii) Notwithstanding anything to the contrary in this Section 5.4, no Lender or the Administrative Agent shall be required to deliver any documentation that it is not legally eligible to deliver.

(f) Treatment of Certain Refunds. If the Administrative Agent or any Lender determines, in its sole discretion exercised in good faith, that it has received a refund of any Indemnified Taxes or Other Taxes as to which it has been indemnified by any Credit Party or with respect to which any Credit Party has paid additional amounts pursuant to this Section 5.4, the Administrative Agent or such Lender (as applicable) shall promptly pay to the Borrowers an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by the Credit Parties under this Section 5.4 with respect to the Indemnified Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses (including any Taxes) incurred by the Administrative Agent or such Lender, as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); provided that the Borrowers, upon the request of the Administrative Agent or such Lender, agree to repay the amount paid over to the Borrowers (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent or such Lender in the event the Administrative Agent or such Lender is required to repay such refund to such Governmental Authority. In such event, the Administrative Agent or such Lender, as the case may be, shall, at the Borrower Representative's request, provide the Borrower Representative with a copy of any notice of assessment or other evidence of the requirement to repay such refund received from the relevant taxing authority (provided that the Administrative Agent or such Lender may delete any information therein that it deems confidential). This subsection shall not be construed to require the Administrative Agent or any Lender to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to any Credit Party or any other Person.

(g) For the avoidance of doubt, for purposes of this Section 5.4, the term Lender includes the Letter of Credit Issuer and the Swingline Lender and the term "applicable law" includes FATCA.

(h) Each party's obligations under this Section 5.4 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender,

the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under the Credit Documents.

5.5 Computations of Interest and Fees.

(a) Except as provided in the next succeeding sentence, interest on Term SOFR Rate Loans shall be calculated on the basis of a 360-day year for the actual days elapsed. Interest on ABR Loans shall be calculated on the basis of a 365- (or 366-, as the case may be) day year for the actual days elapsed.

(b) Fees and the average daily Stated Amount of Letters of Credit shall be calculated on the basis of a 360-day year for the actual days elapsed.

5.6 Limit on Rate of Interest.

(a) No Payment Shall Exceed Lawful Rate. Notwithstanding any other term of this Agreement, the Borrowers shall not be obliged to pay any interest or other amounts under or in connection with this Agreement or otherwise in respect of the Obligations in excess of the amount or rate permitted under or consistent with any applicable law, rule or regulation.

(b) Payment at Highest Lawful Rate. If the Borrowers are not obliged to make a payment that they would otherwise be required to make, as a result of Section 5.6(a), the Borrowers shall make such payment to the maximum extent permitted by or consistent with applicable laws, rules, and regulations.

(c) Adjustment if Any Payment Exceeds Lawful Rate. If any provision of this Agreement or any of the other Credit Documents would obligate the Borrowers to make any payment of interest or other amount payable to any Lender in an amount or calculated at a rate that would be prohibited by any applicable law, rule or regulation, then notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law, such adjustment to be effected, to the extent necessary, by reducing the amount or rate of interest required to be paid by the Borrowers to the affected Lender under Section 2.8; provided that to the extent lawful, the interest or other amounts that would have been payable but were not payable as a result of the operation of this Section shall be cumulated and the interest payable to such Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the Federal Funds Effective Rate to the date of repayment, shall have been received by such Lender.

Notwithstanding the foregoing, and after giving effect to all adjustments contemplated thereby, if any Lender shall have received from the Borrowers an amount in excess of the maximum permitted by any applicable law, rule or regulation, then the Borrowers shall be entitled, by notice in writing to the Administrative Agent to obtain reimbursement from that Lender in an amount equal to such excess, and pending such reimbursement, such amount shall be deemed to be an amount payable by that Lender to the Borrowers.

Section 6. Conditions Precedent to Initial Borrowing.

The initial Borrowing under this Agreement is subject to the satisfaction of the following conditions precedent, except as otherwise agreed between the Company and the Administrative Agent.

6.1 Credit Documents.

The Administrative Agent (or its counsel) shall have received:

(a) this Agreement, executed and delivered by a duly Authorized Officer of Holdings and the Company;

(b) the Guarantee, executed and delivered by a duly Authorized Officer of Holdings;

(c) the Pledge Agreement, executed and delivered by a duly Authorized Officer of each of Holdings and the Company;

(d) the Security Agreement, executed and delivered by a duly Authorized Officer of each of Holdings and the Company; and

(e) the ABL/Term Intercreditor Agreement, executed and delivered by the parties thereto.

6.2 Collateral. Except for any items referred to on Schedule 9.14(d):

(a) All outstanding equity interests in whatever form of each Borrower and each Restricted Subsidiary that is directly owned by or on behalf of any Credit Party and required to be pledged pursuant to the Security Documents shall have been pledged pursuant thereto;

(b) The Collateral Agent shall have received the certificates representing securities of the Borrowers and of each Credit Party's Wholly Owned Restricted Subsidiaries to the extent required to be delivered under the Security Documents and pledged under the Security Documents to the extent certificated, accompanied by instruments of transfer and undated stock powers endorsed in blank; and

(c) All Uniform Commercial Code financing statements, reasonably requested by the Collateral Agent to be filed, registered or recorded to create the Liens intended to be created by any Security Document and perfect such Liens to the extent required by, and with the priority required by, such Security Document shall have been delivered to the Collateral Agent for filing, registration or recording;

provided that each of the requirements set forth in this Section 6.2, except to the extent that a Lien on such Collateral may be perfected solely (x) by the filing of a financing statement under the Uniform Commercial Code or (y) by the delivery of stock certificates or other certificates, if any, of the Equity Interests of the Company to the extent possession of such stock certificates or other certificates perfects a security interest therein) shall not constitute conditions precedent to the initial Borrowing on the Closing Date after the Company's use of commercially reasonable efforts to provide such items on or prior to the Closing Date or without undue burden or expense if the Company agrees to deliver, or cause to be delivered, such documents and instruments, or take or cause to be taken such other actions as may be required to perfect such security interests within 90 days after the Closing Date (subject to extensions approved by the Administrative Agent in its reasonable discretion).

6.3 Legal Opinions. The Administrative Agent (or its counsel) shall have received the executed legal opinions, in customary form, of Kirkland & Ellis LLP, special New York counsel to the Credit Parties, and Proskauer Rose LLP, special Massachusetts counsel to the Credit Parties. Holdings

and the Company hereby instruct and agree to instruct the other Credit Parties to have such counsel deliver such legal opinions.

6.4 Equity Investments. Equity Investments, which, to the extent constituting Capital Stock other than common Capital Stock, shall be on terms and conditions and pursuant to documentation reasonably satisfactory to the Joint Lead Arrangers and Bookrunners to the extent material to the interests of the Lenders, in an amount not less than the Minimum Equity Amount shall have been made.

6.5 Closing Certificates. The Administrative Agent (or its counsel) shall have received a certificate of each of Holdings and the Company, dated the Closing Date, substantially in the form of Exhibit E, with appropriate insertions, executed by the President or any Vice President and the Secretary or any Assistant Secretary of Holdings or the Company, as applicable, and attaching the documents referred to in Section 6.6.

6.6 Authorization of Proceedings of Holdings and the Company; Corporate Documents. The Administrative Agent shall have received (i) a copy of the resolutions of the board of directors or other managers of Holdings and the Company (or a duly authorized committee thereof) authorizing (a) the execution, delivery, and performance of the Credit Documents (and any agreements relating thereto) to which it is a party and (b) in the case of the Company, the extensions of credit contemplated hereunder, (ii) the Certificate of Incorporation and By-Laws, Certificate of Formation and Operating Agreement or other comparable Organizational Documents, as applicable, of Holdings and the Company, and (iii) signature and incumbency certificates (or other comparable documents evidencing the same) of the Authorized Officers of Holdings and the Company executing the Credit Documents to which it is a party.

6.7 Fees. The Agents and Lenders shall have received, substantially simultaneously with the funding of the First Lien Term Loans (as such term was defined herein on the Closing Date) and Second Lien Loans, fees and, to the extent invoiced at least three business days prior to the Closing Date (except as otherwise reasonably agreed by the Borrower Representative) expenses in the amounts previously agreed in writing to be received on the Closing Date (which amounts may, at the Borrower Representative's option, be offset against the proceeds of the First Lien Term Loans).

6.8 Representations and Warranties. On the Closing Date, the Acquired Company Representations and the Specified Representations shall be true and correct in all material respects.

6.9 Solvency Certificate. On the Closing Date, the Administrative Agent shall have received a certificate from the Chief Executive Officer, President, the Chief Financial Officer, the Treasurer, the Vice President-Finance, a Director, a Manager, or any other senior financial officer of the Borrower Representative to the effect that after giving effect to the consummation of the Transactions, the Company, together with the Restricted Subsidiaries on a consolidated basis, is Solvent.

6.10 Acquisition. Substantially concurrently with the initial Credit Event hereunder, the Acquisition shall have been consummated in all material respects in accordance with the terms of the Acquisition Agreement (or the Joint Lead Arrangers and Bookrunners shall be reasonably satisfied with the arrangements in place for the consummation of the Acquisition reasonably promptly after the initial Credit Event hereunder and shall have received confirmation from representatives of the Company that such actions shall be taken promptly after the initial Credit Event hereunder).

6.11 Patriot Act. The Joint Lead Arrangers and Bookrunners shall have received such documentation and information as is reasonably requested in writing at least ten days prior to the Closing Date by the Administrative Agent about Holdings, the Borrowers and the other Guarantors to the extent the Administrative Agent and Holdings in good faith mutually agree is required by regulatory authorities

under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the Patriot Act.

6.12 Pro Forma Balance Sheet. The Joint Lead Arrangers shall have received a pro forma consolidated balance sheet and related pro forma consolidated statements of operations (collectively, the "**Pro Forma Financial Statements**") of the Company as of and for the twelve-month period ending October 27, 2013, prepared after giving effect to the Transactions as if the Transactions had occurred as of such date (in the case of such balance sheet) or at the beginning of such period (in the case of such other statements of income), which need not be prepared in compliance with Regulation S-X of the Securities Act of 1933, as amended, or include adjustments for purchase accounting (including adjustments of the type contemplated by ASC 805).

6.13 Financial Statements. The Joint Lead Arrangers and Bookrunners shall have received the Historical Financial Statements.

6.14 No Company Material Adverse Effect. Since December 23, 2013, there shall not have occurred any Company Material Adverse Effect.

6.15 Refinancing. After giving effect to the Transactions, the Company and its Restricted Subsidiaries shall have no material outstanding Indebtedness other than Indebtedness hereunder, under the First Lien Term Facility (as such term was defined herein on the Closing Date), under the Second Lien Facility or Indebtedness permitted to be incurred and remain outstanding under the Acquisition Agreement or the Credit Documents.

6.16 Initial Borrowing Base Certificate. The Administrative Agent shall have received the initial Borrowing Base Certificate meeting the requirements hereof.

6.17 Notice of Borrowing; Letter of Credit Request.

(a) Prior to the making of any Revolving Credit Loan and any Swingline Loan on the Closing Date, the Administrative Agent shall have received a Notice of Borrowing meeting the requirements of Section 2.3.

(b) Prior to the issuance of any Letter of Credit on the Closing Date, the Administrative Agent and the Letter of Credit Issuer shall have received a Letter of Credit Request meeting the requirements of Section 3.2(a).

(c) After giving effect to any requested Credit Event on the Closing Date, the aggregate Revolving Credit Exposure does not exceed the Line Cap.

For purposes of determining compliance with the conditions specified in Section 6 on the Closing Date, 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 Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

Section 7. Conditions Precedent to All Credit Events after the Closing Date.

The agreement of each Lender to make any Loan requested to be made by it on any date after the Closing Date (excluding Mandatory Borrowings and Revolving Credit Loans required to be made by the Lenders in respect of Unpaid Drawings pursuant to Sections 3.3 and 3.4) and the obligation of the Letter

of Credit Issuer to issue Letters of Credit on any date after the Closing Date is subject to the satisfaction (or waiver) of the following conditions precedent:

7.1 No Default; Representations and Warranties. At the time of each Credit Event and also after giving effect thereto (a) no Default or Event of Default shall have occurred and be continuing and (b) all representations and warranties made by any Credit Party contained herein or in the other Credit Documents shall be true and correct in all material respects with the same effect as though such representations and warranties had been made on and as of the date of such Credit Event (except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date).

7.2 Notice of Borrowing; Letter of Credit Request.

(a) Prior to the making of each Revolving Credit Loan (other than any Revolving Credit Loan made pursuant to Section 3.4(a)) and each Swingline Loan, the Administrative Agent shall have received a Notice of Borrowing meeting the requirements of Section 2.3.

(b) Prior to the issuance of each Letter of Credit, the Administrative Agent and the Letter of Credit Issuer shall have received a Letter of Credit Request meeting the requirements of Section 3.2(a).

(c) After giving effect to any requested Credit Event, the aggregate Revolving Credit Exposure does not exceed the Line Cap.

The acceptance of the benefits of each Credit Event shall constitute a representation and warranty by each Credit Party to each of the Lenders that all the applicable conditions specified in Section 7 above have been satisfied as of that time.

Section 8. Representations and Warranties

In order to induce the Lenders to enter into this Agreement, to make the Loans and issue or participate in Letters of Credit as provided for herein, the Company makes the following representations and warranties to the Lenders, all of which shall survive the execution and delivery of this Agreement and the making of the Loans and the issuance of the Letters of Credit (it being understood that the following representations and warranties shall be deemed made with respect to any Foreign Subsidiary only to the extent relevant under applicable law); provided that, on the Closing Date, each such Person's representations under this Section 8 and warranties shall be limited to the Specified Representations:

8.1 Corporate Status. Each Credit Party (a) is a duly organized and validly existing corporation, limited liability company or other entity in good standing (if applicable) under the laws of the jurisdiction of its organization and has the corporate, limited liability company or other organizational power and authority to own its property and assets and to transact the business in which it is engaged and (b) has duly qualified and is authorized to do business and is in good standing (if applicable) in all jurisdictions where it is required, to be so qualified, except where the failure to be so qualified could not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

8.2 Corporate Power and Authority. Each Credit Party has the corporate or other organizational power and authority to execute, deliver and carry out the terms and provisions of the Credit Documents to which it is a party and has taken all necessary corporate or other organizational action to authorize the execution, delivery and performance of the Credit Documents to which it is a party. Each Credit Party has duly executed and delivered each Credit Document to which it is a party

and each such Credit Document constitutes the legal, valid, and binding obligation of such Credit Party enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and subject to general principles of equity.

8.3 No Violation. Neither the execution, delivery or performance by any Credit Party of the Credit Documents to which it is a party nor compliance with the terms and provisions thereof nor the consummation of the Acquisition and the other transactions contemplated hereby or thereby will (a) contravene any applicable provision of any material law, statute, rule, regulation, order, writ, injunction or decree of any court or governmental instrumentality that would, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect or (b) violate any provision of the certificate of incorporation, by-laws, articles or other Organizational Documents of such Credit Party or any of the Restricted Subsidiaries.

8.4 Litigation. There are no actions, suits or proceedings pending or, to the knowledge of the Company, threatened in writing against the Company or any of the Restricted Subsidiaries that would, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

8.5 Margin Regulations. Neither the making of any Loan hereunder nor the use of the proceeds thereof will violate the provisions of Regulation T, U or X of the Board.

8.6 Governmental Approvals. The execution, delivery and performance of each Credit Document does not require any consent or approval of, registration or filing with, or other action by, any Governmental Authority, except for (i) such as have been obtained or made and are in full force and effect, (ii) filings, consents, approvals, registrations and recordings in respect of the Liens created pursuant to the Security Documents (and to release existing Liens), and (iii) such licenses, approvals, authorizations, registrations, filings or consents the failure of which to obtain or make could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

8.7 Investment Company Act. None of Holdings, the Borrowers, or any other Restricted Subsidiary is required to be registered as an "investment company" under the Investment Company Act of 1940, as amended.

8.8 True and Complete Disclosure.

(a) None of the written factual information and written data (taken as a whole) heretofore or contemporaneously furnished by or on behalf of the Company or any of its Restricted Subsidiaries or any of their respective authorized representatives to the Administrative Agent, any Joint Lead Arranger, and/or any Lender on or before the Closing Date (including all such written information and data contained in (i) the Confidential Information Memorandum (as updated prior to the Closing Date) concerning the Company and its Subsidiaries and (ii) the Credit Documents) for purposes of or in connection with this Agreement or any transaction contemplated herein contained any untrue statement of any material fact or omitted to state any material fact necessary to make such information and data (taken as a whole) not materially misleading at such time in light of the circumstances under which such information or data was furnished (after giving effect to all supplements and updates), it being understood and agreed that for purposes of this Section 8.8(a), such factual information and data shall not include pro forma financial information, projections, estimates (including financial estimates, forecasts, and other forward-looking information) or other forward looking information and information of a general economic or general industry nature.

(b) The projections (including financial estimates and forecasts) contained in the information and data referred to in paragraph (a) above were based on good faith estimates and assumptions believed by such Persons to be reasonable at the time made, it being recognized by the Lenders that such projections as to future events are not to be viewed as facts or a guarantee of performance, are subject to significant uncertainties and contingencies, many of which are beyond the control of the Company and its Subsidiaries and that actual results during the period or periods covered by any such projections may differ from the projected results and such differences may be material.

8.9 Financial Condition; Financial Statements.

(a) (i) The Historical Financial Statements and (ii) the unaudited consolidated financial statement of the Acquired Company and Operating Companies, consisting of the unaudited consolidated balance sheet of the Acquired Company and Operating Companies as of December 29, 2013, and the related unaudited consolidated statements of income, changes in stockholders' equity and cash flows for the twelve month period ending on December 29, 2013, in each case present fairly in all material respects the consolidated financial position of the Acquired Company and the Operating Companies at the respective dates of said information, statements and results of operations for the respective periods covered thereby. The Pro Forma Financial Statements, copies of which have heretofore been furnished to the Administrative Agent, have been prepared based on the Historical Financial Statements and have been prepared in good faith, based on assumptions believed by the Company to be reasonable as of the date of delivery thereof, and present fairly in all material respects on a Pro Forma Basis the estimated financial position of Borrower and its Subsidiaries as at October 27, 2013 (as if the Transactions had been consummated on such date) and their estimated results of operations as if the Transactions had been consummated on October 27, 2013. The financial statements referred to in clause (a)(ii) of this Section 8.9 have been prepared in accordance with GAAP consistently applied except to the extent provided in the notes to said financial statements.

(b) There has been no Material Adverse Effect since the Closing Date.

Each Lender and the Administrative Agent hereby acknowledges and agrees that the Company and its Subsidiaries may be required to restate historical financial statements as the result of the implementation of changes in GAAP or IFRS, or the respective interpretation thereof, and that such restatements will not result in a Default or an Event of Default under the Credit Documents.

8.10 Compliance with Laws. Each Credit Party is in compliance with all Requirements of Law applicable to it or its property, except where the failure to be so in compliance could not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

8.11 Tax Matters. Except as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (a) the Company and each of the Restricted Subsidiaries has filed all Tax returns required to be filed by it and has timely paid all Taxes payable by it (whether or not shown on a Tax return and including in its capacity as withholding agent) that have become due, other than those being contested in good faith and by proper proceedings if it has maintained adequate reserves (in the good faith judgment of management of the Company or such Restricted Subsidiary, as applicable) with respect thereto in accordance with GAAP and (b) each of the Company and each of the Restricted Subsidiaries has paid, or has provided adequate reserves (in the good faith judgment of management of the Company or such Restricted Subsidiary, as applicable) in accordance with GAAP for the payment of all Taxes not yet due and payable. There is no current or proposed Tax assessment, deficiency or other claim against the Company or any Restricted Subsidiary that would reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

8.12 Compliance with ERISA. Except as could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect, no ERISA Event has occurred or is reasonably expected to occur.

8.13 Subsidiaries. Schedule 8.13 lists each Subsidiary of Holdings and the Company, in each case, existing on the Closing Date, after giving effect to the Transactions.

8.14 Intellectual Property. Each of the Company and the Restricted Subsidiaries owns or has the right to use all Intellectual Property that is used in or otherwise necessary for the operation of their respective businesses as currently conducted, except where the failure of the foregoing could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect. The operation of their respective businesses by the Company and the Restricted Subsidiaries does not infringe upon, misappropriate, violate or otherwise conflict with the Intellectual Property of any third party, except as could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

8.15 Environmental Laws.

(a) Except as set forth on Schedule 8.15, or as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect: (i) each of the Company and the Restricted Subsidiaries and their respective operations and properties are in compliance with all applicable Environmental Laws; (ii) none of the Company nor any Restricted Subsidiary has received written notice of any Environmental Claim; (iii) none of the Company or any Restricted Subsidiary is conducting any investigation, removal, remedial or other corrective action pursuant to any Environmental Law at any location; and (iv) to the knowledge of the Borrower Representative, no underground or above ground storage tank or related piping, or any impoundment or other disposal area containing Hazardous Materials is located at, on or under any Real Estate currently owned or leased by the Company or any of the Restricted Subsidiaries.

(b) Except as set forth on Schedule 8.15, none of the Company or any of the Restricted Subsidiaries has treated, stored, transported, Released or arranged for disposal or transport for disposal or treatment of Hazardous Materials at, on, under or from any currently or, formerly owned or operated property nor, to the knowledge of the Borrower Representative, has there been any other Release of Hazardous Materials at, on, under or from any such properties, in each case, in a manner that would reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

8.16 Properties.

(a) Each of the Company and the Restricted Subsidiaries has good and valid record title to, valid leasehold interests in, or rights to use, all properties that are necessary for the operation of their respective businesses as currently conducted and as proposed to be conducted, free and clear of all Liens (other than any Liens permitted by this Agreement) and except where the failure to have such good title or interest could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect and (b) no Mortgage encumbers improved Real Estate that is located in an area that has been identified by the Secretary of Housing and Urban Development as an area having special flood hazards within the meaning of the National Flood Insurance Act of 1968, as amended, unless flood insurance available under such Act has been obtained in accordance with Section 9.3(b).

(b) As of the Closing Date, no Credit Party owns any real property having a Fair Market Value in excess of $5,000,000.

(c) Schedule 8.16(c) sets forth all leases or subleases of real property by any Credit Party in effect as of the Closing Date.

8.17 Solvency. On the Closing Date (after giving effect to the Transactions, including the making of the First Lien Term Loans (as such term was defined herein on the Closing Date) and the Second Lien Loans) immediately following the making of the Loans and after giving effect to the application of the proceeds of such Loans, the Company on a consolidated basis with the Restricted Subsidiaries will be Solvent.

8.18 Patriot Act. On the Closing Date, the use of proceeds of the Loans will not be used by Holdings, the Company and its Subsidiaries in violation of the PATRIOT Act in any material respect.

8.19 Security Interest in Collateral. Subject to the terms of the last paragraph of Section 6.2, the provisions of this Agreement and the other Credit Documents create legal, valid, and enforceable Liens on all of the Collateral in favor of the Collateral Agent, for the benefit itself and the other Secured Parties, subject, as to enforceability, to applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally and to general principles of equity and principles of good faith and dealing (provided that, with respect to the creation and perfection of security interests with respect to Indebtedness, Capital Stock and Stock Equivalents of Foreign Subsidiaries, only to the extent enforceability of such obligation with respect to which Capital Stock and Stock Equivalents of Foreign Subsidiaries is governed by the Uniform Commercial Code), and upon the making of such filings and taking of such other actions required to be taken hereby or by the applicable Credit Documents (including the filing of appropriate financing statements with the office of the Secretary of State of the state of organization of each Credit Party, the filing of appropriate notices with the U.S. Patent and Trademark Office and the U.S. Copyright Office, and the proper recordation of Mortgages and fixture filings with respect to any Mortgaged Property, in each case in favor of the Collateral Agent for the benefit of the Secured Parties and the delivery to the Collateral Agent of any stock certificates or promissory notes required to be delivered pursuant to the applicable Credit Documents), such Liens constitute perfected and continuing Liens on the Collateral of the type required by the Security Documents securing the Obligations to the extent such Liens may be perfected by such filings and the taking of such other actions.

8.20 Anti-Terrorism Laws.

(a) To the extent applicable, each of Holdings, the Borrower and its Subsidiaries is in compliance, in all material respects, with the Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto.

(b) No part of the proceeds of the Loans will be used by Holdings, the Company or any of their Subsidiaries, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain retain or direct business obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended.

(c) None of Holdings, the Company or any Restricted Subsidiary nor, to the knowledge of the Borrower Representative, any director, officer or employee of Holdings, the Company or any Restricted Subsidiary, (i) is a person on the list of "Specially Designated Nationals and Blocked Persons" or (ii) is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("OFAC"); and the Borrower will not directly or indirectly use the proceeds of the Loans or otherwise knowingly make available such proceeds to any Person, for the

purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

8.21 Borrowing Base Certificates. The information set forth in each Borrowing Base Certificate is true and correct in all material respects and has been prepared in all material respects in accordance with the requirements of this Agreement.

Section 9. Affirmative Covenants.

The Company hereby covenants and agrees that on the Closing Date and thereafter, until the Commitments, the Swingline Commitment and each Letter of Credit have terminated or been Cash Collateralized in accordance with the terms of this Agreement and the Loans and Unpaid Drawings, together with interest, Fees and all other Obligations incurred hereunder (other than contingent indemnity obligations, Secured Hedge Obligations and Secured Cash Management Obligations and Letters of Credit Cash Collateralized in accordance with the terms of this Agreement), are paid in full:

9.1 Information Covenants. The Borrower Representative will furnish to the Administrative Agent (which shall promptly make such information available to the Lenders in accordance with its customary practice):

(a) Annual Financial Statements. As soon as available and in any event within five days after the date on which such financial statements are required to be filed with the SEC (after giving effect to any permitted extensions) (or, if such financial statements are not required to be filed with the SEC, on or before the date that is 90 days after the end of each such fiscal year (120 days in the case of fiscal years 2013 and 2014), the consolidated balance sheets of the Company and the Restricted Subsidiaries as at the end of such fiscal year, and the related consolidated statements of operations and cash flows for such fiscal year, and commencing with fiscal year 2015, setting forth comparative consolidated figures for the preceding fiscal years, all in reasonable detail (together with customary management discussion and analysis) and prepared in accordance with GAAP, and, in each case, certified by independent certified public accountants of recognized national standing whose opinion shall not be qualified as to the scope of audit or as to the status of the Company or any of the Material Subsidiaries (or group of Subsidiaries that together would constitute a Material Subsidiary) as a going concern (other than any exception, explanatory paragraph or qualification, that is expressly solely with respect to, or expressly resulting solely from, (i) an upcoming maturity date under any Indebtedness of the Company and its Subsidiaries occurring within one year from the time such opinion is delivered or (ii) any potential inability to satisfy a financial maintenance covenant on a future date or in a future period); provided, that if at the end of any applicable fiscal year there are any Unrestricted Subsidiaries, Borrower Representative shall also furnish the related consolidating balance sheets of the Company and the Restricted Subsidiaries as at the end of such fiscal year, and the related consolidating statements of operations and cash flows for such fiscal year, in each case, reflecting the adjustments necessary to eliminate such Unrestricted Subsidiaries from the consolidated balance sheets of the Company and the Restricted Subsidiaries as at the end of such fiscal year, and the related consolidated statements of operations and cash flows for such fiscal year; provided further, that no such consolidating financial statements provided hereunder shall be required to be audited.

(b) Quarterly Financial Statements. As soon as available and in any event within five days after the date on which such financial statements are required to be filed with the SEC (after giving effect to any permitted extensions) with respect to each of the first three quarterly accounting periods in each fiscal year of the Company (or, if such financial statements are not

required to be filed with the SEC, on or before the date that is 45 days after the end of each such quarterly accounting period (60 days for the first three fiscal quarters ending after the Closing Date)), the consolidated balance sheets of the Company and the Restricted Subsidiaries as at the end of such quarterly period and the related consolidated statements of operations for such quarterly accounting period and for the elapsed portion of the fiscal year ended with the last day of such quarterly period, and the related consolidated statement of cash flows for such quarterly accounting period and for the elapsed portion of the fiscal year ended with the last day of such quarterly period, and commencing with the quarter ending June 30, 2015 setting forth comparative consolidated figures for the related periods in the prior fiscal year or, in the case of such consolidated balance sheet, for the last day of the related period in the prior fiscal year, all of which shall be certified by an Authorized Officer of the Company as fairly presenting in all material respects the financial condition, results of operations and cash flows of the Company and its Restricted Subsidiaries in accordance with GAAP (except as noted therein), subject to changes resulting from normal year-end adjustments and the absence of footnotes.

(c) Budgets. Within 90 days (120 days in the case of fiscal year 2015) after the commencement of each fiscal year of the Company beginning with fiscal year 2015, a budget of the Company in reasonable detail on a quarterly basis for such fiscal year as customarily prepared by management of the Company for its internal use consistent in scope with the financial statements provided pursuant to Section 9.1(a), setting forth the principal assumptions upon which such budget is based (collectively, the "**Projections**"), which Projections shall in each case be accompanied by a certificate of an Authorized Officer of the Company stating that such Projections have been prepared in good faith on the basis of the assumptions stated therein, which assumptions were based on good faith estimates and assumptions believed by such Persons to be reasonable at the time of preparation of such Projections, it being recognized by the Lenders that such Projections and assumptions as to future events are not to be viewed as facts or a guarantee of performance, are subject to significant uncertainties and contingencies, many of which are beyond the control of the Company and its Subsidiaries and that actual results during the period or periods covered by any such Projections may differ from the projected results and such differences may be material.

(d) Officer's Certificates. Not later than five days after the delivery of the financial statements provided for in Sections 9.1(a) and (b), a certificate of an Authorized Officer of the Company to the effect that no Event of Default exists or, if any Event of Default does exist, specifying the nature and extent thereof, as the case may be, which certificate shall set forth (i) a specification of any change in the identity of the Restricted Subsidiaries and Unrestricted Subsidiaries as at the end of such fiscal year or period, as the case may be, from the Restricted Subsidiaries and Unrestricted Subsidiaries, respectively, provided to the Lenders on the Closing Date or the most recent fiscal year or period, as the case may be and (ii) a reasonably detailed calculation of the Fixed Charge Coverage Ratio and, to the extent then applicable, compliance with the provisions of Section 10.11. At the time of the delivery of the financial statements provided for in Section 9.1(a), a certificate of an Authorized Officer of the Company setting forth changes to the legal name, jurisdiction of formation, type of entity and organizational number (or equivalent) to the Person organized in a jurisdiction where an organizational identification number is required to be included in a Uniform Commercial Code financing statement, in each case for each Credit Party or confirming that there has been no change in such information since the Closing Date or the date of the most recent certificate delivered pursuant to this clause (d), as the case may be.

(e) Notice of Events of Default or Litigation. Promptly after an Authorized Officer of the Company or any of the Restricted Subsidiaries obtains knowledge thereof, notice of (i) the

occurrence of any event that constitutes an Event of Default, which notice shall specify the nature thereof, the period of existence thereof and what action the Company proposes to take with respect thereto, (ii) any litigation or governmental proceeding pending against the Company or any of the Subsidiaries that would reasonably be expected to be determined adversely and, if so determined, to result in a Material Adverse Effect, (iii) any judgment or decree entered against (or judgment lien on the assets of) the Credit Parties involving a liability of $1,000,000 or more and (iv) any litigation or governmental proceeding pending against the Company or any of the Restricted Subsidiaries that would reasonably be expected to be determined adversely and, if so determined, would result in a liability of $1,000,000 or more.

(f) Environmental Matters. Promptly after an Authorized Officer of the Company or any of the Restricted Subsidiaries obtains knowledge of any one or more of the following environmental matters, unless such environmental matters could not reasonably be expected to result in a Material Adverse Effect, notice of:

(i) any pending or threatened Environmental Claim against any Credit Party or any Real Estate; and

(ii) the conduct of any investigation, or any removal, remedial or other corrective action in response to the actual or alleged presence, Release or threatened Release of any Hazardous Material on, at, under or from any Real Estate.

All such notices shall describe in reasonable detail the nature of the claim, investigation or removal, remedial or other corrective action in response thereto. The term "Real Estate" shall mean land, buildings, facilities and improvements owned or leased by any Credit Party.

(g) Other Information. Promptly upon filing thereof, copies of any filings (including on Form 10-K, 10-Q or 8-K) or registration statements with, and reports to, the SEC or any analogous Governmental Authority in any relevant jurisdiction by the Company or any of the Restricted Subsidiaries (other than amendments to any registration statement (to the extent such registration statement, in the form it becomes effective, is delivered to the Administrative Agent), exhibits to any registration statement and, if applicable, any registration statements on Form S-8) and copies of all financial statements, proxy statements, notices, and reports that the Company or any of the Restricted Subsidiaries shall send to the holders of any publicly issued debt of the Company and/or any of the Restricted Subsidiaries, in their capacity as such holders, lenders or agents (in each case to the extent not theretofore delivered to the Administrative Agent pursuant to this Agreement) and, with reasonable promptness, such other information (financial or otherwise) as the Administrative Agent on its own behalf or on behalf of any Lender (acting through the Administrative Agent) may reasonably request in writing from time to time; provided, that none of the Company nor any Restricted Subsidiary will be required to disclose or permit the inspection or discussion of, any document, information or other matter (i) that constitutes non-financial trade secrets or non-financial proprietary information, (ii) in respect of which disclosure to the Administrative Agent or any Lender (or their respective contractors) is prohibited by law, or any binding agreement or (iii) that is subject to attorney client or similar privilege or constitutes attorney work product.

Notwithstanding the foregoing, the obligations in clauses (a) and (b) of this Section 9.1 may be satisfied with respect to financial information of the Company and the Restricted Subsidiaries by furnishing (A) the applicable financial statements of the Borrowers or any direct or indirect parent of the Company or (B) the Company's (or any direct or indirect parent thereof), as applicable, Form 10-K or 10-Q, as applicable, filed with the SEC; provided that, with respect

to each of subclauses (A) and (B) of this paragraph, to the extent such information relates to a parent of the Company, such information is accompanied by consolidating or other information that explains in reasonable detail the differences between the information relating to such parent, on the one hand, and the information relating to the Company and the Restricted Subsidiaries on a standalone basis, on the other hand.

(h) Borrowing Base Certificates. The Borrower Representative will furnish to the Administrative Agent a certificate in the form of Exhibit N (a "**Borrowing Base Certificate**") showing the Borrowing Base, each Borrowing Base Certificate to be certified as complete and correct in all material respects on behalf of the Borrower Representative by a Financial Officer of the Borrower Representative, as follows:

(i) on the 20th day of each month (the "**Borrowing Base Delivery Date**"), the Borrower Representative shall furnish a Borrowing Base Certificate as of the close of business on the immediately preceding calendar month;

(ii) more frequently (but not more frequently than weekly) as shall be reasonably determined by the Administrative Agent during the Accelerated Borrowing Base Delivery Period, the Borrower Representative shall furnish a Borrowing Base Certificate by a subsequent date reasonably determined by the Administrative Agent;

(iii) at any time any Overadvance Loans are outstanding, Borrower Representative may deliver Borrowing Base Certificates more frequently than monthly (as required by clause (h)(i)), but not more frequently than weekly unless otherwise agreed by the Administrative Agent, and the Borrowing Base shall be computed upon the Administrative Agent's receipt of such Borrowing Base Certificate; provided, that Borrowers shall then be required to maintain the frequency of delivery of such Borrowing Base Certificates for the immediately following thirty (30) day period; and

(iv) upon any Asset Sale of ABL Priority Collateral included in the Borrowing Base, if the Net Cash Proceeds thereof are in excess of $2,500,000, the Lead Borrower shall also furnish an updated Borrowing Base Certificate promptly upon the receipt of such Net Cash Proceeds.

All calculations of Excess Availability in any Borrowing Base Certificate shall originally be made by the Borrowers and certified by a Financial Officer of the Borrower Representative, provided that the Administrative Agent may from time to time review and with notice to the Borrower Representative adjust any such calculation to the extent the calculation is not made in accordance with this Agreement or does not accurately reflect the Borrowing Base Reserve or to adjust the Borrowing Base Reserves in its Credit Judgment.

The Borrower Representative will furnish to the Administrative Agent at the time of delivery of each Borrowing Base Certificate such information as the Administrative Agent may reasonably request with respect to customer deposits, agings, freight/duty payables and gift card balances, a schedule of rent expenses by organized by location and a schedule of inventory organized by location.

Documents required to be delivered pursuant to clauses (a), (b), and (g) of this Section 9.1 (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the earliest date on which (i) the Company posts such documents, or provides a link thereto on the Company's website on the Internet; (ii) such documents are posted on the Company's behalf on IntraLinks/IntraAgency or another website, if

any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent), or (iii) such financial statements and/or other documents are posted on the SEC's website on the internet at www.sec.gov; provided, that, (A) the Borrower Representative shall, at the request of the Administrative Agent, continue to deliver copies (which delivery may be by electronic transmission) of such documents to the Administrative Agent and (B) the Borrower Representative shall notify (which notification may be by facsimile or electronic transmission) the Administrative Agent of the posting of any such documents on any website described in this paragraph. Each Lender shall be solely responsible for timely accessing posted documents or requesting delivery of paper copies of such documents from the Administrative Agent and maintaining its copies of such documents.

9.2 Books, Records, Inspections, Audit Rights and Appraisals.

(a) The Company will, and will cause each Restricted Subsidiary to, permit officers and designated representatives of the Administrative Agent to visit and inspect any of the properties or assets of the Company and any such Subsidiary in whomsoever's possession to the extent that it is within such party's control to permit such inspection (and shall use commercially reasonable efforts to cause such inspection to be permitted to the extent that it is not within such party's control to permit such inspection), and to examine the books and records of the Company and any such Subsidiary and discuss the affairs, finances and accounts of the Company and of any such Subsidiary with, and be advised as to the same by, its and their officers and independent accountants, all at such reasonable times and intervals and to such reasonable extent as the Administrative Agent may desire (and subject, in the case of any such meetings or advice from such independent accountants, to such accountants' customary policies and procedures); provided that, subject to clause (b) below and excluding any such visits and inspections during the continuation of an Event of Default, (1) the Administrative Agent shall not exercise such rights more than one time in any calendar year, which such visit will be at the Company's expense and (2) notwithstanding anything to the contrary in this Section 9.2, none of the Company or any of the Restricted Subsidiaries will be required to disclose, permit the inspection, examination or making copies or abstracts of, or discussion of, any document, information or other matter that (x) constitutes non-financial trade secrets or non-financial proprietary information, (y) in respect of which disclosure to the Administrative Agent or any Lender (or their respective representatives or contractors) is prohibited by law or any binding agreement or (z) is subject to attorney-client or similar privilege or constitutes attorney work product; provided, further, that when an Event of Default exists, the Administrative Agent (or any of its respective representatives or independent contractors) may do any of the foregoing at the expense of the Company at any time during normal business hours and upon reasonable advance notice. The Administrative Agent shall give the Company the opportunity to participate in any discussions with the Company's independent public accountants.

(b) The Borrower Representative will from time to time upon the request of the Administrative Agent, permit the Administrative Agent or professionals (including consultants and appraisers) retained by the Administrative Agent, on reasonable prior notice and during normal business hours, to conduct appraisals and commercial finance examinations, including, without limitation, of (i) the Borrowers' practices in the computation of the Borrowing Base, and (ii) the assets included in the Borrowing Base and related financial information such as, but not limited to, gross margins, payables, accruals and reserves. Subject to the following limitations, the Borrowers shall pay the reasonable out-of-pocket fees and expenses of the Administrative Agent and such professionals with respect to such evaluations, examinations and appraisals:

(i) the Administrative Agent may conduct (A) one (1) commercial finance examination in each calendar year for the Credit Parties, at the Credit Parties' expense and (B) one (1) additional commercial finance examination in a calendar year at any time in such year if

either (x) any Overadvance Loans are outstanding or (y) Excess Availability for a period of five (5) consecutive Business Days is below 20% of the Line Cap, at the Borrowers' expense. Notwithstanding anything to the contrary contained herein, after the occurrence and during the continuance of any Event of Default, the Administrative Agent may cause such additional commercial finance examinations to be taken for each of the Credit Parties as the Administrative Agent, in its reasonable discretion, determines are necessary or appropriate (each, at the expense of the Credit Parties); and

(ii) the Administrative Agent may conduct (A) one (1) appraisal of the Inventory in each calendar year for the Credit Parties, at the Credit Parties' expense and (B) one (1) additional appraisal of the Inventory in a calendar year at any time in such year if either (x) any Overadvance Loans are outstanding or (y) Excess Availability for a period of five (5) consecutive Business Days is below 20% of the Line Cap, at the Borrowers' expense. Notwithstanding anything to the contrary contained herein, after the occurrence and during the continuance of any Event of Default, the Administrative Agent may cause such additional appraisals of the Inventory to be taken for each of the Credit Parties as the Administrative Agent, in its reasonable discretion, determines are necessary or appropriate (each, at the expense of the Credit Parties).

9.3 Maintenance of Insurance. (a) The Company will, and will cause each Material Subsidiary to, at all times maintain in full force and effect, pursuant to self-insurance arrangements or with insurance companies that the Company believes (in the good faith judgment of the management of the Company) are financially sound and responsible at the time the relevant coverage is placed or renewed, insurance in at least such amounts (after giving effect to any self-insurance which the Company believes (in the good faith judgment of management of the Company) is reasonable and prudent in light of the size and nature of its business and the availability of insurance on a cost-effective basis) and against at least such risks (and with such risk retentions) as the Company believes (in the good faith judgment of management of the Company) is reasonable and prudent in light of the size and nature of its business and the availability of insurance on a cost-effective basis; and will furnish to the Administrative Agent, promptly following written request from the Administrative Agent, information presented in reasonable detail as to the insurance so carried and (b) with respect to each Mortgaged Property, the Company will obtain flood insurance in such total amount as may reasonably be required by the Collateral Agent, if at any time the area in which any improvements located on any Mortgaged Property is designated a "special flood hazard area" in any Flood Insurance Rate Map published by the Federal Emergency Management Agency (or any successor agency), and otherwise comply with the National Flood Insurance Program as set forth in the Flood Disaster Protection Act of 1973, as amended from time to time. Each such policy of insurance shall (i) name the Collateral Agent, on behalf of the Secured Parties as an additional insured thereunder as its interests may appear and (ii) in the case of each casualty insurance policy, contain a loss payable clause or endorsement that names the Collateral Agent, on behalf of the Secured Parties as the loss payee thereunder.

9.4 Payment of Taxes. The Company will pay and discharge, and will cause each of the Restricted Subsidiaries to pay and discharge, all material Taxes imposed upon it (including in its capacity as a withholding agent) or upon its income or profits, or upon any properties belonging to it, prior to the date on which material penalties attach thereto, and all lawful material claims in respect of any Taxes imposed, assessed or levied that, if unpaid, could reasonably be expected to become a material Lien upon any properties of the Company or any of the Restricted Subsidiaries; provided that neither the Company nor any of the Restricted Subsidiaries shall be required to pay any such Tax that is being contested in good faith and by proper proceedings if it has maintained adequate reserves (in the good faith judgment

of management of the Company) with respect thereto in accordance with GAAP and the failure to pay could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

9.5 Preservation of Existence; Consolidated Corporate Franchises. The Company will, and will cause each Material Subsidiary to, take all actions necessary (a) to preserve and keep in full force and effect its existence, organizational rights and authority and (b) to maintain its rights, privileges (including its good standing (if applicable)), permits, licenses and franchises necessary in the normal conduct of its business, in each case, except to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect; provided, however, that the Company and its Subsidiaries may consummate any transaction permitted under Permitted Investments and Sections 10.2, 10.3, 10.4, or 10.5.

9.6 Compliance with Statutes, Regulations, Etc. The Company will, and will cause each Restricted Subsidiary to, (a) comply with all applicable laws, rules, regulations, and orders applicable to it or its property, including, without limitation, applicable laws administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury and the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations promulgated thereunder, and all governmental approvals or authorizations required to conduct its business, and to maintain all such governmental approvals or authorizations in full force and effect, (b) comply with, and use commercially reasonable efforts to ensure compliance by all tenants and subtenants, if any, with, all Environmental Laws, and obtain and comply with and maintain, and use commercially reasonable efforts to ensure that all tenants and subtenants obtain and comply with and maintain, any and all licenses, approvals, notifications, registrations or permits required by Environmental Laws, and (c) conduct and complete all investigations, studies, sampling and testing, and all remedial, removal, and other actions required under Environmental Laws and promptly comply with all lawful orders and directives of all Governmental Authorities regarding Environmental Laws, other than such orders and directives which are being timely contested in good faith by proper proceedings, except in each case of (a), (b), and (c) of this Section 9.6, where the failure to do so could not reasonably be expected to result in a Material Adverse Effect.

9.7 ERISA. (a) The Company will furnish to the Administrative Agent promptly following receipt thereof, copies of any documents described in Sections 101 (k) or 101(1) of ERISA that any Credit Party may request with respect to any Multiemployer Plan to which a Credit Party is obligated to contribute; provided that if the Credit Parties have not requested such documents or notices from the administrator or sponsor of the applicable Multiemployer Plan, then, upon reasonable request of the Administrative Agent, the Credit Parties shall promptly make a request for such documents or notices from such administrator or sponsor and the Borrower Representative shall provide copies of such documents and notices to the Administrative Agent promptly after receipt thereof; and further provided, that the rights granted to the Administrative Agent in this Section shall be exercised not more than once during a 12-month period, and (b) the Company will notify the Administrative Agent promptly following the occurrence of any ERISA Event that, alone or together with any other ERISA Events that have occurred, would reasonably be expected to result in liability of any Credit Party that could reasonably be expected to have a Material Adverse Effect.

9.8 Maintenance of Properties. The Company will, and will cause each of the Restricted Subsidiaries to, keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear, casualty, and condemnation excepted, except to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect.

9.9 Maintenance of Cash Management Systems.

(a) Annexed hereto as Schedule 9.9(a) is a list all deposit accounts and securities accounts (including any DDAs) that to the best knowledge of the Authorized Officers of the Credit Parties, are maintained by the Credit Parties as of the Closing Date, including with respect to each financial institution at which such account is maintained, (i) the name and address of such financial institution, (ii) the account number(s) maintained with such financial institution, and (iii) a contact person at such financial institution.

(b) Annexed hereto as Schedule 9.9(b) is a list describing, as of the Closing Date, all arrangements to which any Credit Party is a party with respect to the payment to such Credit Party of the proceeds of all credit card and debit card charges for sales by such Credit Party.

(c) On or prior to the date that is 90 days after the Closing Date (or such later date as the Administrative Agent shall reasonably agree), to the extent not previously delivered, each Credit Party shall:

(i) deliver to the Administrative Agent notifications (each, a "**Credit Card Notification**") substantially in the form attached hereto as Exhibit O which have been executed on behalf of such Credit Party and addressed to such Credit Party's credit card and debit card clearinghouses and processors listed on Schedule 9.9(b);

(ii) enter into a blocked account agreement (each, a "**Blocked Account Agreement**"), reasonably satisfactory to the Collateral Agent, with any Blocked Account Bank, including, without limitation, with respect to the deposit accounts and securities accounts existing as of the Closing Date listed on Schedule 9.9(a) (but excluding any Excluded Deposit Account) attached hereto (collectively, the "**Blocked Accounts**"); and

(iii) a Borrower shall have established a concentration account in its name (the "**Concentration Account**") with a Blocked Account Bank reasonably acceptable to the Administrative Agent, and entered into a Blocked Account Agreement, reasonably satisfactory to the Collateral Agent, with respect to the Concentration Account.

(d) Each Credit Card Notification and Blocked Account Agreement with respect to any DDA's or other deposit accounts shall require, during the continuance of a Cash Dominion Period (and delivery of notice thereof from the Collateral Agent to the Blocked Account Banks), the ACH or wire transfer on each Business Day (and whether or not there is then an outstanding balance in the Loan Account) to the Concentration Account of all available cash receipts (the "**Cash Receipts**") from:

(i) the sale of Inventory and other Collateral (whether or not constituting an Asset Sale Prepayment Event);

(ii) all proceeds of collections of Accounts (whether or not constituting an Asset Sale Prepayment Event);

(iii) all Net Cash Proceeds on account of any Asset Sale Prepayment Event of ABL Priority Collateral;

(iv) each Blocked Account (including all cash deposited therein from each DDA); and

(v) the cash proceeds of all credit card and debit card charges.

(vi) In addition, the Blocked Account Agreement for the Concentration Account shall provide, among other things, that during the continuation of a Cash Dominion Period, the bank at which such Concentration Account is maintained shall, upon receipt of notice by the Collateral Agent make daily sweeps from the Concentration Account into the Collateral Agent's account for application to the Obligations.

(e) Any cash or Cash Equivalents or Cash Receipts owned by any Credit Party (other than Excluded Deposit Accounts or such other accounts which the Administrative Agent may agree) shall be deposited to a Blocked Account that is subject to a Blocked Account Agreement. In addition to the foregoing, during the continuance of a Cash Dominion Period, at the reasonable request of the Collateral Agent, the Credit Parties shall provide the Collateral Agent with information and account statements with respect to the Blocked Accounts.

(f) The Credit Parties may close all deposit accounts and securities accounts (including any DDAs or Blocked Accounts) and/or open new deposit accounts and securities accounts (including any DDAs or Blocked Accounts, subject to the execution and delivery to the Collateral Agent of appropriate Blocked Account Agreements (except with respect to any Excluded Deposit Accounts or unless expressly waived by the Administrative Agent) consistent with the provisions of this Section 9.9 and otherwise reasonably satisfactory to the Collateral Agent. The Credit Parties shall furnish the Administrative Agent with prior written notice of their intention (x) to open any deposit accounts (other than any Excluded Deposit Account) and securities accounts (including any DDAs and Blocked Accounts) and the Administrative Agent shall promptly notify the Borrower Representative as to whether the Collateral Agent shall require a Blocked Account Agreement with the Person with whom such account will be maintained. Unless consented to in writing by the Administrative Agent, the Borrowers shall not enter into any agreements with credit card processors other than the ones expressly contemplated herein unless contemporaneously therewith, a Credit Card Notification, is executed and delivered to the Administrative Agent and (y) to close any Blocked Account.

(g) The Credit Parties may also maintain one or more disbursement accounts (the "**Disbursement Accounts**") to be used by the Credit Parties for disbursements and payments (including payroll) in the ordinary course of business or as otherwise permitted hereunder.

(h) During the continuance of a Cash Dominion Period, the Blocked Accounts and the Concentration Account shall at all times be under the sole dominion and control of the Collateral Agent. Each Credit Party hereby acknowledges and agrees that during the continuance of a Cash Dominion Period, (i) such Credit Party has no right of withdrawal from any Blocked Account or the Concentration Account, (ii) the funds on deposit in any Blocked Account or the Concentration Account shall at all times continue to be collateral security for all of the Obligations, and (iii) the funds on deposit in any Blocked Account or the Concentration Account shall be applied as provided in this Agreement. In the event that, notwithstanding the provisions of this Section 9.9, during the continuation of a Cash Dominion Period, any Credit Party receives or otherwise has dominion and control of any Cash Receipts, such Cash Receipts shall be held in trust by such Credit Party for the Collateral Agent, shall not be commingled with any of such Credit Party's other funds or deposited in any account of such Credit Party and shall promptly be deposited into the Concentration Account or dealt with in such other fashion as such Credit Party may be instructed by the Collateral Agent.

(i) All amounts received by the Administrative Agent under this Section 9.9 during a Cash Dominion Period shall be applied in the manner set forth in Section 5.2(e) and in the priority set forth in Section 11.14 and such amounts held by Administrative Agent at any time when all of the Obligations

then due have been repaid or Cash Collateralized shall be remitted to the operating account of a Credit Party designated by the Borrowers.

(j) The Collateral Agent shall promptly (but in any event within one (1) Business Day) furnish written notice to each Person with whom a Blocked Account is maintained of any termination of a Cash Dominion Period.

9.10 Physical Inventories. The Credit Parties, at their own expense, shall conduct a physical inventory to be undertaken in each twelve (12) month period (or alternatively, periodic cycle counts) consistent with historical practices, conducted following such methodology as is consistent with the methodology used in the immediately preceding inventory (or cycle count) or as otherwise may be reasonably satisfactory to the Administrative Agent. Following the completion of such inventory, the Borrowers shall promptly post such results to the Credit Parties' stock ledgers and general ledgers, as applicable.

9.11 Additional Guarantors and Grantors. Subject to any applicable limitations set forth in the Security Documents, the Company will cause each direct or indirect Subsidiary (other than any Excluded Subsidiary) formed or otherwise purchased or acquired after the Closing Date (including pursuant to a Permitted Acquisition and upon the formation of any Subsidiary that is a Division Successor), and each other Subsidiary that ceases to constitute an Excluded Subsidiary, within 45 days from the date of such formation, acquisition or cessation, as applicable (or such longer period as the Administrative Agent may agree in its reasonable discretion), and the Company may at its option cause any Subsidiary, to execute a supplement to each of the Guarantee, the Pledge Agreement and the Security Agreement in order to become a Guarantor under the Guarantee and a grantor under such Security Documents or, to the extent reasonably requested by the Collateral Agent, enter into a new Security Document substantially consistent with the analogous existing Security Documents and otherwise in form and substance reasonably satisfactory to such Collateral Agent and take all other action reasonably requested by the Collateral Agent to grant a perfected (with respect to Collateral consisting of Intellectual Property, if and to the extent required under the Security Agreement) security interest in its assets to substantially the same extent as created by the Credit Parties on the Closing Date. For the avoidance of doubt, no Credit Party or any Domestic Restricted Subsidiary shall be required to take any action outside the United States to perfect any security interest in the Collateral (including the execution of any agreement, document or other instrument governed by the law of any jurisdiction other than the United States, any State thereof or the District of Columbia).

9.12 Pledge of Additional Stock and Evidence of Indebtedness. Subject to any applicable limitations set forth in the Security Documents and other than (x) when in the reasonable determination of the Administrative Agent and the Borrower Representative (as agreed to in writing), the cost or other consequences of doing so would be excessive in view of the benefits to be obtained by the Lenders therefrom or (y) to the extent doing so would result in material adverse tax consequences as reasonably determined by the Borrower Representative in consultation with the Administrative Agent, the Company will cause (i) all certificates representing Capital Stock and Stock Equivalents of any Restricted Subsidiary (other than any Excluded Stock and Stock Equivalents) held directly by the Company or any Guarantor, (ii) all evidences of Indebtedness in excess of $2,500,000 received by the Company or any of the Guarantors in connection with any disposition of assets pursuant to Section 10.4(b), and (iii) any promissory notes executed after the Closing Date evidencing Indebtedness in excess of $2,500,000 of the Company or any Subsidiary that is owing to the Company or any Guarantor, in each case, to be delivered to the Collateral Agent as security for the Obligations accompanied by undated instruments of transfer executed in blank pursuant to the terms of the Security Documents. Notwithstanding the foregoing any promissory note among the Company and/or its Subsidiaries need not be delivered to the Collateral Agent so long as (i) a global intercompany note superseding such promissory note has been delivered to

the Collateral Agent, (ii) such promissory note is not delivered to any other party other than the Company or its Subsidiaries, in each case, owed money thereunder, and (iii) such promissory note indicates on its face that it is subject to the security interest of the Collateral Agent.

9.13 Use of Proceeds. The Borrowers will use the proceeds of the Loans made and Letters of Credit issued hereunder (a) in an aggregate amount not to exceed $5,500,000 to effect the Transactions (including working capital and/or purchase price adjustments), (b) to replace, backstop or cash collateralize existing letters of credit, (c) to the extent required to account for any "flex" original issue discount and/or upfront fees required pursuant to the Fee Letter, and (d) for working capital purposes. After the Closing Date, the Borrowers will use the proceeds of the Loans to finance working capital of the Borrowers and their Subsidiaries and for general corporate purposes of the Borrowers and their Subsidiaries (including for capital expenditures, acquisitions and other Investments, Restricted Payments and any other transaction not prohibited by the Credit Documents).

9.14 Further Assurances.

(a) Subject to the terms of Sections 9.11 and 9.12, this Section 9.14 and the Security Documents, the Company will, and will cause each other Credit Party to, execute any and all further documents, financing statements, agreements, and instruments, and take all such further actions (including the filing and recording of financing statements, fixture filings, mortgages, deeds of trust, and other documents) that may be required under any applicable law, or that the Collateral Agent or the Required Lenders may reasonably request, in order to grant, preserve, protect, and perfect (with respect to Collateral consisting of Intellectual Property, if and to the extent required under the Security Agreement) the validity and priority of the security interests created or intended to be created by the applicable Security Documents, all at the expense of the Company and the Restricted Subsidiaries. Each Credit Party shall give the Collateral Agent and the Administrative Agent prompt (and in any event within 5 Business Days (or such later period as agreed by the Administrative Agent)) notice of any change to its legal name jurisdiction of formation, type of entity and organizational number (or equivalent).

(b) Subject to any applicable limitations set forth in the Security Documents and other than (x) when in the reasonable determination of the Administrative Agent and the Company (as agreed to in writing), the cost or other consequences of doing so would be excessive in view of the benefits to be obtained by the Lenders therefrom or (y) to the extent doing so would result in material adverse tax consequences as reasonably determined by the Borrower Representative in consultation with the Administrative Agent, if any assets (other than Excluded Property) (including any real estate or improvements thereto or any interest therein but excluding Capital Stock and Stock Equivalents of any Subsidiary and excluding any real estate which the Borrower or applicable Credit Party intends to dispose of pursuant to a Permitted Sale Leaseback so long as actually disposed of within 270 days of acquisition (or such longer period as the Administrative Agent may reasonably agree)) with a book value in excess of $5,000,000 (at the time of acquisition) are acquired by the Company or any other Credit Party after the Closing Date (other than assets constituting Collateral under a Security Document that become subject to the Lien of the applicable Security Document upon acquisition thereof) that are of a nature secured by a Security Document or that constitute a fee interest in real property in the United States, the Company will notify the Collateral Agent, and, if requested by the Collateral Agent, the Company will cause such assets to be subjected to a Lien securing the Obligations and will take, and cause the other applicable Credit Parties to take, such actions as shall be necessary or reasonably requested by the Collateral Agent, as soon as commercially reasonable but in no event later than 90 days, unless extended by the Administrative Agent in its sole discretion, to grant and perfect such Liens

consistent with the applicable requirements of the Security Documents, including actions described in clause (a) of this Section 9.14.

(c) Any Mortgage delivered to the Administrative Agent in accordance with the preceding clause (b) shall, if requested by the Collateral Agent, be received as soon as commercially reasonable but in no event later than 90 days (except as set forth in the preceding clause (b)), unless extended by the Administrative Agent in its sole discretion and accompanied by (x) a policy or policies (or an unconditional binding commitment therefor to be replaced by a final title policy) of title insurance issued by a nationally recognized title insurance company, in such amounts as reasonably acceptable to the Administrative Agent not to exceed the Fair Market Value of the applicable Mortgaged Property, insuring the Lien of each Mortgage as a valid third Lien on the Mortgaged Property described therein, free of any other Liens except as expressly permitted by Section 10.2 or as otherwise permitted by the Administrative Agent and otherwise in form and substance reasonably acceptable to the Administrative Agent and the Borrower Representative, together with such endorsements, coinsurance and reinsurance as the Administrative Agent may reasonably request but only to the extent such endorsements are (i) available in the relevant jurisdiction (provided in no event shall the Administrative Agent request a creditors' rights endorsement) and (ii) available at commercially reasonable rates, (y) an opinion of local counsel to the applicable Credit Party in form and substance reasonably acceptable to the Administrative Agent, (z) a completed "Life-of-Loan" Federal Emergency Management Agency Standard Flood Hazard Determination, and if any improvements on such Mortgaged Property are located in a special flood hazard area, (i) a notice about special flood hazard area status and flood disaster assistance duly executed by the applicable Credit Parties and (ii) certificates of insurance evidencing the insurance required by Section 9.3 in form and substance reasonably satisfactory to the Administrative Agent, and (aa) an ALTA survey in a form and substance reasonably acceptable to the Collateral Agent or such existing survey together with a no-change affidavit sufficient for the title company to remove all standard survey exceptions from the Title Policy related to such Mortgaged Property and issue the endorsements required in (x) above.

(d) The Company agrees that it will deliver, or will cause to be delivered, to the Administrative Agent, the items described on Schedule 9.14(d) on the Closing Date by the times specified with respect to such items, or such later time as the Administrative Agent may agree in its sole discretion.

9.15 [Reserved].

9.16 Lines of Business. The Company and the Restricted Subsidiaries, taken as a whole, will not fundamentally and substantively alter the character of their business, taken as a whole, from the business conducted by the Company and the Subsidiaries, taken as a whole, on the Closing Date and other business activities which are extensions thereof or otherwise incidental, synergistic, reasonably related, or ancillary to any of the foregoing (and non-core incidental businesses acquired in connection with any Permitted Acquisition or permitted Investment).

Section 10. Negative Covenants

The Company hereby covenants and agrees that on the Closing Date (immediately after consummation of the Acquisition) and thereafter, until the Commitments, the Swingline Commitment and each Letter of Credit have terminated or been Cash Collateralized in accordance with the terms of this Agreement and the Loans and Unpaid Drawings, together with interest, Fees, and all other Obligations incurred hereunder (other than contingent indemnity obligations, Secured Hedge Obligations

and Secured Cash Management Obligations and Letters of Credit, Cash Collateralized in accordance with the terms of this Agreement), are paid in full:

10.1 Limitation on Indebtedness. The Company will not, and will not permit any Restricted Subsidiary to create, incur, issue, assume, guarantee or otherwise become liable, contingently or otherwise (collectively, "**incur**" and collectively, an "**incurrence**") with respect to any Indebtedness (including Acquired Indebtedness) and the Company will not issue any shares of Disqualified Stock and will not permit any Restricted Subsidiary to issue any shares of Disqualified Stock or, in the case of Restricted Subsidiaries that are not Borrowers or Guarantors, preferred stock; provided that the Company may incur Indebtedness (including Acquired Indebtedness) or issue shares of Disqualified Stock, and any Restricted Subsidiary may incur Indebtedness (including Acquired Indebtedness), issue shares of Disqualified Stock and issue shares of preferred stock, in an aggregate amount equal to $20,000,000 plus unlimited additional amounts if, after giving effect to the incurrence of such amount, the Company would be in compliance on a Pro Forma Basis with the Total Debt Leverage Test ; provided further that the amount of Indebtedness (other than Acquired Indebtedness), Disqualified Stock and preferred stock that may be incurred pursuant to the foregoing together with any amounts incurred under Section 10.1(n)(x) by Restricted Subsidiaries that are not Guarantors shall not exceed the greater of (x) $15,000,000 and (y) 30% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at any one time outstanding.

The foregoing limitations will not apply to:

(a) Indebtedness arising under the Credit Documents;

(b) (x) Indebtedness represented by the Second Lien Facility, Permitted Second Lien Exchange Notes, and any guarantee thereof in an aggregate principal amount not to exceed $80,000,000 (plus all accrued interest, fees and expenses) and (y) Indebtedness that may be incurred pursuant to Sections 2.14 and 10.1(x)(i) of the Second Lien Credit Agreement (as in effect on the Closing Date), in each case, pursuant to the definition of Maximum Incremental Facilities Amount in the Second Lien Credit Agreement (as in effect on the Closing Date);

(c) (i) Indebtedness (including any unused commitment) outstanding on the Closing Date listed on Schedule 10.1 and (ii) intercompany Indebtedness (including any unused commitment) outstanding on the Closing Date listed on Schedule 10.1 (other than intercompany Indebtedness owed by a Credit Party to another Credit Party);

(d) Indebtedness (including Capital Lease Obligations), Disqualified Stock and preferred stock incurred by the Company or any Restricted Subsidiary, to finance the purchase, lease, construction, installation, maintenance, replacement or improvement of property (real or personal) or equipment that is used or useful in a Similar Business, whether through the direct purchase of assets or the Capital Stock of any Person owning such assets and Indebtedness arising from the conversion of the obligations of the Company or any Restricted Subsidiary under or pursuant to any "synthetic lease" transactions to on-balance sheet Indebtedness of the Company or such Restricted Subsidiary, in an aggregate principal amount which, when aggregated with the principal amount of all other Indebtedness, Disqualified Stock and preferred stock then outstanding and incurred pursuant to this clause (d) and all Refinancing Indebtedness incurred to refinance any other Indebtedness, Disqualified Stock and preferred stock incurred pursuant to this clause (d), does not exceed the greater of (x) $15,000,000 and (y) 25% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of incurrence; provided that Capitalized Lease Obligations incurred by the Company or any Restricted Subsidiary pursuant to this clause (d) in connection with a Permitted Sale

Leaseback shall not be subject to the foregoing limitation so long as the proceeds of such Permitted Sale Leaseback are used by the Company or such Restricted Subsidiary to permanently repay outstanding Indebtedness secured by a Lien on the assets subject to such Permitted Sale Leaseback;

(e) Indebtedness incurred by the Company or any Restricted Subsidiary (including letter of credit obligations consistent with past practice constituting reimbursement obligations with respect to letters of credit issued in the ordinary course of business), in respect of workers' compensation claims, performance or surety bonds, health, disability or other employee benefits or property, casualty or liability insurance or self-insurance or other Indebtedness with respect to reimbursement or indemnification type obligations regarding workers' compensation claims, performance or surety bonds, health, disability or other employee benefits or property, casualty or liability insurance or self-insurance;

(f) Indebtedness arising from agreements of the Company or a Restricted Subsidiary providing for indemnification, adjustment of purchase price, earnout or similar obligations, in each case, incurred or assumed in connection with the acquisition or disposition of any business, assets or a Subsidiary or other Person, other than guarantees of Indebtedness incurred by any Person acquiring all or any portion of such business, assets or a Subsidiary for the purpose of financing such acquisition; provided that such Indebtedness is not reflected on the balance sheet of the Company or any Restricted Subsidiary (contingent obligations referred to in a footnote to financial statements and not otherwise reflected on the balance sheet will not be deemed to be reflected as Indebtedness on such balance sheet for purposes of this clause (f));

(g) Indebtedness of the Company to a Restricted Subsidiary; provided that any such Indebtedness owing to a Restricted Subsidiary that is not a Borrower or a Guarantor is subordinated in right of payment to the Obligations; provided, further, that any subsequent issuance or transfer of any Capital Stock or any other event which results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such Indebtedness (except to another Borrower or another Restricted Subsidiary) shall be deemed, in each case to be an incurrence of such Indebtedness not permitted by this clause;

(h) Indebtedness of a Restricted Subsidiary owing to the Company or another Restricted Subsidiary; provided that (i) if a Borrower or a Guarantor incurs such Indebtedness owing to a Restricted Subsidiary that is not a Borrower or a Guarantor, such Indebtedness is subordinated in right of payment to the Guarantee of such Guarantor and (ii) if a Restricted Subsidiary that is not a Credit Party incurs such Indebtedness owing to a Credit Party, such Investment shall be permitted by Section 10.5; provided, further, that any subsequent transfer of any such Indebtedness (except to the Company or another Restricted Subsidiary) shall be deemed, in each case to be an incurrence of such Indebtedness not permitted by this clause;

(i) shares of preferred stock of a Restricted Subsidiary issued to the Company or another Restricted Subsidiary; provided that any subsequent issuance or transfer of any Capital Stock or any other event which results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such shares of preferred stock (except to the Company or another Restricted Subsidiary) shall be deemed in each case to be an issuance of such shares of preferred stock not permitted by this clause;

(j) (x) Hedging Obligations (excluding Hedging Obligations entered into for speculative purposes)~~;~~ and obligations in respect of Bank Products and Cash Management Services and (y) Hedging Obligations (excluding Hedging Obligations entered into for

speculative purposes) and obligations in respect of Bank Products and Cash Management Services (in each case under this clause (y), as defined in the First Lien Term Loan Agreement);

(k) obligations in respect of self-insurance, performance, bid, appeal, and surety bonds and completion guarantees and similar obligations provided by the Company or any Restricted Subsidiary or obligations in respect of letters of credit, bank guarantees or similar instruments related thereto, in each case, in the ordinary course of business or consistent with past practice;

(l) (i) Indebtedness, Disqualified Stock and preferred stock of the Company or any Restricted Subsidiary in an aggregate principal amount or liquidation preference up to 100% of the net cash proceeds received by the Company since immediately after the Closing Date from the issue or sale of Equity Interests of the Company or cash contributed to the capital of the Company (in each case, other than Excluded Contributions, proceeds of Disqualified Stock or sales of Equity Interests to the Company or any of its Subsidiaries, proceeds of any Cure Amount or the proceeds of the 2022 Equity Contribution) as determined in accordance with Sections 10.5(a)(~~iii~~4)(B) and 10.5(a)(~~iii~~4)(C) of the First Lien Term Loan Agreement (or comparable "builder basket" provision in respect of Refinancing Indebtedness) to the extent such net cash proceeds or cash have not been applied pursuant to such clauses to make Restricted Payments or to make other Investments, payments or exchanges pursuant to Section 10.5(b) or to make Permitted Investments (other than Permitted Investments specified in clauses (a) and (c) of the definition thereof) and (ii) Indebtedness, Disqualified Stock or preferred stock of the Company or any Restricted Subsidiary not otherwise permitted hereunder in an aggregate principal amount or liquidation preference, which when aggregated with the principal amount and liquidation preference of all other Indebtedness, Disqualified Stock and preferred stock then outstanding and incurred pursuant to this clause (l)(ii), does not at any one time outstanding exceed the greater of (x) $20,000,000 and (y) 40% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of incurrence (it being understood that any Indebtedness, Disqualified Stock or preferred stock incurred pursuant to this clause (l)(ii) shall cease to be deemed incurred or outstanding for purposes of this clause (l)(ii) but shall be deemed incurred for the purposes of the first paragraph of this Section 10.1 from and after the first date on which the Company or such Restricted Subsidiary could have incurred such Indebtedness, Disqualified Stock or preferred stock under the first paragraph of this Section 10.1 without reliance on this clause (l)(ii));

(m) the incurrence or issuance by the Company or any Restricted Subsidiary of Indebtedness, Disqualified Stock or preferred stock which serves to refinance any Indebtedness, Disqualified Stock or preferred stock incurred as permitted under the first paragraph of this Section 10.1 and clauses (b) and (c) above, clause (l)(i), this clause (m), clause (n) and clause (v) below or any Indebtedness, Disqualified Stock or preferred stock issued to so refinance, replace, refund, extend, renew, defease, restructure, amend, restate or otherwise modify (collectively, "**refinance**") such Indebtedness, Disqualified Stock or preferred stock (the "**Refinancing Indebtedness**") prior to its respective maturity; provided, that such Refinancing Indebtedness (1) has a weighted average life to maturity at the time such Refinancing Indebtedness is incurred which is not less than the remaining weighted average life to maturity of the Indebtedness, Disqualified Stock or preferred stock being refinanced, (2) to the extent such Refinancing Indebtedness refinances (i) Indebtedness that is unsecured or secured by a Lien ranking junior to the Liens securing the Obligations, such Refinancing Indebtedness is unsecured or secured by a Lien ranking junior to the Liens securing the Obligations or (ii) Disqualified Stock or preferred stock, such Refinancing Indebtedness must be Disqualified Stock or preferred stock, respectively, and (3) shall not include Indebtedness, Disqualified Stock or preferred stock of a

Subsidiary of the Company that is not a Borrower or a Guarantor that refinances Indebtedness, Disqualified Stock or preferred stock of a Borrower or a Guarantor;

(n) Indebtedness, Disqualified Stock or preferred stock of (x) the Company or a Restricted Subsidiary incurred or issued to finance an acquisition, merger, or consolidation; provided that the amount of Indebtedness (other than Acquired Indebtedness), Disqualified Stock and preferred stock that may be incurred pursuant to the foregoing, together with any amounts incurred under the first paragraph of this Section 10.1 by Restricted Subsidiaries that are not Guarantors shall not exceed the greater of (A) $15,000,000 and (B) 30% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at any one time outstanding, or (y) Persons that are acquired by the Company or any Restricted Subsidiary or merged into or consolidated with the Company or a Restricted Subsidiary in accordance with the terms hereof (including designating an Unrestricted Subsidiary a Restricted Subsidiary); provided that after giving effect to any such acquisition, merger, consolidation or designation described in this clause (n), the aggregate amount of Indebtedness, Disqualified Stock or preferred stock incurred pursuant to this clause (n) shall not to exceed the sum of (A) $25,000,000 plus (B) unlimited additional amounts if, after giving effect thereto (calculated on a Pro Forma Basis), the Interest Coverage Ratio of the Company and the Restricted Subsidiaries is at least 2.00 to 1.00 for the most recently ended Test Period (calculated on a Pro Forma Basis);

(o) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business;

(p) (i) Indebtedness of the Company or any Restricted Subsidiary supported by a letter of credit, in a principal amount not in excess of the stated amount of such letter of credit so long as such letter of credit is otherwise permitted to be incurred pursuant to this Section 10.1 or (ii) obligations in respect of letters of support, guarantees or similar obligations issued, made or incurred for the benefit of any Subsidiary of the Company to the extent required by law or in connection with any statutory filing or the delivery of audit opinions performed in jurisdictions other than within the United States;

(q) (1) any guarantee by the Company or a Restricted Subsidiary of Indebtedness or other obligations of any Restricted Subsidiary so long as in the case of a guarantee of Indebtedness by a Restricted Subsidiary that is not a Guarantor, such Indebtedness could have been incurred directly by the Restricted Subsidiary providing such guarantee or (2) any guarantee by a Restricted Subsidiary of Indebtedness of the Company;

(r) Indebtedness of Restricted Subsidiaries that are not Guarantors in an amount not to exceed, in the aggregate at any one time outstanding, the greater of (x) $5,000,000 and (y) 10% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) (it being understood that any Indebtedness incurred pursuant to this clause (r) shall cease to be deemed incurred or outstanding for purposes of this clause (r) but shall be deemed incurred for the purposes of the first paragraph of this covenant from and after the first date on which such Restricted Subsidiary could have incurred such Indebtedness under the first paragraph of this covenant without reliance on this clause 1(r);

(s) Indebtedness of the Company or any of the Restricted Subsidiaries consisting of (i) the financing of insurance premiums or (ii) take or pay obligations contained in supply

arrangements in each case, incurred in the ordinary course of business or consistent with past practice;

(t) Indebtedness of the Company or any of the Restricted Subsidiaries undertaken in connection with cash management and related activities with respect to the Company, any Subsidiary or any joint venture in the ordinary course of business, including with respect to financial accommodations of the type described in the ~~definition~~definitions of Cash Management Services and "Bank Products";

(u) Indebtedness consisting of Indebtedness issued by the Company or any of the Restricted Subsidiaries to future, current or former officers, directors, managers and employees thereof, their respective estates, spouses or former spouses, in each case to finance the purchase or redemption of Equity Interests of the Company or any direct or indirect parent company of the Company to the extent described in clause (4) of Section 10.5(b);

(v) ~~(x) Indebtedness represented by the~~Permitted Credit Facilities (including any First Lien Term ~~Facility~~Loans), Permitted First Lien Exchange Notes ~~and~~or Permitted First Lien Other Indebtedness and, in each case, any guarantee thereof, in each case under this clause (v), in an aggregate principal amount not to exceed ~~$180,000,000 (plus all accrued interest, fees and expenses) and (y)~~at any time outstanding the sum of (x) $350,000,000, plus (y) the aggregate principal amount of Indebtedness ~~that may~~permitted to be incurred pursuant to ~~Section~~Sections 2.14, 10.1(w) and ~~Section~~ 10.1(x~~)(i~~) of the First Lien Term Loan Agreement (in each case, as in effect on the ~~Amendment No. 1 Effective Date, after giving effect to the Amendment No. 1 to First Lien Term Loan Agreement), in each case, pursuant to the definition of Maximum Incremental Facilities Amount in the First Lien Term Loan Agreement (as in effect on the Amendment No. 1 Effective Date, after giving effect to the Amendment No. 1 to First Lien Term Loan Agreement);~~date hereof) plus (z) in connection with any refinancing, replacing, refunding, extending, renewing, defeasing, restructuring, amending, restating or otherwise modifying any Indebtedness incurred pursuant to subclauses (x) and (y) above, any accrued interest, fees and premium (if any) under such Indebtedness and underwriting discounts, fees, commissions and expenses (including original issue discount, upfront fees and similar items) in connection with such transaction;

(w) [Reserved];

(x) [Reserved];

(y) [Reserved];

(z) Indebtedness constituting any part of any Permitted Reorganization; and

(aa) as long as the Payment Conditions are satisfied at the time of incurrence, unsecured Subordinated Indebtedness and other unsecured Indebtedness, in each case, the terms of which do not provide for any scheduled repayment, mandatory repayment, or redemption or sinking fund obligations prior to, at the time of incurrence, the latest Maturity Date (other than, in each case, customary offers or obligations to repurchase upon a change of control, asset sale, or casualty or condemnation event, AHYDO payments and customary acceleration rights after an event of default).

For purposes of determining compliance with this Section 10.1: (i) in the event that an item of Indebtedness, Disqualified Stock or preferred stock (or any portion thereof) meets the criteria of more

than one of the categories of permitted Indebtedness, Disqualified Stock or preferred stock described in clauses (a) through (aa) above or is entitled to be incurred pursuant to the first paragraph of this Section 10.1, the Company, in its sole discretion, will classify and may reclassify such item of Indebtedness, Disqualified Stock or preferred stock (or any portion thereof) and will only be required to include the amount and type of such Indebtedness, Disqualified Stock or preferred stock in one of the above clauses or paragraphs; and (ii) at the time of incurrence, the Company will be entitled to divide and classify an item of Indebtedness in more than one of the types of Indebtedness described in this Section 10.1.

Accrual of interest or dividends, the accretion of accreted value, the accretion or amortization of original issue discount and the payment of interest or dividends in the form of additional Indebtedness, Disqualified Stock or preferred stock will not be deemed to be an incurrence of Indebtedness, Disqualified Stock or preferred stock for purposes of this covenant. Any Refinancing Indebtedness and any Indebtedness incurred to refinance Indebtedness incurred pursuant to clauses (a) and (l)(ii) above shall be deemed to include additional Indebtedness, Disqualified Stock or preferred stock incurred to pay premiums (including reasonable tender premiums), defeasance costs, fees, and expenses in connection with such refinancing.

For purposes of determining compliance with any Dollar-denominated restriction on the incurrence of Indebtedness, the principal amount of Indebtedness denominated in another currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term debt, or first committed, in the case of revolving credit debt; provided that if such Indebtedness is incurred to refinance other Indebtedness denominated in another currency, and such refinancing would cause the applicable Dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such Dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed (i) the principal amount of such Indebtedness being refinanced plus (ii) the aggregate amount of fees, underwriting discounts, premiums, and other costs and expenses and accrued and unpaid interest incurred in connection with such refinancing.

The principal amount of any Indebtedness incurred to refinance other Indebtedness, if incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing.

This Agreement will not treat (1) unsecured Indebtedness as subordinated or junior to secured Indebtedness merely because it is unsecured or (2) senior Indebtedness as subordinated or junior to any other senior Indebtedness merely because it has a junior priority with respect to the same collateral.

10.2 Limitation on Liens.

(a) The Company will not, and will not permit any of the Restricted Subsidiaries to, create, incur, assume or suffer to exist any Lien upon any property or assets of any kind (real or personal, tangible or intangible) of the Company or any Restricted Subsidiary, whether now owned or hereafter acquired (each, a "**Subject Lien**") that secures obligations under any Indebtedness on any asset or property of the Company or any Restricted Subsidiary, except:

(i) in the case of Subject Liens on any Collateral, if such Subject Lien is a Permitted Lien; and

(ii) in the case of any other asset or property, any Subject Lien if (i) the Obligations are equally and ratably secured with (or on a senior basis to, in the case such Subject Lien

secures any Junior Debt) the obligations secured by such Subject Lien or (ii) such Subject Lien is a Permitted Lien.

(b) Any Lien created for the benefit of the Secured Parties pursuant to the preceding paragraph shall provide by its terms that such Lien shall be automatically and unconditionally be released and discharged upon the release and discharge of the Subject Lien that gave rise to the obligation to so secure the Obligations.

10.3 Limitation on Fundamental Changes. The Company will not, and will not permit any of the Restricted Subsidiaries to, enter into any merger, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or convey, sell, lease, assign, transfer or otherwise dispose of, all or substantially all its business units, assets or other properties, except that:

(a) so long as no Event of Default has occurred and is continuing or would result therefrom, any Subsidiary of the Company or any other Person may be merged, amalgamated or consolidated with or into the Company; provided that (A) the Company shall be the continuing or surviving corporation or (B) if the Person formed by or surviving any such merger, amalgamation or consolidation is not the Company (such other Person, the "**Successor Borrower**"), (1) the Successor Borrower shall be an entity organized or existing under the laws of the United States, any state thereof, the District of Columbia, (2) the Successor Borrower shall expressly assume all the obligations of the Company under this Agreement and the other Credit Documents in a manner and pursuant to documentation reasonably satisfactory to the Administrative Agent, (3) each Guarantor, unless it is the other party to such merger, amalgamation or consolidation, shall have by a supplement to the Guarantee confirmed that its guarantee thereunder shall apply to any Successor Borrower's obligations under this Agreement, (4) each Subsidiary grantor and each Subsidiary pledgor, unless it is the other party to such merger, amalgamation or consolidation, shall have by a supplement to any applicable Security Document affirmed that its obligations thereunder shall apply to its Guarantee as reaffirmed pursuant to clause (3), (5) each mortgagor of a Mortgaged Property, unless it is the other party to such merger, amalgamation or consolidation, shall have affirmed that its obligations under the applicable Mortgage shall apply to its Guarantee as reaffirmed pursuant to clause (3), (6) the Successor Borrower shall have delivered to the Administrative Agent (x) an officer's certificate of a Responsible Officer stating that such merger, amalgamation, or consolidation and such supplements preserve the enforceability of the Guarantee and the perfection and priority of the Liens under the applicable Security Documents and with respect to the satisfaction of the conditions set forth in clauses (7)(i) and (8) in this Section 9.3(a) and (y) if reasonably requested by the Administrative Agent, an opinion of counsel as to corporate matters and to the effect that the provisions set forth in the preceding clauses (3) through (5) preserve the enforceability of the Guarantee and the perfection of the Liens created under the applicable Security Documents, (7)(i) such transaction does not result in any material adverse tax consequences to any Credit Party and (ii) such transaction does not result in any adverse tax consequences to any Lender (unless reimbursed hereunder) or to the Administrative Agent (unless reimbursed hereunder), (8) no Change of Control shall occur and (9) the Administrative Agent shall have received at least five (5) Business Days' prior written notice of the proposed transaction and the Borrower Representative shall promptly and in any event at least two (2) Business Days' prior to the consummation of the transaction provide all information any Lender or any Agent may reasonably request to satisfy its "know your customer" and other similar requirements necessary for such Person to comply with its internal compliance and regulatory requirements with respect to the proposed Successor Borrower (it being understood that if the foregoing are satisfied, the Successor Borrower will succeed to, and be substituted for, such Borrower under this Agreement);

(b) so long as no Event of Default has occurred and is continuing or would result therefrom, any Subsidiary of the Company or any other Person (in each case, other than the Company) may be merged, amalgamated or consolidated with or into any one or more Subsidiaries of the Company; provided that (i) in the case of any merger, amalgamation or consolidation involving one or more Restricted Subsidiaries, (A) a Restricted Subsidiary shall be the continuing or surviving Person or (B) the Company shall cause the Person formed by or surviving any such merger, amalgamation or consolidation (if other than a Restricted Subsidiary) to become a Restricted Subsidiary, (ii) in the case of any merger, amalgamation or consolidation involving one or more Guarantors, a Guarantor shall be the continuing or surviving Person or the Person formed by or surviving any such merger, amalgamation or consolidation and if the surviving Person is not already a Guarantor, such Person shall execute a supplement to the Guarantee and the relevant Security Documents in form and substance reasonably satisfactory to the Administrative Agent in order to become a Guarantor and pledgor, mortgagor and grantor, as applicable, thereunder for the benefit of the Secured Parties, and (iii) the Company shall have delivered to the Administrative Agent an officer's certificate stating that such merger, amalgamation or consolidation and any such supplements to any Security Document preserve the enforceability of the Guarantees and the perfection and priority of the Liens under the applicable Security Documents;

(c) the Acquisition may be consummated;

(d) (i) any Restricted Subsidiary that is not a Credit Party may convey, sell, lease, assign, transfer or otherwise dispose of any or all of its assets (upon voluntary liquidation or dissolution or otherwise) to the Company or any other Restricted Subsidiary or (ii) any Credit Party (other than the Company) may convey, sell, lease, assign, transfer or otherwise dispose of any or all of its assets (upon voluntary liquidation or dissolution or otherwise) to any other Credit Party;

(e) any Subsidiary may convey, sell, lease, assign, transfer or otherwise dispose of any or all of its assets (upon voluntary liquidation or dissolution or otherwise) to a Credit Party; provided that the consideration for any such disposition by any Person other than a Guarantor shall not exceed the fair value of such assets;

(f) any Restricted Subsidiary may liquidate or dissolve if the Company determines in good faith that such liquidation or dissolution is in the best interests of the Company and is not materially disadvantageous to the Lenders;

(g) the Company and the Restricted Subsidiaries may consummate a merger, dissolution, liquidation, consolidation, investment or conveyance, sale, lease, assignment or disposition, the purpose of which is to effect a disposition not prohibited by Section 10.4 or an investment permitted pursuant to Section 10.5 or an investment that constitutes a Permitted Investment;

(h) so long as no Event of Default has occurred and is continuing or would result therefrom, the Company or any Restricted Subsidiary may change its legal form;

(i) the Company and the Restricted Subsidiaries may consummate any Permitted Reorganization; and

(j) the Company, the Restricted Subsidiaries and the Unrestricted Subsidiaries may enter into and consummate an Intercompany License Agreement.

10.4 Limitation on Sale of Assets. The Company will not, and will not permit any Restricted Subsidiary to, consummate an Asset Sale, unless:

(a) the Company or such Restricted Subsidiary, as the case may be, receives consideration at the time of such Asset Sale at least equal to the Fair Market Value (as determined at the time of contractually agreeing to such Asset Sale) of the assets sold or otherwise disposed of; and

(b) except in the case of a Permitted Asset Swap, if the property or assets sold or otherwise disposed of have a Fair Market Value in excess of $10,000,000, at least 75% of the consideration therefor received by the Company or such Restricted Subsidiary, as the case may be, is in the form of cash or Cash Equivalents; provided that the amount of:

(i) any liabilities (as reflected on the Company's most recent consolidated balance sheet or in the footnotes thereto, or if incurred or accrued subsequent to the date of such balance sheet, such liabilities that would have been reflected on the Company's consolidated balance sheet or in the footnotes thereto if such incurrence or accrual had taken place on or prior to the date of such balance sheet, as determined in good faith by the Company) of the Company, other than liabilities that are by their terms subordinated to the Loans, that are assumed by the transferee of any such assets (or are otherwise extinguished in connection with the transactions relating to such Asset Sale) and for which the Company and all such Restricted Subsidiaries have been validly released by all applicable creditors in writing;

(ii) any securities, notes or other obligations or assets received by the Company or such Restricted Subsidiary from such transferee that are converted by the Company or such Restricted Subsidiary into cash or Cash Equivalents, or by their terms are required to be satisfied for cash or Cash Equivalents (to the extent of the cash or Cash Equivalents received), in each case, within 180 days following the closing of such Asset Sale;

(iii) Indebtedness, other than liabilities that are by their terms subordinated to the Loans, that are of any Restricted Subsidiary that is no longer a Restricted Subsidiary as a result of such Asset Sale, to the extent that the Company and all Restricted Subsidiaries have been validly released from any Guarantee of payment of such Indebtedness in connection with such Asset Sale; and

(iv) any Designated Non-Cash Consideration received by the Company or such Restricted Subsidiary in such Asset Sale having an aggregate Fair Market Value, taken together with all other Designated Non-Cash Consideration received pursuant to this clause (iv) that is at that time outstanding, not to exceed the greater of $4,000,000 or 7.0% of Consolidated EBITDA at the time of the receipt of such Designated Non-Cash Consideration, with the Fair Market Value of each item of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value,

shall be deemed to be cash for purposes of this provision and for no other purpose.

10.5 Limitation on Restricted Payments.

(a) the Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly:

(1) declare or pay any dividend or make any payment or distribution on account of the Company's or any Restricted Subsidiary's Equity Interests, including any dividend or distribution payable in connection with any merger or consolidation, other than:

(A) dividends or distributions by the Company payable in Equity Interests (other than Disqualified Stock) of the Company or in options, warrants or other rights to purchase such Equity Interests, or

(B) dividends or distributions by a Restricted Subsidiary so long as, in the case of any dividend or distribution payable on or in respect of any class or series of securities issued by a Subsidiary other than a Wholly-Owned Subsidiary, the Company or a Restricted Subsidiary receives at least its pro rata share of such dividend or distribution in accordance with its Equity Interests in such class or series of securities;

(2) purchase, redeem, defease or otherwise acquire or retire for value any Equity Interests of the Company or any direct or indirect parent company of the Company, including in connection with any merger or consolidation;

(3) make any principal payment on, or redeem, repurchase, defease or otherwise acquire or retire for value in each case, prior to any scheduled repayment, sinking fund payment or maturity, any Junior Debt of the Company or any Restricted Subsidiary, other than (A) Indebtedness permitted under clauses (g) and (h) of Section 10.1, (B) the purchase, repurchase or other acquisition of Junior Debt purchased in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case due within one year of the date of purchase, repurchase or acquisition or (C) AHYDO Payments with respect to Indebtedness permitted under Section 10.1; or

(4) make any Restricted Investment;

(all such payments and other actions set forth in clauses (1) through (4) above (other than any exception thereto) being collectively referred to as "**Restricted Payments**").

(b) The foregoing provisions of Section 10.5(a) will not prohibit:

(1) the payment of any dividend or distribution or the consummation of any irrevocable redemption within 60 days after the date of declaration thereof or the giving of such irrevocable notice, as applicable, if at the date of declaration or the giving of such notice such payment would have complied with the provisions of this Agreement;

(2) (a) the redemption, repurchase, retirement or other acquisition of any Equity Interests ("**Retired Capital Stock**") or Junior Debt of the Company or any Restricted Subsidiary, or any Equity Interests of any direct or indirect parent company of the Company, in exchange for, or out of the proceeds of the substantially concurrent sale (other than to a Restricted Subsidiary) of, Equity Interests of the Company or any direct or indirect parent company of the Company to the extent contributed to the Company (in each case, other than any Disqualified Stock) ("**Refunding Capital Stock**") and (b) if immediately prior to the retirement of Retired Capital

Stock, the declaration and payment of dividends thereon was permitted under clause (6) of this Section 10.5(b), the declaration and payment of dividends on the Refunding Capital Stock (other than Refunding Capital Stock the proceeds of which were used to redeem, repurchase, retire or otherwise acquire any Equity Interests of any direct or indirect parent company of the Company) in an aggregate amount per year no greater than the aggregate amount of dividends per annum that was declarable and payable on such Retired Capital Stock immediately prior to such retirement;

(3) the prepayment, redemption, defeasance, repurchase or other acquisition or retirement for value of Junior Debt of the Company or a Restricted Subsidiary made by exchange for, or out of the proceeds of the substantially concurrent sale of, new Indebtedness of the Company, or a Restricted Subsidiary, as the case may be, which is incurred in compliance with Section 10.1 so long as: (A) the principal amount (or accreted value, if applicable) of such new Indebtedness does not exceed the principal amount of (or accreted value, if applicable), plus any accrued and unpaid interest on the Junior Debt being so redeemed, defeased, repurchased, exchanged, acquired or retired for value, plus the amount of any premium (including reasonable tender premiums), defeasance costs and any reasonable fees and expenses incurred in connection with the issuance of such new Indebtedness, (B) if such Junior Debt is subordinated to the Obligations, such new Indebtedness is subordinated to the Obligations or the applicable Guarantee at least to the same extent as such Junior Debt so purchased, exchanged, redeemed, defeased, repurchased, acquired or retired for value, (C) such new Indebtedness has a final scheduled maturity date equal to or later than the final scheduled maturity date of the Junior Debt being so redeemed, defeased, repurchased, exchanged, acquired or retired, (D) if such Junior Debt so purchased, exchanged, redeemed, repurchased, acquired or retired for value is (i) unsecured then such new Indebtedness shall be unsecured or (ii) is secured by a Lien ranking junior to the Liens securing the Obligations then such new Indebtedness shall be unsecured or secured by a Lien ranking junior to the Liens securing the Obligations, and (E) such new Indebtedness has a weighted average life to maturity equal to or greater than the remaining weighted average life to maturity of the Junior Debt being so redeemed, defeased, repurchased, exchanged, acquired or retired;

(4) a Restricted Payment to pay for the repurchase, retirement or other acquisition or retirement for value of Equity Interests (other than Disqualified Stock) of the Company or any direct or indirect parent company of the Company held by any future, present or former employee, director, manager or consultant of the Company, any of its Subsidiaries or any direct or indirect parent company of the Company, or their estates, descendants, family, spouse or former spouse pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement, or any stock subscription or shareholder agreement (including, for the avoidance of doubt, any principal and interest payable on any notes issued by the Company or any direct or indirect parent company of the Company in connection with such repurchase, retirement or other acquisition), including any Equity Interests rolled over by management of the Company or any direct or indirect parent company of the Company in connection with the Transactions; provided that, except with respect to non-discretionary purchases, the aggregate Restricted Payments made under this clause (4) subsequent to the Closing Date do not exceed in any calendar year $5,000,000 (with unused amounts in any calendar year being carried over to succeeding calendar years subject to maximum aggregate Restricted Payments under this clause (without giving effect to the following proviso) of $10,000,000 in any calendar year); provided, further, that such amount in any calendar year may be increased by an amount not to exceed: (A) the cash proceeds from the sale of Equity Interests (other than Disqualified Stock) of the Company and, to the extent contributed to the Company, the cash proceeds from the sale of Equity Interests of any direct or indirect parent company of

the Company, in each case to any future, present or former employees, directors, managers or consultants of the Company, any of its Subsidiaries or any direct or indirect parent company of the Company that occurs after the Closing Date, to the extent the cash proceeds from the sale of such Equity Interests have not otherwise been applied to the payment of Restricted Payments by virtue of ~~clause (iii) of~~ Section 10.5(a)(4)(B) of the First Lien Term Loan Agreement (or comparable "builder basket" provision in respect of Refinancing Indebtedness) and are not used for any Cure Amount and are used to make such Restricted Payment within ninety (90) days of the receipt of such cash proceeds, plus (B) the cash proceeds of key man life insurance policies received by the Company and the Restricted Subsidiaries after the Closing Date which are used to make such Restricted Payment within ninety (90) days of the receipt of such cash proceeds, less (C) the amount of any Restricted Payments previously made pursuant to clauses (A) and (B) of this clause (4); and provided, further, that cancellation of Indebtedness owing to the Company or any Restricted Subsidiary from any future, present or former employees, directors, managers or consultants of the Company, any direct or indirect parent company of the Company or any Restricted Subsidiary, or their estates, descendants, family, spouse or former spouse pursuant in connection with a repurchase of Equity Interests of the Company or any direct or indirect parent company of the Company will not be deemed to constitute a Restricted Payment for purposes of this Section 10.5 or any other provision of this Agreement;

(5) the declaration and payment of dividends to holders of any class or series of Disqualified Stock of the Company or any Restricted Subsidiary or any class or series of preferred stock of any Restricted Subsidiary, in each case, issued in accordance with Section 10.1 to the extent such dividends are included in the definition of Fixed Charges;

(6) [reserved];

(7) Investments in Unrestricted Subsidiaries having an aggregate Fair Market Value, taken together with all other Investments made pursuant to this clause (7) that are at the time outstanding, without giving effect to the sale of an Unrestricted Subsidiary to the extent the proceeds of such sale do not consist of cash, Cash Equivalents or marketable securities, not to exceed the greater of (x) $15,000,000 and (y) 25% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time of such Investment (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value), provided that the Payment Conditions have been satisfied with respect thereto;

(8) payments made or expected to be made by the Company or any Restricted Subsidiary in respect of withholding or similar taxes payable upon exercise of Equity Interests by any future, present or former employee, director, manager, or consultant and repurchases of Equity Interests deemed to occur upon exercise of stock options or warrants if such Equity Interests represent a portion of the exercise price of such options or warrants;

(9) the declaration and payment of dividends on the Company's common stock (or the payment of dividends to any direct or indirect parent company of the Company to fund a payment of dividends on such company's common stock), following consummation of the first public offering of the Company's common stock or the common stock of any direct or indirect parent company of the Company after the Closing Date, of up to 6.00% per annum of the net cash proceeds received by or contributed to the Company in or from any such public offering, other than public offerings with respect to the Company's common stock registered on Form S-8 and other than any public sale constituting an Excluded Contribution;

(10) (x) scheduled or mandatory payments (including any premium) as and when due in respect of Indebtedness under the First Lien Term Facility and the Second Lien Facility and (y) prepayments of principal of and any required premium on loans under the First Lien Term Loan Agreement and Second Lien Term Loan Agreement in connection with the removal of a lender pursuant to Section 13.7 of the First Lien Term Loan Agreement or Second Lien Term Loan Agreement (or any comparable provision in respect of Refinancing Indebtedness) or the payment of any fees in connection with amendments thereto;

(11) other Restricted Payments in an aggregate amount taken together with all other Restricted Payments made pursuant to this clause not to exceed the greater of (x) $15,000,000 and (y) 30% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis) at the time made, provided that the Payment Conditions have been satisfied with respect thereto;

(12) ~~[reserved]~~the Closing Distribution;

(13) any Restricted Payment made in connection with the Transactions and the fees and expenses related thereto or used to fund amounts owed to Affiliates (including dividends to any direct or indirect parent company of the Company to permit payment by such parent of such amount), to the extent permitted by Section 10.10 (other than clause (b) thereof), and Restricted Payments in respect of working capital adjustments or purchase price adjustments pursuant to the Acquisition Agreement, any Permitted Acquisition or other Permitted Investment and to satisfy indemnity and other similar obligations under the Acquisition Agreement, any Permitted Acquisitions or other Permitted Investments;

(14) other Restricted Payments to the extent that at the time such Restricted Payment is made, the Payment Conditions have been satisfied with respect thereto;

(15) the declaration and payment of dividends by the Company to, or the making of loans to, any direct or indirect parent company of the Company in amounts required for any direct or indirect parent company to pay: (A) franchise and excise taxes, and other fees and expenses, required to maintain its organizational existence, (B) consolidated, combined or similar foreign, federal, state and local income and similar taxes, to the extent that such income taxes are attributable to the income of the Company and the Restricted Subsidiaries and, to the extent of the amount actually received from its Unrestricted Subsidiaries, in amounts required to pay such taxes to the extent attributable to the income of such Unrestricted Subsidiaries, provided that in each case the amount of such payments with respect to any fiscal year does not exceed the amount that the Company, the Restricted Subsidiaries and the Unrestricted Subsidiaries (to the extent described above) would have been required to pay in respect of such foreign, federal, state and local income taxes for such fiscal year had the Company, the Restricted Subsidiaries and the Unrestricted Subsidiaries (to the extent described above) been a stand-alone taxpayer or stand-alone group (separate from any such direct or indirect parent company of the Company) for all fiscal years ending after the Closing Date, (C) customary salary, bonus, and other benefits payable to officers, employees, directors, and managers of any direct or indirect parent company of the Company to the extent such salaries, bonuses, and other benefits are attributable to the ownership or operation of the Company and the Restricted Subsidiaries, including the Company's proportionate share of such amount relating to such parent company being a public company, (D) general corporate or other operating (including, without limitation, expenses related to auditing or other accounting matters) and overhead costs and expenses of any direct or indirect parent company of the Company to the extent such costs and expenses are attributable to the ownership or operation of the Company and the Restricted

Subsidiaries, including the Company's proportionate share of such amount relating to such parent company being a public company, (E) amounts required for any direct or indirect parent company of the Company to pay fees and expenses incurred by any direct or indirect parent company of the Company related to (i) the maintenance by such parent entity of its corporate or other entity existence and (ii) transactions of such parent company of the Company of the type described in clause (xi) of the definition of Consolidated Net Income, (F) cash payments in lieu of issuing fractional shares in connection with the exercise of warrants, options or other securities convertible into or exchangeable for Equity Interests of the Company or any such direct or indirect parent company of the Company, and (G) repurchases deemed to occur upon the cashless exercise of stock options;

(16) the repurchase, redemption or other acquisition for value of Equity Interests of the Company deemed to occur in connection with paying cash in lieu of fractional shares of such Equity Interests in connection with a share dividend, distribution, share split, reverse share split, merger, consolidation, amalgamation or other business combination of the Company, in each case, permitted under this Agreement;

(17) the distribution, by dividend or otherwise, of shares of Capital Stock of, or Indebtedness owed to the Company or a Restricted Subsidiary by, Unrestricted Subsidiaries (other than Unrestricted Subsidiaries, the primary assets of which are cash and/or Cash Equivalents);

(18) any Restricted Payment constituting any part of a Permitted Reorganization;

(19) the prepayment, redemption, defeasance, repurchase or other acquisition or retirement for value of First Lien Term Loans and Second Lien Loans in an aggregate amount pursuant to this clause (19) not to exceed the greater of (x) $13,000,000 and (y) 25% of Consolidated EBITDA for the most recently ended Test Period (calculated on a Pro Forma Basis); and

(20) scheduled payments of principal in respect of any Subordinated Indebtedness (subject to applicable subordination provisions related thereto);

provided that at the time of, and after giving effect to, any Restricted Payment permitted under clauses (11) and (19), no Event of Default shall have occurred and be continuing or would occur as a consequence thereof (or in the case of a Restricted Investment, no Event of Default under Section 11.1 or 11.5 shall have occurred and be continuing or would occur as a consequence thereof).

The Company will not permit any Unrestricted Subsidiary to become a Restricted Subsidiary except pursuant to the last sentence of the definition of Unrestricted Subsidiary. For purposes of designating any Restricted Subsidiary as an Unrestricted Subsidiary, all outstanding Investments by the Company and the Restricted Subsidiaries (except to the extent repaid) in the Subsidiary so designated will be deemed to be Restricted Payments in an amount determined as set forth in the last sentence of the definition of Investment. Such designation will be permitted only if a Restricted Payment in such amount would be permitted at such time, whether pursuant to clauses (7), (11) or (14) of Section 10.5(b), or pursuant to the definition of Permitted Investments, and if such Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. Unrestricted Subsidiaries will not be subject to any of the restrictive covenants set forth in this Agreement.

For purposes of determining compliance with this covenant, in the event that a proposed Restricted Payment or Investment (or a portion thereof) meets the criteria of clauses (1) through (20)

and/or one or more of the exceptions contained in the definition of Permitted Investments, the Company will be entitled to classify or later reclassify (based on circumstances existing on the date of such reclassification) such Restricted Payment (or portion thereof) among such clauses (1) through (20), in a manner that otherwise complies with this covenant.

Notwithstanding anything to the contrary contained herein, until the First Lien Term Loans (other than First Lien Term Loans having a maturity date later than the Maturity Date) are repaid in full, the Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly make any voluntary principal payment on, or voluntarily redeem, repurchase, defease or otherwise acquire or retire for value in each case, prior to any scheduled repayment, sinking fund payment or maturity, any First Lien Term Loans having a maturity date on or prior to the Maturity Date (other than (i) payments of principal from proceeds of Refinancing Indebtedness in respect thereof or (ii) to the extent that at the time of such payment, redemption, repurchase, defeasance or other acquisition or retirement for value the Payment Conditions are satisfied).

10.6 Limitation on Subsidiary Distributions. The Company will not, and will not permit any of the Restricted Subsidiaries that are not Borrowers or Guarantors to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or consensual restriction on the ability of any such Restricted Subsidiary to:

(a) (i) pay dividends or make any other distributions to the Company or any Restricted Subsidiary on its Capital Stock or with respect to any other interest or participation in, or measured by, its profits or (ii) pay any Indebtedness owed to the Company or any Restricted Subsidiary;

(b) make loans or advances to the Company or any Restricted Subsidiary; or

(c) sell, lease or transfer any of its properties or assets to the Company or any Restricted Subsidiary;

except (in each case) for such encumbrances or restrictions existing under or by reason of:

(i) contractual encumbrances or restrictions in effect on the Closing Date, including pursuant to this Agreement and the related documentation and related Hedging Obligations;

(ii) (x) the Second Lien Credit Documents and the Second Lien Loans and (y) the First Lien Term Loan Credit Documents and the First Lien Term Loans;

(iii) purchase money obligations for property acquired in the ordinary course of business or consistent with past practice and Capitalized Lease Obligations that impose restrictions of the nature discussed in clause (c) above on the property so acquired;

(iv) Requirement of Law or any applicable rule, regulation or order;

(v) any agreement or other instrument of a Person acquired by or merged or consolidated with or into the Company or any Restricted Subsidiary, or of an Unrestricted Subsidiary that is designated a Restricted Subsidiary, or that is assumed in connection with the acquisition of assets from such Person, in each case that is in existence at the time of such transaction (but not created in contemplation thereof), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person and its

Subsidiaries, or the property or assets of the Person and its Subsidiaries, so acquired or designated;

(vi) contracts for the sale of assets, including customary restrictions with respect to a Subsidiary of the Company pursuant to an agreement that has been entered into for the sale or disposition of all or substantially all of the Capital Stock or assets of such Subsidiary and restrictions on transfer of assets subject to Permitted Liens;

(vii) (x) secured Indebtedness otherwise permitted to be incurred pursuant to Sections 10.1 and 10.2 that limit the right of the debtor to dispose of the assets securing such Indebtedness and (y) restrictions on transfers of assets subject to Permitted Liens (but, with respect to any such Permitted Lien, only to the extent that such transfer restrictions apply solely to the assets that are the subject of such Permitted Lien);

(viii) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business;

(ix) other Indebtedness, Disqualified Stock or preferred stock of Restricted Subsidiaries permitted to be incurred subsequent to the Closing Date pursuant to the provisions of Section 10.1;

(x) customary provisions in joint venture agreements or arrangements and other similar agreements or arrangements relating solely to such joint venture and the Equity Interests issued thereby;

(xi) customary provisions contained in leases, sub-leases, licenses, sub-licenses or similar agreements, in each case, entered into in the ordinary course of business;

(xii) [reserved]; and

(xiii) any encumbrances or restrictions of the type referred to in clauses (a), (b), and (c) above imposed by any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (i) through (xii) above; provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements, or refinancings (x) are, in the good faith judgment of the Company's board of directors, no more restrictive in any material respect with respect to such encumbrance and other restrictions taken as a whole than those prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing or (y) do not materially impair the Borrowers' ability to pay their respective obligations under the Credit Documents as and when due (as determined in good faith by the Borrower Representative).

10.7 Modifications of Organizational Documents. The Company shall not agree, and shall not permit any of the Restricted Subsidiaries to agree, to any material amendment, restatement, supplement or other modification to, or waiver of, any of its Organizational Documents after the Closing Date in a manner that is materially adverse to the Lenders, except as required by law.

10.8 Permitted Activities. The Company shall not engage in any material operating or business activities; provided that the following and any activities incidental thereto shall be permitted in any event: (i) its ownership of the Equity Interests of the Company and activities incidental thereto, including payment of dividends and other amounts in respect of its Equity Interests, (ii) the maintenance

of its legal existence (including the ability to incur fees, costs and expenses relating to such maintenance), (iii) the performance of its obligations with respect to the Transactions, the Credit Documents, the First Lien Term Loan Credit Documents, the Second Lien Credit Documents and any other documents governing Indebtedness permitted hereby, (iv) any public offering of its common stock or any other issuance or sale of its Equity Interests, (v) financing activities, including the issuance of securities, incurrence of debt, payment of dividends, making contributions to the capital of the Company and guaranteeing the obligations of the Company, (vi) if applicable, participating in tax, accounting and other administrative matters as a member of the consolidated group of Holding and the Company, (vii) holding any cash or property (but not operate any property), (viii) making of any Restricted Payments or Investments permitted hereunder, (ix) providing indemnification to officers and directors, (x) activities relating to any Permitted Reorganization, (xi) merge, amalgamate or consolidate with or into any direct or indirect parent or subsidiary of Holdings (pursuant to the definition of "Holdings"), (xii) repurchases of Indebtedness through open market purchases and Dutch auctions and (xiii) any activities incidental or reasonably related to the foregoing.

10.9 Fiscal Years. The Company shall not permit, and shall not permit any Restricted Subsidiary to, change its fiscal year to end on dates inconsistent with past practice; provided, however, that the Company may, upon written notice to the Administrative Agent change the financial reporting convention specified above to (x) align the dates of such fiscal year and for any Restricted Subsidiary whose fiscal years end on dates different from those of the Company or (y) any other financial reporting convention reasonably acceptable to the Administrative Agent, in which case the Company and the Administrative Agent will, and are hereby authorized by the Lenders to, make any adjustments to this Agreement that are necessary in order to reflect such change in financial reporting.

10.10 Affiliate Transactions. The Company shall not conduct, and shall not permit the Restricted Subsidiaries to conduct, any transactions with a value in excess of $1,500,000 with any of its Affiliates (other than the Company and the Restricted Subsidiaries or any entity that becomes a Restricted Subsidiary as a result of such transaction) on terms that are substantially less as favorable to the Company or such Restricted Subsidiary as it would obtain in a comparable arm's-length transaction with a Person that is not an Affiliate, as determined by the board of directors of the Company or such Restricted Subsidiary in good faith; provided that the foregoing restrictions shall not apply to (a)(i) the payment of fees to the Sponsor for management, consulting, and financial services rendered to the Company and the Restricted Subsidiaries pursuant to the Sponsor Management Agreement, (ii) customary investment banking and financial advisory fees paid to the Sponsor for services rendered to the Company and the Subsidiaries in connection with divestitures, acquisitions, financings and other transactions which payments are approved by a majority of the board of directors of the Company in good faith and (iii) indemnification and reimbursement of expenses pursuant to the Sponsor Management Agreement, (b) transactions permitted by Section 10.5, (c) consummation of the Transactions and the payment of the Transaction Expenses, (d) the issuance of Capital Stock or Stock Equivalents of the Company (or any direct or indirect parent thereof) or any of its Subsidiaries not otherwise prohibited by the Credit Documents, (e) loans, advances and other transactions between or among the Company, any Restricted Subsidiary or any joint venture (regardless of the form of legal entity) in which the Company or any Subsidiary has invested (and which Subsidiary or joint venture would not be an Affiliate of the Company but for the Company's or a Subsidiary's ownership of Capital Stock or Stock Equivalents in such joint venture or Subsidiary) to the extent permitted under Section 10, (f) employment and severance arrangements between the Company and the Restricted Subsidiaries and their respective officers, employees or consultants (including management and employee benefit plans or agreements, stock option plans and other compensatory arrangements) in the ordinary course of business (including loans and advances in connection therewith), (g) payments by the Company (and any direct or indirect parent thereof) and the Subsidiaries pursuant to the tax sharing agreements among the Company (and any such parent) and the Subsidiaries that are permitted under Section 10.5(b)(15); provided that in each case the

amount of such payments in any fiscal year does not exceed the amount that the Company, the Restricted Subsidiaries and the Unrestricted Subsidiaries (to the extent of the amount received from Unrestricted Subsidiaries) would have been required to pay in respect of such foreign, federal, state and/or local taxes for such fiscal year had the Company, the Restricted Subsidiaries and the Unrestricted Subsidiaries (to the extent described above) paid such taxes separately from any such direct or indirect parent company of the Company, (h) the payment of customary fees and reasonable out of pocket costs to, and indemnities provided on behalf of, directors, managers, consultants, officers, employees of the Company (or any direct or indirect parent thereof) and the Subsidiaries in the ordinary course of business to the extent attributable to the ownership or operation of the Company and the Subsidiaries, (i) transactions undertaken pursuant to membership in a purchasing consortium, (j) transactions pursuant to any agreement or arrangement as in effect as of the Closing Date, or any amendment, modification, supplement or replacement thereto (so long as any such amendment, modification, supplement or replacement is not disadvantageous in any material respect to the Lenders when taken as a whole as compared to the applicable agreement as in effect on the Closing Date as determined by the Borrower Representative in good faith), (k) [reserved], (1) the existence and performance of agreements and transactions with any Unrestricted Subsidiary that were entered into prior to the designation of a Restricted Subsidiary as such Unrestricted Subsidiary to the extent that the transaction was permitted at the time that it was entered into with such Restricted Subsidiary and transactions entered into by an Unrestricted Subsidiary with an Affiliate prior to the redesignation of any such Unrestricted Subsidiary as a Restricted Subsidiary; provided that such transaction was not entered into in contemplation of such designation or redesignation, as applicable, and (m) Affiliate repurchases of loans and commitments pursuant to the terms of the First Lien Term Facility and Second Lien Facility, and the payments and other transactions contemplated therein in respect thereof.

10.11 Financial Covenant. If either (a) Excess Availability at any time is less than the greater of (x) 10.0% of the Line Cap and (y) $10,000,000 or (b) any Overadvance Loans are outstanding at any time (each of the events in clauses (a) and (b), a "**Financial Covenant Trigger Event**"), Borrowers shall not permit the Fixed Charge Coverage Ratio to be less than 1.00 to 1.00 as of the last day of any Test Period, commencing with the Test Period ended on or immediately prior to the date that the Financial Covenant Trigger Event occurs and (ii) such requirement to maintain a Fixed Charge Coverage Ratio of at least 1.00 to 1.00 shall no longer apply (a) with respect to any Financial Covenant Trigger Event described in clause (a), if Excess Availability on each day during any period of 30 consecutive calendar days commencing after the date of such Financial Covenant Trigger Event shall be at least the greater of (x) 10.0% of the Line Cap and (y) $10,000,000 and/or (b) with respect to any Financial Covenant Trigger Event described in clause (b), no Overadvance Loans are outstanding, after which time the requirement to comply with the Consolidated Fixed Charge Coverage Ratio shall not apply unless a subsequent Financial Covenant Trigger Event occurs.

Section 11. Events of Default.

Upon the occurrence of any of the following specified events (each an "**Event of Default**"):

11.1 Payments. Any Borrower shall (a) default in the payment when due of any principal of the Loans, (b) default, and such default shall continue for five or more Business Days, in the payment when due of any interest on the Loans or Unpaid Drawings, or (c) default, and such default shall continue for ten or more Business Days, in the payment when due of any Fees or of any other amounts owing hereunder or under any other Credit Document; or

11.2 Representations, Etc. (a) On the Closing Date, any Specified Representation shall be false or incorrect in any material respect as of the Closing Date and (b) after the Closing Date, any representation, warranty or statement made or deemed made by any Credit Party herein or in any other

Credit Document or any certificate delivered or required to be delivered pursuant hereto or thereto shall prove to be untrue in any material respect on the date as of which made or deemed made, and, to the extent capable of being cured, such incorrect representation or warranty shall remain incorrect for a period of 30 days after written notice thereof from the Administrative Agent to the Borrower Representative; or

11.3 Covenants. Any Credit Party shall:

(a) default in the due performance or observance by it of any term, covenant or agreement contained in Section 9.1(e)(i), Section 9.5 (solely with respect to the Company), Section 9.9, Section 9.14(d) or Section 10; provided that any Event of Default under Section 10.11 is subject to the provisions of Section 11.15; or

(b) default in the due performance or observance by it of any term, covenant or agreement contained in Section 9.1(d), Section 9.2(b) or Section 9.1(h) and such default shall continue unremedied for a period of at least five (5) Business Days (or, solely in the case of Section 9.1(h)(ii), 2 Business Days if Borrowing Base Certificates are required to be delivered weekly); or

(c) default in the due performance or observance by it of any term, covenant or agreement (other than those referred to in Section 11.1 or 11.2 or clause (a) or (b) of this Section 11.3) contained in this Agreement or any Security Document and such default shall continue unremedied for a period of at least 30 days after receipt of written notice by the Company from the Administrative Agent or the Required Lenders; or

11.4 Default Under Other Agreements. (a) Holdings, the Company or any of the Restricted Subsidiaries shall (i) default in any payment with respect to any Indebtedness (other than the Obligations) in excess of $20,000,000 in the aggregate, for Holdings, the Company and such Restricted Subsidiaries, beyond the period of grace and following all required notices, if any, provided in the instrument or agreement under which such Indebtedness was created or (ii) default in the observance or performance of any agreement or condition relating to any such Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist (after giving effect to all applicable grace period and delivery of all required notices) (other than, with respect to Indebtedness consisting of any Hedge Agreements, termination events or equivalent events pursuant to the terms of such Hedge Agreements (it being understood that clause (i) shall apply to any failure to make any payment in excess of $20,000,000 that is required as a result of any such termination or similar event and that is not otherwise being contested in good faith)), the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Indebtedness (or a trustee or agent on behalf of such holder or holders) to cause, any such Indebtedness to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity; or (b) without limiting the provisions of clause (a) above, any such Indebtedness shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment or as a mandatory prepayment (and, with respect to Indebtedness consisting of any Hedge Agreements, other than due to a termination event or equivalent event pursuant to the terms of such Hedge Agreements (it being understood that clause (a)(i) above shall apply to any failure to make any payment in excess of $20,000,000 that is required as a result of any such termination or equivalent event and that is not otherwise being contested in good faith)), prior to the stated maturity thereof; provided that clauses (a) and (b) shall not apply to (x) secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness, if such sale or transfer is permitted hereunder and under the documents providing for such Indebtedness, (y) Indebtedness which is convertible into Equity Interests and converts

to Equity Interests in accordance with its terms and such conversion is not prohibited hereunder, or (z) any breach or default that is (I) remedied by Holdings, the Company or the applicable Restricted Subsidiary or (II) waived (including in the form of amendment) by the required holders of the applicable item of Indebtedness, in either case, prior to the acceleration of Loans pursuant to this Section 11; or

11.5 Bankruptcy, Etc. Except as otherwise permitted by Section 10.3, Holdings, the Company or any other Material Subsidiary shall commence a voluntary case, proceeding or action concerning itself under (a) Title 11 of the United States Code entitled "Bankruptcy," or (b) in the case of any Foreign Subsidiary that is a Material Subsidiary, any domestic or foreign law relating to bankruptcy, judicial management, insolvency, liquidation, receivership, reorganization, administration or relief of debtors in effect in its jurisdiction of incorporation, in each case as now or hereafter in effect, or any successor thereto (collectively, the "**Bankruptcy Code**"); or an involuntary case, proceeding or action is commenced against Holdings, the Company or any other Material Subsidiary and the petition is not controverted within 30 days after commencement of the case, proceeding or action; or an involuntary case, proceeding or action is commenced against Holdings, the Company or any other Material Subsidiary and the petition is not dismissed within 60 days after commencement of the case, proceeding or action; or a custodian (as defined in the Bankruptcy Code), judicial manager, compulsory manager, receiver, receiver manager, trustee, liquidator, administrator, administrative receiver or similar Person is appointed for, or takes charge of, all or substantially all of the property of Holdings, the Company or any other Material Subsidiary; or Holdings, the Company or any other Material Subsidiary commences any other voluntary proceeding or action under any reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency, winding-up, administration or liquidation or similar law of any jurisdiction whether now or hereafter in effect relating to Holdings, the Company or any other Material Subsidiary; or there is commenced against Holdings, the Company or any other Material Subsidiary any such proceeding or action that remains undismissed for a period of 60 days; or Holdings, the Company or any other Material Subsidiary is adjudicated bankrupt; or any order of relief or other order approving any such case or proceeding or action is entered; or Holdings, the Company or any other Material Subsidiary suffers any appointment of any custodian receiver, receiver manager, trustee, administrator or the like for it or any substantial part of its property to continue undischarged or unstayed for a period of 60 days; or Holdings, the Company or any other Material Subsidiary makes a general assignment for the benefit of creditors; or

11.6 ERISA. (a) An ERISA Event shall have occurred, (b) a trustee shall be appointed by a United States district court to administer any Pension Plan(s), (c) the PBGC shall institute proceedings to terminate any Pension Plan(s), (d) any Credit Party or any of their respective ERISA Affiliates shall have been notified by the sponsor of a Multiemployer Plan that it has incurred or will be assessed Withdrawal Liability to such Multiemployer Plan and such entity does not have reasonable grounds for contesting such Withdrawal Liability or is not contesting such Withdrawal Liability in a timely and appropriate manner or (e) any other event or condition of noncompliance with applicable Legal Requirements shall occur or exist with respect to a Plan; and in each case in clauses (a) through (e) above, such event or condition, together with all other such events or conditions, if any, would reasonably be expected to result in a Material Adverse Effect; or

11.7 Guarantee. Any Guarantee provided by any Credit Party or any material provision thereof shall cease to be in full force or effect (other than pursuant to the terms hereof and thereof) or any such Guarantor thereunder or any other Credit Party shall deny or disaffirm in writing any such Guarantor's obligations under the Guarantee; or

11.8 Security Documents. Any Security Document pursuant to which the Capital Stock or Stock Equivalents of any Borrower or any Subsidiary is pledged or any material provision thereof shall cease to be in full force or effect (other than pursuant to the terms hereof or thereof, as a result of acts or

omissions of the Collateral Agent or any Lender or as a result of the Collateral Agent's failure to maintain possession of any Stock or Stock Equivalents that have been previously delivered to it) or any pledgor thereunder or any Credit Party shall deny or disaffirm in writing any pledgor's obligations under any Security Document; or

11.9 Security Agreement. The Security Agreement or any other Security Document pursuant to which the assets of Holdings, the Company or any other Material Subsidiary are pledged as Collateral or any material provision thereof shall cease to be in full force or effect (other than pursuant to the terms hereof or thereof, as a result of acts or omissions of the Collateral Agent in respect of certificates, promissory notes or instruments actually delivered to it or as a result of the Collateral Agent's failure to file a Uniform Commercial Code continuation statement) or any grantor thereunder or any Credit Party shall deny or disaffirm in writing any grantor's obligations under the Security Agreement or any other Security Document; or

11.10 Mortgages. Any Mortgage or any material provision of any Mortgage relating to any material portion of the Collateral shall cease to be in full force or effect (other than pursuant to the terms hereof or thereof or as a result of acts or omissions of the Collateral Agent or any Lender) or any mortgagor thereunder or any Credit Party shall deny or disaffirm in writing any mortgagor's obligations under any Mortgage; or

11.11 Judgments. One or more final judgments or decrees shall be entered against Holdings, the Company or any of the Restricted Subsidiaries involving a liability of $20,000,000 or more in the aggregate for all such judgments and decrees for Holdings, the Company and the Restricted Subsidiaries (to the extent not covered by insurance or indemnities as to which the applicable insurance company or third party has not denied coverage) and any such judgments or decrees shall not have been satisfied, vacated, discharged or stayed or bonded pending appeal within 60 consecutive days after the entry thereof; or

11.12 Change of Control. A Change of Control shall occur.

11.13 Remedies Upon Event of Default. If an Event of Default occurs and is continuing, the Administrative Agent shall, upon the written request of the Required Lenders, by written notice to the Company, take any or all of the following actions, without prejudice to the rights of the Administrative Agent or any Lender to enforce its claims against Holdings and the Borrowers, except as otherwise specifically provided for in this Agreement (provided that, if an Event of Default specified in Section 11.5 shall occur with respect to any Borrower or Holdings, the result that would occur upon the giving of written notice by the Administrative Agent as specified in clauses (i), (ii), (iii), and (iv) below shall occur automatically without the giving of any such notice): (i) declare the Total Revolving Credit Commitment and Swingline Commitment terminated, whereupon the Revolving Credit Commitment and Swingline Commitment, if any, of each Lender or the Swingline Lender, as the case may be, shall forthwith terminate immediately and any Fees theretofore accrued shall forthwith become due and payable without any other notice of any kind; (ii) declare the principal of and any accrued interest and fees in respect of all Loans and all Obligations to be, whereupon the same shall become, forthwith due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by each Borrower to the extent permitted by applicable law; (iii) terminate any Letter of Credit that may be terminated in accordance with its terms; and/or (iv) direct the Borrowers to pay (and each Borrower agrees that upon receipt of such notice, or upon the occurrence of an Event of Default specified in Section 11.5 with respect to any Borrower, it will pay) to the Administrative Agent at the Administrative Agent's Office such additional amounts of cash as are necessary to Cash Collateralize all Letters of Credit Outstanding, to be held as security for the Borrower's respective reimbursement obligations for Drawings that may subsequently occur thereunder; provided, that in the case of an Event of Default

under Section 11.3(a) in respect of a failure to observe or perform the covenant under Section 10.11, such actions will be permitted to occur only following the expiration of the ability to effectuate the Cure Right if such Cure Right has not been so exercised.

11.14 Application of Proceeds. Subject to the terms of the ABL/Term Loan Intercreditor Agreement, any amount received by the Administrative Agent or the Collateral Agent from any Credit Party (or from proceeds of any Collateral) during the continuance of a Cash Dominion Period or following any acceleration of the Obligations (other than Secured Cash Management Obligations, Secured Bank Product Obligations, and Secured Hedge Obligations) under this Agreement or any Event of Default with respect to any Credit Party under Section 11.5 shall be applied:

(i) *first*, to the payment of all reasonable and documented costs and expenses incurred by the Administrative Agent or the Collateral Agent in connection with any collection or sale of the Collateral or otherwise in connection with any Credit Document, including all court costs and the reasonable fees and expenses of its agents and legal counsel, the repayment of all Protective Advances and any other advances made by the Administrative Agent or the Collateral Agent hereunder or under any other Credit Document on behalf of any Credit Party and any other Obligations owing to, and reasonable and documented costs or expenses incurred by, the Administrative Agent or the Collateral Agent in connection with the exercise of any right or remedy hereunder or under any other Credit Document or otherwise to the extent payable or reimbursable hereunder or thereunder;

(ii) *second*, to the payment of reasonable and documented costs or expenses incurred by any Lender to the extent reimbursable hereunder;

(iii) *third*, to payment of all accrued unpaid interest on the Obligations and Fees owed to Agents, Lenders, and Letter of Credit Issuers;

(iv) *fourth*, to payment of principal of the Obligations (other than any Obligations any under Secured Cash Management Agreements ~~and~~, Secured Bank Product Agreements, and Secured Hedge Agreements) including, without limitation, Unpaid Drawings and amounts necessary to Cash Collateralize all Letters of Credit Outstanding on the date of any payment, and to the payment of any Obligations under any Secured Hedge Agreement solely to the extent of any Secured Hedge Reserve established at the request of the Borrowers in connection with entering into of such Secured Hedge Agreement which the Administrative Agent has acknowledged is subject to this clause (iv);

(v) *fifth*, to payment of any other Obligations, including Obligations any under Secured Cash Management Agreements, Secured Bank Product Agreements, and Secured Hedge Agreements; and

(vi) *sixth*, any surplus then remaining shall be paid to the applicable Credit Parties or their successors or assigns or to whomsoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

provided that any amount applied to Cash Collateralize any Letters of Credit Outstanding that has not been applied to reimbursement of Unpaid Drawings under the applicable Letters of Credit at the time of expiration of all such Letters of Credit shall be applied by the Administrative Agent in the order specified in clauses (i) through (vi) above. In carrying out the foregoing, (i) amounts received shall be applied in the numerical order provided until exhausted prior to the application to the next succeeding category, (ii) each of the Lenders or other Persons entitled to payment shall receive an amount equal to its pro rata

share of amounts available to be applied pursuant to clauses (ii) through (v) above, and (iii) amounts applied to the principal of any Loans shall be applied first, to outstanding Swingline Loans, second to outstanding Overadvance Loans, third, to outstanding Tranche A Loans and fourth, to outstanding Tranche B Loans. Notwithstanding the foregoing, amounts received from any Guarantor that is not an "Eligible Contract Participant" (as defined in the Commodity Exchange Act) shall not be applied to its Obligations that are Excluded Swap Obligations.

11.15 Equity Cure. Notwithstanding anything to the contrary contained in this Section 11, in the event that the Company fails to comply with the requirement of the financial covenant set forth in Section 10.11, after the beginning of the relevant fiscal period for which such financial covenant is being measured until the later of (x) the expiration of the 10th day following the date financial statements referred to in Sections 9.1(a) or (b) are required to be delivered in respect of such fiscal period for which such financial covenant is being measured and (y) the 10th day after the Financial Covenant Trigger Event that required the Company to comply with the covenant set forth in Section 10.11 (such later date, the "**Cure Expiration Date**"), any holder of Capital Stock or Stock Equivalents of the Company or any direct or indirect parent of the Company shall have the right to cure such failure (the "**Cure Right**") by causing cash net equity proceeds derived from an issuance of Capital Stock or Stock Equivalents (other than Disqualified Stock, unless reasonably satisfactory to the Administrative Agent) by the Company (or from a contribution to the common equity capital of the Company) to be contributed, directly or indirectly, as cash common equity to the Company, and upon receipt by the Company of such cash contribution (such cash amount being referred to as the "**Cure Amount**") or, if applicable, the Notice of Intent to Cure as set forth below, pursuant to the exercise of such Cure Right, such financial covenant shall be recalculated giving effect to the following pro forma adjustments:

(a) Consolidated EBITDA shall be increased, solely for the purpose of determining the existence of an Event of Default resulting from a breach of the financial covenant set forth in Section 10.11 with respect to any period of four consecutive fiscal quarters that includes the fiscal quarter for which the Cure Right was exercised and not for any other purpose under this Agreement, by an amount equal to the Cure Amount;

(b) if, after giving effect to the foregoing recalculations, the Company shall then be in compliance with the requirements of the financial covenant set forth in Section 10.11, the Company shall be deemed to have satisfied the requirements of the financial covenant set forth in Section 10.11 as of the relevant date of determination with the same effect as though there had been no failure to comply therewith at such date, and the applicable breach or default of such financial covenant that had occurred shall be deemed cured for the purposes of this Agreement; provided that (i) in each period of four consecutive fiscal quarters there shall be at least two fiscal quarters in which no Cure Right is made, (ii) there shall be a maximum of five Cure Rights made during the term of this Agreement, (iii) each Cure Amount shall be no greater than the amount required to cause the Company to be in compliance with the financial covenant set forth in Section 10.11, (iv) all Cure Amounts shall be disregarded for the purposes of any financial ratio determination under the Credit Documents other than for determining compliance with Section 10.11 and (v) there shall be no pro forma reduction in Indebtedness with the proceeds of any Cure Amount for determining compliance with the financial covenant in respect of the fiscal period for which the Cure Right is exercised; and

(c) neither the Administrative Agent, the Collateral Agent nor any Lender or Secured Party shall exercise any remedy under the Credit Documents or applicable law on the basis of an Event of Default caused by the failure to comply with Section 10.11 until after the Cure Expiration Date and the Company has not exercised the Cure Right (except to the extent

that the Borrower Representative has confirmed in writing that it does not intend to exercise the Cure Right).

The Company may provide written notice to the Administrative Agent that it intends to exercise the Cure Right (the "**Notice of Intent to Cure**") in advance of receipt of the Cure Amount (it being understood that to the extent such notice is provided in advance of delivery of a Compliance Certificate for the applicable fiscal period, the amount of such net equity proceeds that is designated as the Cure Amount may be lower than specified in the Notice of Intent to Cure to the extent the amount necessary to cure such Event of Default is less than the full amount originally designated). Upon receipt by the Administrative Agent of the Notice of Intent to Cure, the Company shall be deemed to satisfied the requirement of the financial covenant as set forth in clause (b) above; provided that if the Cure Expiration Date has occurred without the Cure Amount having been received and designated, any such Default or Event of Default shall be deemed reinstated. Notwithstanding the foregoing, the Lenders and the LC Issuer shall not be obligated to fund any Loans or honor any Letter of Credit Request until receipt by the Administrative Agent of the Cure Amount.

Section 12. The Agents.

12.1 Appointment.

(a) Each Lender hereby irrevocably designates and appoints the Administrative Agent as the agent of such Lender under this Agreement and the other Credit Documents and irrevocably authorizes the Administrative Agent, in such capacity, to take such action on its behalf under the provisions of this Agreement and the other Credit Documents and to exercise such powers and perform such duties as are expressly delegated to the Administrative Agent by the terms of this Agreement and the other Credit Documents, together with such other powers as are reasonably incidental thereto. The provisions of this Section 12 (other than Section 12.1(c) with respect to the Joint Lead Arrangers and Bookrunners and Sections 12.1, 12.9, 12.11 and 12.12 with respect to the Company) are solely for the benefit of the Agents and the Lenders, none of Holdings, the Borrowers or any other Credit Party shall have rights as third party beneficiary of any such provision. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Administrative Agent shall not have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Credit Document or otherwise exist against the Administrative Agent. In performing its functions and duties hereunder, each Agent shall act solely as an agent of Lenders and does not assume and shall not be deemed to have assumed any obligation towards or relationship of agency or trust with or for Holdings, the Borrowers or any of their respective subsidiaries.

(b) The Administrative Agent, each Lender, the Swingline Lender and the Letter of Credit Issuer hereby irrevocably designate and appoint the Collateral Agent as the agent with respect to the Collateral, and each of the Administrative Agent, each Lender, the Swingline Lender and the Letter of Credit Issuer irrevocably authorizes the Collateral Agent, in such capacity, to take such action on its behalf under the provisions of this Agreement and the other Credit Documents and to exercise such powers and perform such duties as are expressly delegated to the Collateral Agent by the terms of this Agreement and the other Credit Documents, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Collateral Agent shall not have any duties or responsibilities except those expressly set forth herein, or any fiduciary relationship with any of the Administrative Agent, the Lenders, the Swingline Lender or the Letter of Credit Issuers, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall

be read into this Agreement or any other Credit Document or otherwise exist against the Collateral Agent.

(c) Each of the Syndication Agent, Joint Lead Arrangers and Bookrunners, in its capacity as such, shall not have any obligations, duties or responsibilities under this Agreement but shall be entitled to all benefits of this Section 12.

12.2 Delegation of Duties. The Administrative Agent and the Collateral Agent may each execute any of its duties under this Agreement and the other Credit Documents by or through agents, sub-agents, employees or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. Neither the Administrative Agent nor the Collateral Agent shall be responsible for the negligence or misconduct of any agents, subagents or attorneys-in-fact selected by it in the absence of its gross negligence or willful misconduct (as determined in the final non-appealable judgment of a court of competent jurisdiction).

12.3 Exculpatory Provisions. No Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates shall be (a) liable for any action lawfully taken or omitted to be taken by any of them under or in connection with this Agreement or any other Credit Document (except for its or such Person's own gross negligence or willful misconduct, as determined in the final non-appealable judgment of a court of competent jurisdiction, in connection with its duties expressly set forth herein) or (b) responsible in any manner to any of the Lenders or any participant for any recitals, statements, representations or warranties made by any of Holdings, any Borrower, any other Guarantor, any other Credit Party or any officer thereof contained in this Agreement or any other Credit Document or in any certificate, report, statement or other document referred to or provided for in, or received by such Agent under or in connection with, this Agreement or any other Credit Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Credit Document, or the perfection or priority of any Lien or security interest created or purported to be created under the Security Documents, or for any failure of Holdings, any Borrower, any other Guarantor or any other Credit Party to perform its obligations hereunder or thereunder. No Agent shall be under any obligation to any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Credit Document, or to inspect the properties, books or records of any Credit Party or any Affiliate thereof. The Collateral Agent shall not be under any obligation to the Administrative Agent or any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Credit Document, or to inspect the properties, books or records of any Credit Party.

12.4 Reliance by Agents. The Administrative Agent and the Collateral Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, resolution, notice, consent, certificate, affidavit, letter, telecopy, telex or teletype message, statement, order or other document or instruction 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 (including counsel to Holdings and the Borrowers), independent accountants and other experts selected by the Administrative Agent or the Collateral Agent. The Administrative Agent may deem and treat the Lender specified in the Register with respect to any amount owing hereunder as the owner thereof for all purposes unless a written notice of assignment, negotiation or transfer thereof shall have been filed with the Administrative Agent. The Administrative Agent and the Collateral Agent shall be folly justified in failing or refusing to take any action under this Agreement or any other Credit Document unless it shall first receive such advice or concurrence of the Required Lenders as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense that may be incurred by it by reason of taking or continuing to take any such action. The Administrative Agent and the Collateral Agent shall in all cases be folly protected in acting, or in refraining from acting, under this Agreement and the other

Credit Documents in accordance with a request of the Required Lenders, and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Loans; provided that the Administrative Agent and the Collateral Agent shall not be required to take any action that, in its opinion or in the opinion of its counsel, may expose it to liability or that is contrary to any Credit Document or applicable law.

12.5 Notice of Default. Neither the Administrative Agent nor the Collateral Agent shall be deemed to have knowledge or notice of the occurrence of any Default or Event of Default hereunder unless the Administrative Agent or the Collateral Agent has received written notice from a Lender or the Borrower Representative referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default." In the event that the Administrative Agent receives such a notice, it shall give notice thereof to the Lenders and the Collateral Agent. The Administrative Agent shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Required Lenders; provided that unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable in the best interests of the Lenders except to the extent that this Agreement requires that such action be taken only with the approval of the Required Lenders or each of the Lenders, as applicable.

12.6 Non-Reliance on Administrative Agent, Collateral Agent, and Other Lenders. Each Lender expressly acknowledges that neither the Administrative Agent nor the Collateral Agent nor any of their respective officers, directors, employees, agents, attorneys-in-fact or Affiliates has made any representations or warranties to it and that no act by the Administrative Agent or the Collateral Agent hereinafter taken, including any review of the affairs of Holdings, any Borrower, any other Guarantor or any other Credit Party, shall be deemed to constitute any representation or warranty by the Administrative Agent or the Collateral Agent to any Lender, the Swingline Lender or any Letter of Credit Issuer. Each Lender, the Swingline Lender and the Letter of Credit Issuer represents to the Administrative Agent and the Collateral Agent that it has, independently and without reliance upon the Administrative Agent, the Collateral Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property, financial and other condition and creditworthiness of Holdings, any Borrower, any other Guarantor, and other Credit Party and made its own decision to make its Loans hereunder and enter into this Agreement. Each Lender also represents that it will, independently and without reliance upon the Administrative Agent, the Collateral 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 analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Credit Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of Holdings, any Borrower, any other Guarantor and any other Credit Party. Except for notices, reports, and other documents expressly required to be furnished to the Lenders by the Administrative Agent hereunder, neither the Administrative Agent nor the Collateral Agent shall have any duty or responsibility to provide any Lender with any credit or other information concerning the business, assets, operations, properties, financial condition, prospects or creditworthiness of Holdings, any Borrower, any other Guarantor or any other Credit Party that may come into the possession of the Administrative Agent or the Collateral Agent any of their respective officers, directors, employees, agents, attorneys-in-fact or Affiliates.

12.7 Indemnification. The Lenders agree to severally indemnify each Agent in its capacity as such (to the extent not reimbursed by the Credit Parties and without limiting the obligation of the Credit Parties to do so), ratably according to their respective portions of the Total Credit Exposure in effect on the date on which indemnification is sought (or, if indemnification is sought after the date upon which the Commitments shall have terminated and the Loans shall have been paid in full, ratably in accordance

with their respective portions of the Total Credit Exposure in effect immediately prior to such date), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses, or disbursements of any kind whatsoever that may at any time (including at any time following the payment of the Loans) be imposed on, incurred by or asserted against an Agent in any way relating to or arising out of the Commitments, this Agreement, any of the other Credit Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by the Administrative Agent or the Collateral Agent under or in connection with any of the foregoing; provided that no Lender shall be liable to an Agent for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from such Agent's gross negligence or willful misconduct as determined by a final non-appealable judgment of a court of competent jurisdiction; provided, further, that no action taken by the Administrative Agent in accordance with the directions of the Required Lenders (or such other number or percentage of the Lenders as shall be required by the Credit Documents) shall be deemed to constitute gross negligence or willful misconduct for purposes of this Section 12.7. In the case of any investigation, litigation or proceeding giving rise to any liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever that may at any time occur (including at any time following the payment of the Loans), this Section 12.7 applies whether any such investigation, litigation or proceeding is brought by any Lender or any other Person. Without limitation of the foregoing, each Lender shall reimburse each Agent upon demand for its ratable share of any costs or out-of-pocket expenses (including attorneys' fees) incurred by such Agent in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice rendered in respect of rights or responsibilities under, this Agreement, any other Credit Document, or any document contemplated by or referred to herein, to the extent that such Agent is not reimbursed for such expenses by or on behalf of Holdings or the Borrowers; provided that such reimbursement by the Lenders shall not affect Holdings' or the Borrowers' continuing reimbursement obligations with respect thereto. If any indemnity furnished to any Agent for any purpose shall, in the opinion of such Agent, be insufficient or become impaired, such Agent may call for additional indemnity and cease, or not commence, to do the acts indemnified against until such additional indemnity is furnished; provided, in no event shall this sentence require any Lender to indemnify any Agent against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement in excess of such Lender's pro rata portion thereof; and provided, further, this sentence shall not be deemed to require any Lender to indemnify any Agent against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement resulting from such Agent's gross negligence or willful misconduct as determined by a final non-appealable judgment of a court of competent jurisdiction. The agreements in this Section 12.7 shall survive the payment of the Loans and all other amounts payable hereunder. The indemnity provided to each Agent under this Section 12.7 shall also apply to such Agent's respective Affiliates, directors, officers, members, controlling persons, employees, trustees, investment advisors and agents and successors.

12.8 Agents in Their Individual Capacities. The agency hereby created shall in no way impair or affect any of the rights and powers of, or impose any duties or obligations upon, any Agent in its individual capacity as a Lender hereunder. Each Agent and its Affiliates may make loans to, accept deposits from and generally engage in any kind of business with Holdings, any Borrower, any other Guarantor, and any other Credit Party as though such Agent were not an Agent hereunder and under the other Credit Documents. With respect to the Loans made by it, each Agent shall have the same rights and powers under this Agreement and the other Credit Documents as any Lender and may exercise the same as though it were not an Agent, and the terms Lender and Lenders shall include each Agent in its individual capacity.

12.9 Successor Agents.

(a) Each of the Administrative Agent and the Collateral Agent may at any time give notice of its resignation to the Lenders, the Letter of Credit Issuer and the Borrower Representative. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, subject to the consent of the Borrower Representative (not to be unreasonably withheld or delayed) so long as no Event of Default under Sections 11.1 or 11.5 is continuing, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Agent gives notice of its resignation (the "**Resignation Effective Date**"), then the retiring Agent may on behalf of the Lenders, appoint a successor Agent meeting the qualifications set forth above (including receipt of the Borrower Representative's consent); provided that if the Administrative Agent or the Collateral Agent shall notify the Borrower Representative and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice.

(b) If the Person serving as the Administrative Agent is a Defaulting Lender pursuant to clause (v) of the definition of Lender Default, the Required Lenders may to the extent permitted by applicable law, subject to the consent of the Borrower Representative (not to be unreasonably withheld or delayed), by notice in writing to the Borrower Representative and such Person remove such Person as the Administrative Agent and, in consultation with the Borrower Representative, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days (or such earlier day as shall be agreed by the Required Lenders) (the "**Removal Effective Date**"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable), (1) the retiring or removed agent shall be discharged from its duties and obligations hereunder and under the other Credit Documents (except that in the case of any collateral security held by the Collateral Agent on behalf of the Lenders or the Letter of Credit Issuer under any of the Credit Documents, the retiring or removed Collateral Agent shall continue to hold such collateral security as nominee until such time as a successor Collateral Agent is appointed) and (2) all payments, communications and determinations provided to be made by, to or through the retiring or removed Administrative Agent shall instead be made by or to each Lender and the Letter of Credit Issuer directly, until such time as the Required Lenders appoint a successor Agent as provided for above in this paragraph. Upon the acceptance of a successor's appointment as the Administrative Agent or the Collateral Agent, as the case may be, hereunder, and upon the execution and filing or recording of such financing statements, or amendments thereto, and such amendments or supplements to the Mortgages, and such other instruments or notices, as may be necessary or desirable, or as the Required Lenders may request, in order to continue the perfection of the Liens granted or purported to be granted by the Security Documents, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) or removed Agent, and the retiring or removed Agent shall be discharged from all of its duties and obligations hereunder or under the other Credit Documents (if not already discharged therefrom as provided above in this Section 12.9). Except as provided above, any resignation or removal of Royal Bank of Canada as the Administrative Agent pursuant to this Section 12.9 shall also constitute the resignation or removal of Royal Bank of Canada as the Collateral Agent. The fees payable by the Borrower Representative (following the effectiveness of such appointment) to such Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower Representative and such successor. After the retiring or removed Agent's resignation or removal hereunder and under the other Credit Documents, the provisions of this Section 12 (including Section 12.7) and Section 13.5 shall continue in effect for the benefit of such retiring or removed Agent,

its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Agent was acting as an Agent.

(d) Any resignation by or removal of Royal Bank of Canada as the Administrative Agent pursuant to this Section 12.9 shall also constitute its resignation or removal as Swingline Lender and its Affiliate's resignation or removal as the Letter of Credit Issuer. Upon the acceptance of a successor's appointment as the Administrative Agent hereunder, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Letter of Credit Issuer and Swingline Lender (but only if all outstanding Swingline Loans have been paid in full in cash), (b) the retiring Letter of Credit Issuer and Swingline Lender shall be discharged from all of their respective duties and obligations hereunder or under the other Credit Documents, and (c) the successor Letter of Credit Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to the retiring Letter of Credit Issuer to effectively assume the obligations of the retiring Letter of Credit Issuer with respect to such Letters of Credit.

12.10 Withholding Tax. To the extent required by any applicable law, the Administrative Agent may withhold from any payment to any Lender under any Credit Document an amount equivalent to any applicable withholding Tax. If the Internal Revenue Service or any authority of the United States or other jurisdiction asserts a claim that the Administrative Agent did not properly withhold Tax from amounts paid to or for the account of any Lender for any reason (including, because the appropriate form was not delivered, was not properly executed, or because such Lender failed to notify the Administrative Agent of a change in circumstances that rendered the exemption from, or reduction of, withholding Tax ineffective) or if the Administrative Agent reasonably determines that a payment was made to a Lender pursuant to this Agreement without deduction of applicable withholding Tax from such payment, such Lender shall indemnify the Administrative Agent (to the extent that the Administrative Agent has not already been reimbursed by any applicable Credit Party and without limiting the obligation of any applicable Credit Party to do so) fully for all amounts paid, directly or indirectly, by the Administrative Agent as Tax or otherwise, including penalties, additions to Tax and interest, together with all expenses incurred, including legal expenses, allocated staff costs and any out of pocket expenses. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under this Agreement or any other Credit Document against any amount due to the Administrative Agent under this Section 12.10. The agreements in Section 12.10 shall survive the resignation and/or replacement of the Administrative Agent, any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all other Obligations. For the avoidance of doubt, for purposes of this Section 12.10, the term Lender includes the Letter of Credit Issuer and the Swingline Lender.

12.11 Agents Under Security Documents and Guarantee. Each Secured Party hereby further authorizes the Administrative Agent or the Collateral Agent, as applicable, on behalf of and for the benefit of the Secured Parties, to be the agent for and representative of the Secured Parties with respect to the Collateral and the Security Documents. Subject to Section 13.1, without further written consent or authorization from any Secured Party, the Administrative Agent or the Collateral Agent, as applicable, may execute any documents or instruments necessary to (a) release any Lien on any property granted to or held by the Administrative Agent or the Collateral Agent (or any sub-agent thereof) under any Credit Document (i) upon the Maturity Date and the payment in full (or Cash Collateralization) of all Obligations (except for contingent indemnification obligations in respect of which a claim has not yet been made, Secured Hedge Obligations, Secured Bank Product Obligations, and Secured Cash Management Obligations), (ii) that is sold or to be sold or transferred as part of or in connection with any sale or other transfer permitted hereunder or under any other Credit Document to a Person that is not a Credit Party or in connection with the designation of any Restricted Subsidiary as an Unrestricted

Subsidiary, (iii) if the property subject to such Lien is owned by a Credit Party, upon the release of such Credit Party from its Guarantee otherwise in accordance with the Credit Documents, (iv) as to the extent provided in the Security Documents or (v) if approved, authorized or ratified in writing in accordance with Section 13.1; provided that notwithstanding anything to the contrary contained in this Agreement or in any other Credit Document, in no event shall any Guarantor that is a Wholly-Owned Subsidiary as of the Closing Date or as of the date of joinder of such Wholly-Owned Subsidiary as a Guarantor cease to constitute a Guarantor under the Credit Documents solely as a result of such Guarantor ceasing to constitute a Wholly-Owned Subsidiary after the Closing Date (unless either (I) pursuant to a disposition or other asset sale (x) to a Person that is not an Affiliate of the Borrower, (y) for a bona fide business purpose (as determined in good faith by the Borrower) or on terms that are not less favorable to the Borrower than those that would have been obtained in a comparable arm's-length transaction with a Person that is not an Affiliate (as determined in good faith by the Borrower) or (z) in connection with which such Person ceases to constitute a Subsidiary or (II) such Person otherwise constitutes an Excluded Subsidiary other than as a result of clause (ii) of the definition of "Excluded Subsidiary" as such clause relates to non-Wholly-Owned Subsidiaries, the sole purpose of such transaction may not be to release such Guarantor from the Guarantees; (b) release any Guarantor from its obligations under the Guarantee if such Person ceases to be a Restricted Subsidiary (or becomes an Excluded Subsidiary) as a result of a transaction or designation permitted hereunder; (c) subordinate any Lien on any property granted to or held by the Administrative Agent or the Collateral Agent under any Credit Document to the holder of any Lien permitted under clauses (v), (vi) (solely with respect to Section 10.1(d)), (vii), and (ix) of the definition of Permitted Lien; or (d) enter into subordination or intercreditor agreements with respect to Indebtedness to the extent the Administrative Agent or the Collateral Agent is otherwise contemplated herein as being a party to such intercreditor or subordination agreement, including the ABL/Term Loan Intercreditor Agreement.

The Collateral Agent shall have its own independent right to demand payment of the amounts payable by any Borrower under this Section 12.11, irrespective of any discharge of the Borrower's obligations to pay those amounts to the other Lenders resulting from failure by them to take appropriate steps in insolvency proceedings affecting any Borrower to preserve their entitlement to be paid those amounts.

Any amount due and payable by the Borrowers to the Collateral Agent under this Section 12.11 shall be decreased to the extent that the other Lenders have received (and are able to retain) payment in full of the corresponding amount under the other provisions of the Credit Documents and any amount due and payable by the Borrowers to the Collateral Agent under those provisions shall be decreased to the extent that the Collateral Agent has received (and is able to retain) payment in full of the corresponding amount under this Section 12.11.

12.12 Right to Realize on Collateral and Enforce Guarantee. Anything contained in any of the Credit Documents to the contrary notwithstanding, the Company, the Agents, and each Secured Party hereby agree that (i) no Secured Party shall have any right individually to realize upon any of the Collateral or to enforce the Guarantee, it being understood and agreed that all powers, rights, and remedies hereunder may be exercised solely by the Administrative Agent, on behalf of the Secured Parties in accordance with the terms hereof and all powers, rights, and remedies under the Security Documents may be exercised solely by the Collateral Agent, and (ii) in the event of a foreclosure by the Collateral Agent on any of the Collateral pursuant to a public or private sale or other disposition, the Collateral Agent or any Lender may be the purchaser or licensor of any or all of such Collateral at any such sale or other disposition and the Collateral Agent, as agent for and representative of the Secured Parties (but not any Lender or Lenders in its or their respective individual capacities unless Required Lenders shall otherwise agree in writing) shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such public

sale, to use and apply any of the Obligations as a credit on account of the purchase price for any collateral payable by the Collateral Agent at such sale or other disposition. No holder of Secured Hedge Obligations, Secured Bank Product Obligations, or Secured Cash Management Obligations shall have any rights in connection with the management or release of any Collateral or of the obligations of any Credit Party under this Agreement. No holder of Secured Hedge Obligations, Secured Bank Product Obligations, or Secured Cash Management Obligations that obtains the benefits of any Guarantee or any Collateral by virtue of the provisions hereof or of any other Credit Document shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Credit Document or otherwise in respect of the Collateral (including the release or impairment of any Collateral) other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Credit Documents. Notwithstanding any other provision of this Agreement to the contrary, the Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Obligations arising under Secured Hedge Agreements, Secured Bank Product Agreements, and Secured Cash Management Agreements, unless the Administrative Agent has received written notice of such Obligations, together with such supporting documentation as the Administrative Agent may request, from the applicable Cash Management Bank, Bank Product Provider or Hedge Bank, as the case may be.

12.13 ABL/Term Loan Intercreditor Agreement Governs. The Administrative Agent, the Collateral Agent, and each Lender (a) hereby agrees that it will be bound by and will take no actions contrary to the provisions of any intercreditor agreement entered into pursuant to the terms hereof, (b) hereby authorizes and instructs the Administrative Agent and the Collateral Agent to enter into each intercreditor agreement (including the ABL/Term Loan Intercreditor Agreement) entered into pursuant to the terms hereof and to subject the Liens securing the Secured Obligations to the provisions thereof and (c) hereby consents to the subordination of the Liens on the Collateral other than the ABL Priority Collateral securing the Obligations on the terms set forth in the ABL/Term Loan Intercreditor Agreement. The foregoing provisions are intended as an inducement to the lenders under the Second Lien Credit Documents and First Lien Credit Documents to extend credit to the Credit Parties and such lenders are intended third party beneficiaries of such provisions. In the event of any conflict or inconsistency between the provisions of each intercreditor agreement (including the ABL/Term Loan Intercreditor Agreement) and this Agreement, the provisions of such intercreditor agreement shall control.

12.14 Erroneous Payments.

(a) If the Administrative Agent notifies a Lender, Letter of Credit Issuer or Secured Party, or any Person who has received funds on behalf of a Lender, Letter of Credit Issuer or Secured Party (any such Lender, Letter of Credit Issuer, Secured Party or other recipient, a "**Payment Recipient**") that the Administrative Agent has determined in its sole reasonable discretion that any funds received by such Payment Recipient from the Administrative Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Payment Recipient) (any such funds, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "**Erroneous Payment**") and demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Administrative Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Administrative Agent, and such Payment Recipient shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent, in same day funds (in the currency so received), the amount of any such Erroneous Payment (or portion thereof), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent at the greater of the Federal Funds Effective Rate and

a rate determined by the Administrative Agent in accordance with prevailing banking industry rules on interbank compensation from time to time in effect. To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payment received, including without limitation waiver of any defense based on "discharge for value" or any similar doctrine. A notice of the Administrative Agent to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.

(b) Without limiting immediately preceding clause (a), each Payment Recipient hereby further agrees that if it receives an Erroneous Payment from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment sent by the Administrative Agent (or any of its Affiliates) with respect to such Erroneous Payment (the "**Payment Notice**"), or (y) that was not preceded or accompanied by a Payment Notice sent by the Administrative Agent (or any of its Affiliates), then, said Payment Recipient shall be on notice, in each case, that an error has been made with respect to such Erroneous Payment. Each Payment Recipient agrees that, in each such case, or if it otherwise becomes aware an Erroneous Payment (or portion thereof) may have been sent in error, such Payment Recipient shall promptly notify the Administrative Agent of such occurrence and, upon demand from the Administrative Agent, it shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with prevailing banking industry rules on interbank compensation from time to time in effect.

(c) Each Payment Recipient hereby authorizes the Administrative Agent to set off, net and apply any and all amounts at any time owing to such Payment Recipient under any Credit Document, or otherwise payable or distributable by the Administrative Agent to such Payment Recipient from any source, against any amount due to the Administrative Agent under any of the immediately preceding clauses (a) or (b) or under the indemnification provisions of this Agreement.

(d) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Administrative Agent for any reason, after demand therefor by the Administrative Agent (such unrecovered amount, an "**Erroneous Payment Return Deficiency**"), the Borrowers and each other Credit Party hereby agrees that (x) the Administrative Agent shall be subrogated to all the rights of such Payment Recipient with respect to such amount (including, without limitation, the right to sell and assign the Loans (or any portion thereof), which were subject to the Erroneous Payment Return Deficiency) and (y) an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower or any other Credit Party, except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, (i) comprised of funds received by the Administrative Agent from the Borrowers or any other Credit Party or (ii) the proceeds of realization from the enforcement of one or more of the Credit Documents against or in respect of the Borrowers or one or more of the Credit Parties, in each case, for the purpose of making such Erroneous Payment For the avoidance of doubt, no assignment of an Erroneous Payment Deficiency will reduce the Commitments of any Payment Recipient and such Commitments shall remain available in accordance with the terms of this Agreement. In addition, each party hereto agrees that, except to the extent that the Administrative Agent has sold a Loan (or portion thereof) acquired pursuant to the assignment of an Erroneous Payment Deficiency, and irrespective of whether the Administrative Agent may be equitably subrogated, the Administrative Agent shall be contractually subrogated to all the rights

and interests of the applicable Payment Recipient under the Credit Documents with respect to each Erroneous Payment Return Deficiency.

(e) Each party's obligations, agreements and waivers under this Section 12.14 shall survive the resignation or replacement of the Administrative Agent, any transfer of rights or obligations by, or the replacement of, a Lender or Letter of Credit Issuer, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Credit Document.

(f) Notwithstanding anything to the contrary herein or in any other Credit Document, no Credit Party nor any of their respective Affiliates shall have any obligations or liabilities directly or indirectly arising out of this Section 12.14 in respect of any Erroneous Payment (other than with respect to Section 12.14(d)(y) above).

Section 13. Miscellaneous

13.1 Amendments, Waivers, and Releases. Neither this Agreement nor any other Credit Document, nor any terms hereof or thereof, may be amended, supplemented or modified except in accordance with the provisions of this Section 13.1. Except as provided to the contrary under Section 2.14, and other than with respect to any amendment, modification or waiver contemplated in the proviso to clause (i) below, which shall only require the consent of the Lenders expressly set forth therein and not Required Lenders, the Required Lenders may, or, with the written consent of the Required Lenders, the Administrative Agent and/or the Collateral Agent may, from time to time, (a) enter into with the relevant Credit Party or Credit Parties written amendments, supplements or modifications hereto and to the other Credit Documents for the purpose of adding any provisions to this Agreement or the other Credit Documents or changing in any manner the rights of the Lenders or of the Credit Parties hereunder or thereunder or (b) waive in writing, on such terms and conditions as the Required Lenders or the Administrative Agent and/or the Collateral Agent, as the case may be, may specify in such instrument, any of the requirements of this Agreement or the other Credit Documents or any Default or Event of Default and its consequences; provided, however, that each such waiver and each such amendment, supplement or modification shall be effective only in the specific instance and for the specific purpose for which given; and provided, further, that no such waiver and no such amendment, supplement or modification shall (x) (i) forgive or reduce any portion of any Loan or extend the final scheduled maturity date of any Loan or reduce the stated rate (it being understood that only the consent of the Required Lenders shall be necessary to waive any obligation of the Borrowers to pay interest at the "default rate" or amend Section 2.8(c)), or forgive any portion thereof, or extend the date for the payment, of any interest or fee payable hereunder (other than as a result of waiving the applicability of any post-default increase in interest rates), or extend the final expiration date of any Letter of Credit beyond the L/C Facility Maturity Date, or amend or modify any provisions of Sections 5.3(a) (with respect to the ratable allocation of any payments only) and 13.8(a) and 13.20, or make any Loan, interest, Fee or other amount payable in any currency other than expressly provided herein, in each case without the written consent of each Lender directly and adversely affected thereby; provided that a waiver of any condition precedent in Section 6 or 7 of this Agreement, the waiver of any Default, Event of Default, default interest, mandatory prepayment or reductions, any modification, waiver or amendment to the financial definitions or financial ratios or any component thereof or the waiver of any other covenant shall not constitute an increase of any Commitment of a Lender, a reduction or forgiveness in the interest rates or the fees or premiums or a postponement of any date scheduled for the payment of principal or interest or an extension of the final maturity of any Loan or the scheduled termination date of any Commitment, in each case for purposes of this clause (i), or (ii) consent to the assignment or transfer by any Borrower of its rights and obligations under any Credit Document to which it is a party (except as permitted pursuant to Section 10.3), in each case without the written consent of each Lender directly and

adversely affected thereby, or (iii) amend, modify or waive any provision of Section 12 without the written consent of the then-current Administrative Agent and Collateral Agent in a manner that directly and adversely affects such Person, or (iv) amend, modify or waive any provision of Section 3 with respect to any Letter of Credit, or any other provision hereof, without the written consent of the Letter of Credit Issuer to the extent such amendment, modification or waiver directly and adversely affects the Letters of Credit Issuer, or (v) amend, modify or waive any provisions hereof relating to Swingline Loans without the written consent of the Swingline Lender in a manner that directly and adversely affects such Person, or (vi) release all or substantially all of the Guarantors under the Guarantees (except as expressly permitted by the Guarantees, the ABL/Term Loan Intercreditor Agreement or this Agreement) or release all or substantially all of the Collateral under the Security Documents (except as expressly permitted by the Security Documents, the ABL/Term Loan Intercreditor Agreement or this Agreement) without the prior written consent of each Lender, or (vii) reduce the percentages specified in the definitions of the terms "Required Lenders" or "Supermajority Lenders", or amend, modify or waive any provision of this Section 13.1 that has the effect of decreasing the number of Lenders that must approve any amendment, modification or waiver, without the written consent of each Lender, or (viii) amend, modify or waive the definition of the terms "Excess Availability" or "Borrowing Base" or any component definition used therein (including, without limitation, the definitions of "Eligible Credit Card Receivable", "Eligible In-Transit Inventory" and "Eligible Inventory") if, as a result thereof, the amounts available to be borrowed by the Borrowers would be increased without the prior written consent of Supermajority Lenders; provided that the foregoing shall not limit the discretion of the Agents to change, establish or eliminate any Borrowing Base Reserves or to add Accounts and Inventory acquired in a Permitted Acquisition to the Borrowing Base as provided herein, (y) notwithstanding anything to the contrary in clause (x), (i) extend the final expiration date of any Lender's Commitment without the written consent of such Lender, (ii) increase the aggregate amount of the Commitments of any Lender without the written consent of such Lender or (iii) contractually subordinate the Obligations or the Liens securing the Obligations granted under the other Credit Documents, to any other Indebtedness for borrowed money or Lien to secured Indebtedness for borrowed money (other than any Term Priority Collateral) (including, without limitation, any Indebtedness for borrowed money or Lien to secured Indebtedness for borrowed money issued under this Agreement or any other agreement), as the case may be, of any Credit Party (the "**Priming Indebtedness**") without the written consent of each Lender directly and adversely affected thereby unless each directly and adversely affected Lender has been offered a bona fide opportunity to fund or otherwise provide its pro rata share (based on the amount of Obligations that are directly and adversely affected thereby held by each Lender) of such Indebtedness on the same terms (other than bona fide backstop fees and similar fees and reimbursement of counsel fees and other expenses in connection with the negotiation of the terms of such transaction) as offered to all other providers (or their Affiliates) of such Indebtedness (it being understood that this clause (iii) shall not (A) override the permission for transactions otherwise permitted under this Agreement, (B) restrict an amendment to increase the maximum permitted amount of Indebtedness that is secured by Liens on all or a portion of the Collateral on a senior basis to the Liens securing the Obligations or (C) apply to the incurrence of debtor-in-possession financing (or similar financing arrangements in insolvency proceedings in non-U.S. jurisdictions), in each case, solely in connection with an exchange of the Loans for such Priming Indebtedness or the repayment of such Loans with the proceeds of such Priming Indebtedness, or (z) in connection with an amendment that addresses solely a repricing transaction in which any Class of Revolving Credit Commitments and Revolving Loans in respect thereof is refinanced with a replacement Class of Revolving Credit Commitments and Revolving Loans in respect thereof bearing (or is modified in such a manner such that the resulting Revolving Credit Commitments and Revolving Loans in respect thereof bear) a lower "effective yield", only the consent of the Lenders holding Revolving Credit Commitments subject to such permitted repricing transaction that will continue as a Lender in respect of the repriced tranche of Revolving Credit Commitments and Revolving Loans in respect thereof or modified Revolving Credit Commitments and Revolving Loans in respect thereof.

Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except (x) that the Commitment of such Lender may not be increased or extended without the consent of such Lender (it being understood that any Commitments or Loans held or deemed held by any Defaulting Lender shall be excluded for a vote of the Lenders hereunder requiring any consent of the Lenders) and (y) for any such amendment, waiver or consent that treats such Defaulting Lender disproportionately from the other Lender of the same Class (other than because of its status as a Defaulting Lender).

Any such waiver and any such amendment, supplement or modification shall apply equally to each of the affected Lenders and shall be binding upon Holdings, the Borrowers, such Lenders, the Administrative Agent and all future holders of the affected Loans. In the case of any waiver, Holdings, the Borrowers, the Lenders and the Administrative Agent shall be restored to their former positions and rights hereunder and under the other Credit Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing, it being understood that no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon. In connection with the foregoing provisions, the Administrative Agent may, but shall have no obligations to, with the concurrence of any Lender, execute amendments, modifications, waivers or consents on behalf of such Lender.

Notwithstanding the foregoing, in addition to any credit extensions and related Joinder Agreement(s) effectuated without the consent of Lenders in accordance with Section 2.14, this Agreement may be amended (or amended and restated) with the written consent of the Required Lenders, the Administrative Agent, Holdings and the Borrowers (a) to add one or more additional credit facilities to this Agreement and to permit the extensions of credit from time to time outstanding thereunder and the accrued interest and fees in respect thereof to share ratably in the benefits of this Agreement and the other Credit Documents with the Loans and the accrued interest and fees in respect thereof and (b) to include appropriately the Lenders holding such credit facilities in any determination of the Required Lenders and other definitions related to such new Loans.

The Lenders hereby irrevocably agree that the Liens granted to the Collateral Agent by the Credit Parties on any Collateral shall be automatically released (i) in full, upon the termination of this Agreement and the payment of all Obligations hereunder (except for (w) contingent indemnification obligations in respect of which a claim has not yet been made, (x) Secured Hedge Obligations, (y) Cash Collateralized Letters of Credit pursuant to arrangements reasonably acceptable to the applicable Letter of Credit Issuer, and (z) Secured Cash Management Obligations), (ii) upon the sale or other disposition of such Collateral (including as part of or in connection with any other sale or other disposition permitted hereunder) to any Person other than another Credit Party, to the extent such sale or other disposition is made in compliance with the terms of this Agreement (and the Collateral Agent may rely conclusively on a certificate to that effect provided to it by any Credit Party upon its reasonable request without further inquiry), (iii) to the extent such Collateral is comprised of property leased to a Credit Party, upon termination or expiration of such lease, (iv) if the release of such Lien is approved, authorized or ratified in writing by the Required Lenders (or such other percentage of the Lenders whose consent may be required in accordance with this Section 13.1), (v) to the extent the property constituting such Collateral is owned by any Guarantor, upon the release of such Guarantor from its obligations under the applicable Guarantee (in accordance with the second following sentence), (vi) as required to effect any sale or other disposition of Collateral in connection with any exercise of remedies of the Collateral Agent pursuant to the Security Documents, and (vii) if such assets constitute Excluded Property or Excluded Stock or Stock Equivalents. Any such release shall not in any manner discharge, affect, or impair the Obligations or any Liens (other than those being released) upon (or obligations (other than those being released) of the Credit Parties in respect of) all interests retained by the Credit Parties, including the proceeds of any sale, all of which shall continue to constitute part of the Collateral except to the extent otherwise released in

accordance with the provisions of the Credit Documents. Additionally, the Lenders hereby irrevocably agree that any Restricted Subsidiary that is a Guarantor shall be released from the Guarantees upon consummation of any transaction resulting in such Subsidiary ceasing to constitute a Restricted Subsidiary. The Lenders hereby authorize the Administrative Agent and the Collateral Agent, as applicable, to execute and deliver any instruments, documents, and agreements necessary or desirable to evidence and confirm the release of any Guarantor or Collateral pursuant to the foregoing provisions of this paragraph, all without the further consent or joinder of any Lender.

Notwithstanding anything herein to the contrary, the Credit Documents may be amended to (i) add syndication or documentation agents and make customary changes and references related thereto and (ii) if applicable, add or modify "parallel debt" language in any jurisdiction in favor of the Collateral Agent or add Collateral Agents, in each case (i) and (ii) with the consent of only the Borrower Representative and the Administrative Agent, and in the case of (ii), the Collateral Agent.

Notwithstanding anything in this Agreement (including, without limitation, this Section 13.1) or any other Credit Document to the contrary, (i) this Agreement and the other Credit Documents may be amended to effect an incremental facility or extension facility pursuant to Section 2.14 (and the Administrative Agent and the Borrower Representative may effect such amendments to this Agreement and the other Credit Documents without the consent of any other party as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Borrower Representative, to effect the terms of any such incremental facility or extension facility); (ii) no Lender consent is required to effect any amendment or supplement to the ABL/Term Loan Intercreditor Agreement or other intercreditor agreement or arrangement permitted under this Agreement that is for the purpose of adding the holders of any Indebtedness as expressly contemplated by the terms of the ABL/Term Loan Intercreditor Agreement or such other intercreditor agreement or arrangement permitted under this Agreement, as applicable (it being understood that any such amendment or supplement may make such other changes to the applicable intercreditor agreement as, in the good faith determination of the Administrative Agent, are required to effectuate the foregoing; provided that such other changes are not adverse, in any material respect, to the interests of the Lenders taken as a whole); provided, further, that no such agreement shall amend, modify or otherwise directly and adversely affect the rights or duties of the Administrative Agent hereunder or under any other Credit Document without the prior written consent of the Administrative Agent; (iii) any provision of this Agreement or any other Credit Document may be amended by an agreement in writing entered into by the Borrower Representative and the Administrative Agent to (x) cure any ambiguity, omission, mistake, defect or inconsistency (as reasonably determined by the Administrative Agent and the Borrower Representative) and (y) to effect administrative changes of a technical or immaterial nature (including to effect changes to the terms and conditions applicable solely to the Letter of Credit Issuer in respect of issuances of Letters of Credit) and such amendment shall be deemed approved by the Lenders if the Lenders shall have received at least five Business Days' prior written notice of such change and the Administrative Agent shall not have received, within five Business Days of the date of such notice to the Lenders, a written notice from the Required Lenders stating that the Required Lenders object to such amendment; (iv) guarantees, collateral documents and related documents executed by Credit Parties in connection with this Agreement may be in a form reasonably determined by the Administrative Agent and may be, together with any other Credit Document, entered into, amended, supplemented or waived, without the consent of any other Person, by the applicable Credit Party or Credit Parties and the Administrative Agent or the Collateral Agent in its or their respective sole discretion, to (A) effect the granting, perfection, protection, expansion or enhancement of any security interest in any Collateral or additional property to become Collateral for the benefit of the Secured Parties, (B) as required by local law or advice of counsel to give effect to, or protect any security interest for the benefit of the Secured Parties, in any property or so that the security interests therein comply with applicable requirements of law, or (C) to cure ambiguities, omissions, mistakes or defects (as reasonably determined by the Administrative Agent and the Borrower

Representative) or to cause such guarantee, collateral security document or other document to be consistent with this Agreement and the other Credit Documents; and (v) the Administrative Agent and, as applicable, the Borrower Representative may, without the consent of any Lender, enter into amendments or modifications to this Agreement or any of the other Credit Documents or enter into additional Credit Documents as the Administrative Agent deems appropriate in order to implement any Benchmark Replacement or any Benchmark Replacement Conforming Change or otherwise effectuate the terms of Section 2.20 in accordance with the terms thereof.

Notwithstanding anything in this Agreement or any Security Document to the contrary, the Administrative Agent may, in its sole discretion, grant extensions of time for the satisfaction of any of the requirements under Sections 9.11, 9.12 and 9.14 or any Security Documents in respect of any particular Collateral or any particular Subsidiary if it determines that the satisfaction thereof with respect to such Collateral or such Subsidiary cannot be accomplished without undue expense or unreasonable effort or due to factors beyond the control of Holdings, the Company and the Restricted Subsidiaries by the time or times at which it would otherwise be required to be satisfied under this Agreement or any Security Document.

13.2 Notices. Unless otherwise expressly provided herein, all notices and other communications provided for hereunder or under any other Credit Document shall be in writing (including by facsimile transmission). All such written notices shall be mailed, faxed or delivered to the applicable address, facsimile number or electronic mail address, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(a) if to Holdings, any Borrower, the Administrative Agent, the Collateral Agent, the Letter of Credit Issuer or the Swingline Lender, to the address, facsimile number, electronic mail address or telephone number specified for such Person on Schedule 13.2 or to such other address, facsimile number, electronic mail address or telephone number as shall be designated by such party in a notice to the other parties; and

(b) if to any other Lender, to the address, facsimile number, electronic mail address or telephone number specified in its Administrative Questionnaire or to such other address, facsimile number, electronic mail address or telephone number as shall be designated by such party in a notice to Holdings and the Borrower Representative, the Administrative Agent, the Collateral Agent, the Letter of Credit Issuer and the Swingline Lender.

All such notices and other communications shall be deemed to be given or made upon the earlier to occur of (i) actual receipt by the relevant party hereto and (ii) (A) if delivered by hand or by courier, when signed for by or on behalf of the relevant party hereto; (B) if delivered by mail, three Business Days after deposit in the mails, postage prepaid; (C) if delivered by facsimile, when sent and receipt has been confirmed by telephone; and (D) if delivered by electronic mail, when delivered; provided that notices and other communications to the Administrative Agent or the Lenders pursuant to Sections 2.3, 2.6, 2.9, 4.2 and 5.1 shall not be effective until received.

13.3 No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the Administrative Agent, the Collateral Agent or any Lender, any right, remedy, power or privilege hereunder or under the other Credit Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies,

powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers, and privileges provided by law.

13.4 Survival of Representations and Warranties. All representations and warranties made hereunder, in the other Credit Documents and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Agreement and the making of the Loans hereunder.

13.5 Payment of Expenses; Indemnification. Holdings and the Borrowers agree (a) to pay or reimburse the Agents for all their reasonable and documented out-of-pocket costs and expenses incurred in connection with the development, preparation and execution and delivery of, and any amendment, supplement, waiver or modification to, this Agreement and the other Credit Documents and any other documents prepared in connection herewith or therewith, and the consummation and administration of the transactions contemplated hereby and thereby, and in the case of legal fees and expenses limited to the reasonable fees, disbursements and other charges of Paul Hastings LLP, as counsel to the Agents and, if reasonably necessary, of a single firm of local counsel in each applicable material jurisdiction, other than allocated costs of in-house counsel, and such other counsel retained with the Company's consent (such consent not to be unreasonably withheld or delayed), (b) to pay or reimburse each Agent for all its reasonable and documented out-of-pocket costs and expenses incurred in connection with the enforcement or preservation of any rights under this Agreement, the other Credit Documents and any such other documents, including, and in the case of (i) legal fees and expenses limited to the reasonable fees, disbursements and other charges of Paul Hastings LLP, as counsel to the Agents and, if reasonably necessary, of a single firm of local counsel in each applicable material jurisdiction, other than allocated costs of in-house counsel, and such other counsel retained with the Company's consent (such consent not to be unreasonably withheld or delayed), (c) to pay, indemnify, and hold harmless each Lender and Agent from, any and all recording and filing fees, and (d) to pay, indemnify, and hold harmless each Lender and Agent and their respective Affiliates (other than Excluded Affiliates), directors, officers, members, controlling persons, employees, trustees, investment advisors, and agents and successors of the foregoing (excluding any Excluded Affiliate, the "**Indemnified Persons**") from and against any and all other liabilities, obligations, losses, damages, penalties, claims, demands, actions, judgments, suits, costs, expenses, or disbursements of any kind or nature whatsoever regardless of whether any such Indemnified Person is a party thereto, in the case of legal fees and expenses, the reasonable and documented fees, disbursements, and other charges of one primary counsel and one local counsel in each relevant jurisdiction to such Indemnified Persons (unless there is an actual or perceived conflict of interest or the availability of different claims or defenses in which case after obtaining the Borrower Representative's consent (which consent shall not be unreasonably withheld or delayed), each such Person may retain its own counsel), arising out of or relating to any claim, litigation, investigation or other proceeding (including any investigation or inquiry related to the foregoing) that is related to the Transactions (including, without limitation, the Acquisition) or, with respect to the execution, delivery, enforcement, performance, and administration of this Agreement, the other Credit Documents and any such other documents, including, without limitation, any of the foregoing relating to the violation of, noncompliance with or liability under, any Environmental Law, in each case, applicable to Holdings or any of its Subsidiaries or to any actual or alleged presence, Release or threatened Release of Hazardous Materials involving or attributable to Holdings or any of its Subsidiaries (all the foregoing in this clause (d), collectively, the "**Indemnified Liabilities**"); provided that Holdings shall have no obligation hereunder to any Indemnified Person with respect to Indemnified Liabilities (i) resulting from disputes between and among Persons otherwise entitled to indemnification or (ii) to the extent it has been determined by a final non-appealable judgment of a court of competent jurisdiction to have resulted from (x) the gross negligence, bad faith, fraud or willful misconduct of such Indemnified Person (or any of such Indemnified Person's affiliates or any of its or their respective officers, directors, employees, agents, controlling persons, members or the successors of any of the foregoing) and (y) a material breach of any

Credit Document by such Indemnified Person (or any of such Indemnified Person's affiliates or any of its or their respective officers, directors, employees, agents, controlling persons, members or the successors of any of the foregoing); provided that the Agents (and their related affiliates, officers, directors, employees, agents, controlling persons, advisors and other representatives), to the extent acting in their capacity as such, shall remain indemnified in respect of such disputes to the extent otherwise entitled to be so indemnified hereunder. No Person entitled to indemnification under clause (d) of this Section 13.5 or any other Person party hereto shall be liable for any damages to any other Indemnified Person or party hereto arising from the use by others of any information or other materials obtained through IntraLinks or other similar information transmission systems in connection with this Agreement except to the extent that such damage resulted from willful misconduct or gross negligence of such Indemnified Person, such other Person (or any of such Indemnified Person's or such other Person's affiliates or any of its or their respective officers, directors, employees, agents, controlling persons, members or the successors of any of the foregoing), nor shall any such Person have any liability for any special, punitive, indirect or consequential damages relating to this Agreement or any other Credit Document or arising out of its activities in connection herewith or therewith (whether before or after the Closing Date). In the case of an investigation, litigation or other proceeding to which the indemnity in this Section 13.5 applies, such indemnity shall be effective whether or not such investigation, litigation or proceeding is brought by any Credit Party, its directors, stockholders or creditors or any other Person, whether or not any Indemnified Person is otherwise a party thereto. All amounts payable under this Section 13.5 shall be paid within ten Business Days of receipt by Borrower Representative of an invoice relating thereto setting forth such expense in reasonable retail.

Holdings, the Borrowers, and their Subsidiaries shall not be liable for any settlement of any proceeding effected without the Borrower Representative's written consent (which consent shall not be unreasonably withheld or delayed), but if settled with the Borrower Representative's written consent or if there is a final and non-appealable judgment by a court of competent jurisdiction for the plaintiff in any such proceeding, Holdings, the Borrowers, and the other Guarantors agree to indemnify and hold harmless each Indemnified Person from and against any and all losses, claims, damages, liabilities, and reasonable and documented legal or other out-of-pocket expenses by reason of such settlement or judgment in accordance with and to the extent provided in the other provisions herein.

Holdings, the Borrowers and their Subsidiaries shall not, without the prior written consent of any Indemnified Person (which consent shall not be unreasonably withheld or delayed), effect any settlement of any pending or threatened proceedings in respect of which indemnity could have been sought hereunder by such Indemnified Person unless such settlement (i) includes an unconditional release of such Indemnified Person in form and substance reasonably satisfactory to such Indemnified Person from all liability or claims that are the subject matter of such proceedings and (ii) does not include any statement as to or any admission of fault, culpability, wrongdoing or a failure to act by or on behalf of any Indemnified Person.

Each Indemnified Person, by its acceptance of the benefits of this Section 13.5, agrees to refund and return any and all amounts paid by Holdings and the Borrowers to it if, pursuant to limitations on indemnification set forth in this Section 13.5, such Indemnified Person was not entitled to receipt of such amounts.

The agreements in this Section 13.5 shall survive repayment of the Loans and all other amounts payable hereunder. This Section 13.5 shall not apply with respect to Taxes, other than any Taxes that represent liabilities, obligations, losses, damages, penalties, judgments, costs, expenses, or disbursements, etc., arising from any non-Tax claim.

13.6 Successors and Assigns; Participations and Assignments.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that (i) except as expressly permitted by Section 10.3, the Borrowers may not assign or otherwise transfer any of their rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender (and any attempted assignment or transfer by any Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section 13.6. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants (to the extent provided in clause (c) of this Section 13.6) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the Collateral Agent the Letter of Credit Issuer and the Lenders and each other Person entitled to indemnification under Section 13.5) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) (i) Subject to the conditions set forth in clause (b)(ii) below and Section 13.7, any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans (including participations in L/C Obligations or Swingline Loans) at the time owing to it) with the prior written consent (such consent not be unreasonably withheld or delayed; it being understood that, without limitation, the Borrower Representative shall have the right to withhold or delay its consent to any assignment if, in order for such assignment to comply with applicable law, any Borrower would be required to obtain the consent of, or make any filing or registration with, any Governmental Authority) of:

(A) the Borrower Representative; provided that no consent of the Borrower Representative shall be required for an assignment of Loans or Commitments to any assignee if an Event of Default under Section 11.1 or Section 11.5 (with respect to any Borrower) has occurred and is continuing; provided further that the Borrower Representative shall have been deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received written notice thereof; and

(B) the Administrative Agent, the Swingline Lender and the Letter of Credit Issuer (in each case, not to be unreasonably withheld or delayed); provided, that no consent of the Administrative Agent, the Swingline Lender and the Letter of Credit Issuer shall be required for an assignment of any Revolving Credit Commitments and Revolving Loans to a lender, an Affiliate of a Lender, an Approved Fund or an Affiliated Lender.

Notwithstanding the foregoing, no such assignment shall be made to a natural Person, Excluded Affiliate, Disqualified Lender, Defaulting Lender, Holdings, the Borrowers or any of their Subsidiaries, the Sponsor or any Affiliate of the Sponsor. For the avoidance of doubt, the Administrative Agent shall bear no responsibility or liability for monitoring and enforcing the list of Persons who are Disqualified Lenders at any time.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans of any Class, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Administrative Agent) shall not

be less than $5,000,000 in the case of Revolving Credit Commitments, unless each of the Borrower Representative and the Administrative Agent otherwise consents (which consents shall not be unreasonably withheld or delayed); provided that no such consent of the Borrower Representative shall be required if an Event of Default under Section 11.1 or Section 11.5 (with respect to any Borrower) has occurred and is continuing; provided, further, that contemporaneous assignments by a Lender and its Affiliates or Approved Funds shall be aggregated for purposes of meeting the minimum assignment amount requirements stated above (and simultaneous assignments to or by two or more Related Funds shall be treated as one assignment), if any;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement; provided that this clause shall not be construed to prohibit the assignment of a proportionate part of all the assigning Lender's rights and obligations in respect of one Class of Commitments or Loans;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Acceptance via an electronic settlement system or other method reasonably acceptable to the Administrative Agent, together with a processing and recordation fee in the amount of $3,500; provided that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment; provided, further, that such recordation fee shall not be payable in the case of assignments by any Affiliate of the Joint Lead Arrangers and Bookrunners; and

(D) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an administrative questionnaire in a form approved by the Administrative Agent and the Borrower Representative (the "**Administrative Questionnaire**") and applicable tax forms (as required under Section 5.4(e)).

(iii) Subject to acceptance and recording thereof pursuant to clause (b)(iv) of this Section 13.6, from and after the effective date specified in each Assignment and Acceptance, the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Acceptance, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.10, 2.11, 3.5, 5.4 and 13.5). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 13.6 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 clause (c) of this Section 13.6. For the avoidance of doubt, in case of an assignment to a new Lender pursuant to this Section 13.6, (i) the Administrative Agent, the new Lender and other Lenders shall acquire the same rights and assume the same obligations between themselves as they would have acquired and assumed had the new Lender been an original Lender signatory to this Agreement with the rights and/or obligations acquired or assumed by it as a result of the assignment and to the extent of the assignment the assigning Lender shall each be released from further obligations under the Credit Documents and (ii) the benefit of each Security Document shall be maintained in favor of the new Lender.

(iv) The Administrative Agent, acting for this purpose as an agent of the Borrowers, shall maintain at the Administrative Agent's Office a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amount of the Loans (and stated interest amounts) and any payment made by the Letter of Credit Issuer under any Letter of Credit owing to each Lender pursuant to the terms hereof from time to

time (the "**Register**"). Further, the Register shall contain the name and address of the Administrative Agent and the lending office through which each such Person acts under this Agreement. The entries in the Register shall be conclusive, absent manifest error, and the Borrowers, the Administrative Agent, the Collateral Agent the Letter of Credit Issuer and the Lenders shall 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 Borrower Representative, the Collateral Agent, the Letter of Credit Issuer, the Administrative Agent and its Affiliates and, with respect to itself, any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of a duly completed Assignment and Acceptance executed by an assigning Lender and an assignee, the assignee's completed Administrative Questionnaire and applicable tax forms (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in clause (b) of this Section 13.6 and any written consent to such assignment required by clause (b) of this Section 13.6, the Administrative Agent shall promptly accept such Assignment and Acceptance and record the information contained therein in the Register. No assignment, whether or not evidenced by a promissory note, shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this clause (b)(v).

(c) (i) Any Lender may, without the consent of the Borrower Representative or the Administrative Agent, the Letter of Credit Issuer or the Swingline Lender sell participations to one or more banks or other entities (other than (x) Holdings and its Subsidiaries, (y) any Disqualified Lender and (z) any Affiliated Lender provided, however, that, notwithstanding clause (y) hereof, participations may be sold to Disqualified Lenders unless a list of Disqualified Lenders has been made available to all Lenders who so request) (each, a "**Participant**") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans owing to it); provided that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (C) the Borrower Representative, the Administrative Agent, the Letter of Credit Issuer, and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, the Administrative Agent shall bear no responsibility or liability for monitoring and enforcing the list of Disqualified Lenders or the sales of participations thereto at any time. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement or any other Credit Document; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in clauses (i) and (vi) of the second proviso to Section 13.1 that affects such Participant. Subject to clause (c)(ii) of this Section 13.6, each Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.10, 2.11, 3.5 and 5.4 to the same extent as if it were a Lender (subject to the limitations and requirements of those Sections as though it were a Lender and had acquired its interest by assignment pursuant to clause (b) of this Section 13.6, including the requirements of clause (e) of Section 5.4) (it being agreed that any documentation required under Section 5.4(e) shall be provided to the participating Lender). To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 13.8(b) as though it were a Lender; provided such Participant shall be subject to Section 13.8(a) as though it were a Lender.

(ii) A Participant shall not be entitled to receive any greater payment under Section 2.10, 2.11, 3.5 or 5.4 than the applicable Lender would have been entitled to receive absent the sale of such the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower Representative's prior written consent (which consent shall not be unreasonably withheld).

Each Lender that sells a participation shall, acting solely for this purpose as an agent of the Borrowers, maintain a register on which it enters the name and address of each participant and the principal amounts (and stated interest amounts) of each Participant's interest in the Loans or other obligations under this Agreement (the "**Participant Register**"). The entries in the Participant Register shall be conclusive, absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. No Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Credit Document) except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1 (c) of the United States Treasury Regulations.

(d) Any Lender may, without the consent of the Borrower Representative or the Administrative Agent, at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section 13.6 shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(e) Subject to Section 13.16, the Borrower Representative authorizes each Lender to disclose to any Participant, secured creditor of such Lender or assignee (each, a "**Transferee**") and any prospective Transferee any and all financial information in such Lender's possession concerning the Borrowers and their Affiliates that has been delivered to such Lender by or on behalf of the Borrowers and their Affiliates pursuant to this Agreement or that has been delivered to such Lender by or on behalf of the Borrowers and their Affiliates in connection with such Lender's credit evaluation of the Borrowers and their Affiliates prior to becoming a party to this Agreement.

(f) The words "execution," "signed," "signature," and words of like import in any Assignment and Acceptance shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

(g) SPY Lender. Notwithstanding anything to the contrary contained herein, any Lender (a "**Granting Lender**") may grant to a special purpose funding vehicle (an "**SPV**"), identified as such in writing from time to time by the Granting Lender to the Administrative Agent and the Borrower Representative, the option to provide to the Borrowers all or any part of any Loan that such Granting Lender would otherwise be obligated to make the Borrowers pursuant to this Agreement; provided that (i) nothing herein shall constitute a commitment by any SPV to make any Loan and (ii) if an SPV elects not to exercise such option or otherwise fails to provide all or any part of such Loan, the Granting Lender shall be obligated to make such Loan pursuant to the terms hereof. The making of a Loan by an SPV hereunder shall utilize the Commitment of the Granting Lender to the same extent, and as if, such Loan were made by such Granting Lender. Each party hereto hereby agrees that no SPV shall be liable for any indemnity or similar payment obligation under this Agreement (all liability for which shall remain with the Granting Lender). In furtherance of the foregoing, each party hereto hereby agrees (which agreement shall survive the termination of this Agreement) that, prior to the date that is one year and one day after the payment in full of all outstanding commercial paper or other senior indebtedness of any SPV, it shall

not institute against, or join any other Person in instituting against, such SPV any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings under the laws of the United States or any State thereof. In addition, notwithstanding anything to the contrary contained in this Section 13.6, any SPV may (i) with notice to, but without the prior written consent of, the Borrower Representative and the Administrative Agent and without paying any processing fee therefor, assign all or a portion of its interests in any Loans to the Granting Lender or to any financial institutions (consented to by the Borrower Representative and the Administrative Agent) other than a Disqualified Lender providing liquidity and/or credit support to or for the account of such SPV to support the funding or maintenance of Loans and (ii) subject to Section 13.16, disclose on a confidential basis any non-public information relating to its Loans to any rating agency, commercial paper dealer or provider of any surety, guarantee or credit or liquidity enhancement to such SPV. This Section 13.6(g) may not be amended without the written consent of the SPV. Notwithstanding anything to the contrary in this Agreement but subject to the following sentence, each SPV shall be entitled to the benefits of Sections 2.10, 2.11, 3.5 and 5.4 to the same extent as if it were a Lender (subject to the limitations and requirements of those Sections as though it were a Lender and had acquired its interest by assignment pursuant to clause (b) of this Section 13.6, including the requirements of clause (e) of Section 5.4 (it being agreed that any documentation required under Section 5.4(e) shall be provided to the Granting Lender)). Notwithstanding the prior sentence, an SPV shall not be entitled to receive any greater payment under Section 2.10, 2.11, 3.5 or 5.4 than its Granting Lender would have been entitled to receive absent the grant to such SPV, unless such grant to such SPV is made with the Borrower Representative's prior written consent (which consent shall not be unreasonably withheld).

13.7 Replacements of Lenders Under Certain Circumstances.

(a) The Borrowers shall be permitted (x) to replace any Lender or (y) terminate the Commitment of such Lender or Letter of Credit Issuer, as the case may be, and (1) in the case of a Lender (other than the Letter of Credit Issuer), repay all Obligations of the Borrowers due and owing to such Lender relating to the Loans and participations held by such Lender as of such termination date and (2) in the case of the Letter of Credit Issuer, repay all Obligations of the Borrowers owing to such Letter of Credit Issuer relating to the Loans and participations held by the Letter of Credit Issuer as of such termination date and cancel or backstop on terms satisfactory to such Letter of Credit Issuer any Letters of Credit issued by it that (a) requests reimbursement for amounts owing pursuant to Sections 2.10 or 5.4, (b) is affected in the manner described in Section 2.10(a)(iii) and as a result thereof any of the actions described in such Section is required to be taken, or (c) becomes a Defaulting Lender, with a replacement bank or other financial institution; provided that (i) such replacement does not conflict with any Requirement of Law, (ii) no Event of Default under Sections 11.1 or 11.5 shall have occurred and be continuing at the time of such replacement, (iii) the Borrowers shall repay (or the replacement bank or institution shall purchase, at par) all Loans and other amounts pursuant to Sections 2.10, 2.11, or 5.4, as the case may be, owing to such replaced Lender prior to the date of replacement, (iv) the replacement bank or institution, if not already a Lender, an Affiliate of the Lender, an Affiliated Lender or Approved Fund, and the terms and conditions of such replacement, shall be reasonably satisfactory to the Administrative Agent, (v) the replacement bank or institution, if not already a Lender shall be subject to the provisions of Section 13.6(b), (vi) the replaced Lender shall be obligated to make such replacement in accordance with the provisions of Section 13.6 (provided that unless otherwise agreed the Borrowers shall be obligated to pay the registration and processing fee referred to therein), and (vii) any such replacement shall not be deemed to be a waiver of any rights that the Borrowers, the Administrative Agent or any other Lender shall have against the replaced Lender.

(b) If any Lender (such Lender, a "**Non-Consenting Lender**") has failed to consent to a proposed amendment, waiver, discharge or termination that pursuant to the terms of Section 13.1 requires the consent of either (i) all of the Lenders directly and adversely affected or (ii) all of the Lenders, and, in

each case, with respect to which the Required Lenders (or at least 50.1% of the directly and adversely affected Lenders) shall have granted their consent, then, the Borrowers shall have the right (unless such Non-Consenting Lender grants such consent) to (x) replace such Non-Consenting Lender by requiring such Non-Consenting Lender to assign its Loans, and its Commitments hereunder to one or more assignees reasonably acceptable to the Administrative Agent (to the extent such consent would be required under Section 13.6) or to terminate the Commitment of such Lender or Letter of Credit Issuer, as the case may be, and (l)in the case of a Lender (other than the Letter of Credit Issuer), repay all Obligations of the Borrowers due and owing to such Lender relating to the Loans and participations held by such Lender as of such termination date and (2) in the case of the Letter of Credit Issuer, repay all Obligations of the Borrowers owing to such Letter of Credit Issuer relating to the Loans and participations held by the Letter of Credit Issuer as of such termination date and cancel or backstop on terms satisfactory to such Letter of Credit Issuer any Letters of Credit issued by it); provided that (a) all Obligations hereunder of the Borrowers owing to such Non-Consenting Lender being replaced shall be paid in full to such Non-Consenting Lender concurrently with such assignment including any amounts that such Lender may be owed pursuant to Section 2.11, and (b) the replacement Lender shall purchase the foregoing by paying to such Non-Consenting Lender a price equal to the principal amount thereof plus accrued and unpaid interest thereon, and (c) the Borrowers shall pay to such Non-Consenting Lender the amount, if any, owing to such Lender pursuant to Section 5.1(b). In connection with any such assignment, the Borrowers, the Administrative Agent, such Non-Consenting Lender and the replacement Lender shall otherwise comply with Section 13.6.

13.8 Adjustments; Set-off.

(a) Except as contemplated in Section 13.6 or elsewhere herein, if any Lender (a "**Benefited Lender**") shall at any time receive any payment of all or part of its Loans, or interest thereon, or receive any collateral in respect thereof (whether voluntarily or involuntarily, by set-off, pursuant to events or proceedings of the nature referred to in Section 11.5, or otherwise), in a greater proportion than any such payment to or collateral received by any other Lender, if any, in respect of such other Lender's Loans, or interest thereon, such Benefited Lender shall purchase for cash from the other Lenders a participating interest in such portion of each such other Lender's Loan, or shall provide such other Lenders with the benefits of any such collateral, or the proceeds thereof, as shall be necessary to cause such Benefited Lender to share the excess payment or benefits of such collateral or proceeds ratably with each of the Lenders; provided, however, that if all or any portion of such excess payment or benefits is thereafter recovered from such Benefited Lender, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest.

(b) After the occurrence and during the continuance of an Event of Default, in addition to any rights and remedies of the Lenders provided by law, each Lender shall have the right, without prior notice to the Credit Parties but with the prior consent of the Administrative Agent, any such notice being expressly waived by the Credit Parties to the extent permitted by applicable law, upon any amount becoming due and payable by the Credit Parties hereunder (whether at the stated maturity, by acceleration or otherwise) to set-off and appropriate and apply against such amount any and all deposits (general or special, time or demand, provisional or final) (other than payroll, trust, tax, fiduciary, and petty cash accounts), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Lender or any branch or agency thereof to or for the credit or the account of the Credit Parties. Each Lender agrees promptly to notify the Credit Parties and the Administrative Agent after any such set-off and application made by such Lender; provided that the failure to give such notice shall not affect the validity of such set-off and application.

13.9 Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by facsimile or other electronic transmission), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. A set of the copies of this Agreement signed by all the parties shall be lodged with the Borrower Representative and the Administrative Agent.

13.10 Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

13.11 Integration. This Agreement and the other Credit Documents represent the agreement of Holdings, the Borrowers, the Collateral Agent, the Administrative Agent and the Lenders with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by Holdings, the Borrowers, the Administrative Agent, the Collateral Agent nor any Lender relative to subject matter hereof not expressly set forth or referred to herein or in the other Credit Documents.

13.12 GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK. EACH LETTER OF CREDIT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

13.13 Submission to Jurisdiction; Waivers. Each party hereto irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Credit Documents to which it is a party to the exclusive general jurisdiction of the courts of the State of New York or the courts of the United States for the Southern District of New York, in each case sitting in New York City in the Borough of Manhattan, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives (to the extent permitted by applicable law) any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same or to commence or support any such action or proceeding in any other courts;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such Person at its address set forth on Schedule 13.2 at such other address of which the Administrative Agent shall have been notified pursuant to Section 13.2;

(d) agrees that nothing herein shall affect the right of the Administrative Agent, any Lender or another Secured Party to effect service of process in any other manner permitted by law or to commence legal proceedings or otherwise proceed against Holdings or any Borrower or any other Credit Party in any other jurisdiction; and

(e) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section 13.13 any special, exemplary, punitive or consequential damages.

13.14 Acknowledgments. Each Borrower hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution, and delivery of this Agreement and the other Credit Documents;

(b) (i) the credit facilities provided for hereunder and any related arranging or other services in connection therewith (including in connection with any amendment, waiver or other modification hereof or of any other Credit Document) are an arm's-length commercial transaction between the Borrowers and the other Credit Parties, on the one hand, and the Administrative Agent, the Lenders and the other Agents on the other hand, and the Borrowers and the other Credit Parties are capable of evaluating and understanding and understand and accept the terms, risks and conditions of the transactions contemplated hereby and by the other Credit Documents (including any amendment, waiver or other modification hereof or thereof); (ii) in connection with the process leading to such transaction, each of the Administrative Agent and the other Agents, is and has been acting solely as a principal and is not the financial advisor, agent or fiduciary for the Borrowers, any other Credit Parties or any of their respective Affiliates, stockholders, creditors or employees, or any other Person; (iii) neither the Administrative Agent nor any other Agent has assumed or will assume an advisory, agency or fiduciary responsibility in favor of the Borrowers or any other Credit Party with respect to any of the transactions contemplated hereby or the process leading thereto, including with respect to any amendment, waiver or other modification hereof or of any other Credit Document (irrespective of whether the Administrative Agent or other Agent has advised or is currently advising the Borrowers, the other Credit Parties or their respective Affiliates on other matters) and neither the Administrative Agent or other Agent has any obligation to the Borrowers, the other Credit Parties or their respective Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Credit Documents; (iv) the Administrative Agent, each other Agent and each Affiliate of the foregoing may be engaged in a broad range of transactions that involve interests that differ from those of the Borrowers and their Affiliates, and neither the Administrative Agent nor any other Agent has any obligation to disclose any of such interests by virtue of any advisory, agency or fiduciary relationship; and (v) neither the Administrative Agent nor any other Agent has provided and none will provide any legal, accounting, regulatory or tax advice with respect to any of the transactions contemplated hereby (including any amendment, waiver or other modification hereof or of any other Credit Document) and the Borrowers have consulted their own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate. Each Borrower hereby waives and releases, to the fullest extent permitted by law, any claims that it may have against the Administrative Agent or any other Agent with respect to any breach or alleged breach of agency or fiduciary duty; and

(c) no joint venture is created hereby or by the other Credit Documents or otherwise exists by virtue of the transactions contemplated hereby among the Lenders or among the Borrowers, on the one hand, and any Lender, on the other hand.

13.15 WAIVERS OF JURY TRIAL. EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVE (TO THE EXTENT PERMITTED BY APPLICABLE LAW) TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

13.16 Confidentiality. The Administrative Agent, each other Agent and each Lender (collectively, the "**Restricted Persons**" and, each a "**Restricted Person**") shall treat confidentially all non-public information provided to any Restricted Person by or on behalf of any Credit Party hereunder in connection with such Restricted Person's evaluation of whether to become a Lender hereunder or obtained by such Restricted Person pursuant to the requirements of this Agreement ("**Confidential Information**") and shall not publish, disclose or otherwise divulge such Confidential Information; provided that nothing herein shall prevent any Restricted Person from disclosing any such Confidential Information (a) pursuant to the order of any court or administrative agency or in any pending legal, judicial or administrative proceeding, or otherwise as required by applicable law, rule or regulation or compulsory legal process (in which case such Restricted Person agrees (except with respect to any routine or ordinary course audit or examination conducted by bank accountants or any governmental or bank regulatory authority exercising examination or regulatory authority), to the extent practicable and not prohibited by applicable law, rule or regulation, to inform the Borrower Representative promptly thereof prior to disclosure), (b) upon the request or demand of any regulatory authority having jurisdiction over such Restricted Person or any of its Affiliates (in which case such Restricted Person agrees (except with respect to any routine or ordinary course audit or examination conducted by bank accountants or any governmental or bank regulatory authority exercising examination or regulatory authority) to the extent practicable and not prohibited by applicable law, rule or regulation, to inform the Borrower Representative promptly thereof prior to disclosure), (c) to the extent that such Confidential Information becomes publicly available other than by reason of improper disclosure by such Restricted Person or any of its affiliates or any related parties thereto in violation of any confidentiality obligations owing under this Section 13.16, (d) to the extent that such Confidential Information is received by such Restricted Person from a third party that is not, to such Restricted Person's knowledge, subject to confidentiality obligations owing to any Credit Party or any of their respective subsidiaries or affiliates, (e) to the extent that such Confidential Information was already in our possession prior to any duty or other undertaking of confidentiality or is independently developed by the Restricted Persons without the use of such Confidential Information, (f) to such Restricted Person's affiliates and to its and their respective officers, directors, partners, employees, legal counsel, independent auditors, and other experts or agents who need to know such Confidential Information in connection with providing the Loans or action as an Agent hereunder and who are informed of the confidential nature of such Confidential Information and who are subject to customary confidentiality obligations of professional practice or who agree to be bound by the terms of this Section 13.16 (or confidentiality provisions at least as restrictive as those set forth in this Section 13.16) (with each such Restricted Person, to the extent within its control, responsible for such person's compliance with this paragraph), (g) to potential or prospective Lenders, hedge providers, participants or assignees, in each case who agree (pursuant to customary syndication practice) to be bound by the terms of this Section 13.16 (or confidentiality provisions at least as restrictive as those set forth in this Section 13.16); provided that (i) the disclosure of any such Confidential Information to any Lenders, hedge providers or prospective Lenders, hedge providers or participants or prospective participants referred to above shall be made subject to the acknowledgment and acceptance by such Lender, hedge provider or prospective Lender or participant or prospective participant that such Confidential Information is being disseminated on a confidential basis (on substantially the terms set forth in this Section 13.16 or confidentiality provisions at least as restrictive as those set forth in this Section 13.16) in accordance with the standard syndication processes of such Restricted Person or customary market standards for dissemination of such type of information, which shall in any event require "click through" or other affirmative actions on the part of recipient to access such Confidential Information and (ii) no such disclosure shall be made by such Restricted Person to any person that is at such time a Disqualified Lender, (h) for purposes of establishing a "due diligence" defense, or (i) to rating agencies in connection with obtaining ratings for any Borrower and the Credit Facilities to the extent such rating agencies are subject to customary confidentiality obligations of professional practice or agree to be bound by the terms of this Section 13.16 (or confidentiality provisions at least as restrictive as those set forth in this Section 13.16). Notwithstanding the foregoing,

(i) Confidential Information shall not include, with respect to any Person, information available to it or its Affiliates on a non-confidential basis from a source other than Holdings, its Subsidiaries or their respective Affiliates, (ii) the Administrative Agent shall not be responsible for compliance with this Section 13.16 by any other Restricted Person (other than its officers, directors or employees), (iii) in no event shall any Lender, the Administrative Agent or any other Agent be obligated or required to return any materials furnished by Holdings or any of its Subsidiaries, and (iv) each Agent and each Lender may disclose the existence of this Agreement and the information about this Agreement to market data collectors, similar services providers to the lending industry, and service providers to the Agents and the Lenders in connection with the administration and management of this Agreement and the other Credit Documents.

13.17 Direct Website Communications. Each of Holdings and the Borrowers may, at its option, provide to the Administrative Agent any information, documents and other materials that it is obligated to furnish to the Administrative Agent pursuant to the Credit Documents, including, without limitation, all notices, requests, financial statements, financial, and other reports, certificates, and other information materials, but excluding any such communication that (A) relates to a request for a new, or a conversion of an existing, borrowing or other extension of credit (including any election of an interest rate or interest period relating thereto), (B) relates to the payment of any principal or other amount due under this Agreement prior to the scheduled date therefor, (C) provides notice of any default or event of default under this Agreement or (D) is required to be delivered to satisfy any condition precedent to the effectiveness of this Agreement and/or any borrowing or other extension of credit thereunder (all such non-excluded communications being referred to herein collectively as "Communications"), by transmitting the Communications in an electronic/soft medium in a format reasonably acceptable to the Administrative Agent to the Administrative Agent at an email address provided by the Administrative Agent from time to time; provided that (i) upon written request by the Administrative Agent or the Borrower Representative shall deliver paper copies of such documents to the Administrative Agent for further distribution to each Lender until a written request to cease delivering paper copies is given by the Administrative Agent and (ii) the Borrower Representative shall notify (which may be by facsimile or electronic mail) the Administrative Agent of the posting of any such documents and provide to the Administrative Agent by electronic mail electronic versions (i.e., soft copies) of such documents. Each Lender shall be solely responsible for timely accessing posted documents or requesting delivery of paper copies of such documents from the Administrative Agent and maintaining its copies of such documents. Nothing in this Section 13.17 shall prejudice the right of Holdings, the Borrower Representative, the Administrative Agent, any other Agent or any Lender to give any notice or other communication pursuant to any Credit Document in any other manner specified in such Credit Document.

The Administrative Agent agrees that the receipt of the Communications by the Administrative Agent at its e-mail address set forth above shall constitute effective delivery of the Communications to the Administrative Agent for purposes of the Credit Documents. Each Lender agrees that notice to it (as provided in the next sentence) specifying that the Communications have been posted to the Platform shall constitute effective delivery of the Communications to such Lender for purposes of the Credit Documents. Each Lender agrees (A) to notify the Administrative Agent in writing (including by electronic communication) from time to time of such Lender's e-mail address to which the foregoing notice may be sent by electronic transmission and (B) that the foregoing notice may be sent to such e-mail address.

(a) Each of Holdings and the Borrowers further agrees that any Agent may make the Communications available to the Lenders by posting the Communications on Intralinks or a substantially similar electronic transmission system (the "**Platform**"), so long as the access to such Platform (i) is

limited to the Agents, the Lenders and Transferees or prospective Transferees and (ii) remains subject to the confidentiality requirements set forth in Section 13.16.

(b) THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF ANY MATERIALS OR INFORMATION PROVIDED BY THE CREDIT PARTIES (THE "BORROWER MATERIALS") OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "**Agent Parties**" and each an "**Agent Party**") have any liability to any Borrower, any Lender, or any other Person for losses, claims, damages, liabilities, or expenses of any kind (whether in tort, contract or otherwise) arising out of the Borrower Representative's or the Administrative Agent's transmission of Borrower Materials through the internet, except to the extent the liability of any Agent Party resulted from such Agent Party's (or any of its Related Parties' (other than any trustee or advisor)) gross negligence, bad faith or willful misconduct or material breach of the Credit Documents as determined in the final non-appealable judgment of a court of competent jurisdiction.

(c) Each of Holdings and the Borrowers and each Lender acknowledge that certain of the Lenders may be "public-side" Lenders (Lenders that do not wish to receive material non-public information with respect to Holdings, the Borrowers, the Subsidiaries or their securities) and, if documents or notices required to be delivered pursuant to the Credit Documents or otherwise are being distributed through the Platform, any document or notice that Holdings or the Borrower Representative has indicated contains only publicly available information with respect to Holdings or the Borrowers may be posted on that portion of the Platform designated for such public-side Lenders. If Holdings or the Borrower Representative has not indicated whether a document or notice delivered contains only publicly available information, the Administrative Agent shall post such document or notice solely on that portion of the Platform designated for Lenders who wish to receive material nonpublic information with respect to Holdings, the Borrowers, the Subsidiaries and their securities. Notwithstanding the foregoing, each of Holdings and the Borrower Representative shall use commercially reasonable efforts to indicate whether any document or notice contains only publicly available information.

13.18 USA PATRIOT Act. Each Lender hereby notifies each Credit Party that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act"), it is required to obtain, verify, and record information that identifies each Credit Party, which information includes the name and address of each Credit Party and other information that will allow such Lender to identify each Credit Party in accordance with the Patriot Act.

13.19 Judgment Currency. If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder or any other Credit Document in one currency into another currency, the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the first currency with such other currency on the Business Day preceding that on which final judgment is given. The obligation of the Borrowers in respect of any such sum due from it to the Administrative Agent or the Lenders hereunder or under the other Credit Documents shall, notwithstanding any judgment in a currency (the "**Judgment Currency**") other than that in which such sum is denominated in accordance with the applicable provisions of this Agreement (the "**Agreement Currency**"), be discharged only to the extent that on the Business Day following receipt by the Administrative Agent of any sum adjudged to be so due in the Judgment Currency, the

Administrative Agent may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency. If the amount of the Agreement Currency so purchased is less than the sum originally due to the Administrative Agent from the Borrowers in the Agreement Currency, the Borrowers agree, as a separate joint and several obligation and notwithstanding any such judgment, to indemnify the Administrative Agent or the Person to whom such obligation was owing against such loss. If the amount of the Agreement Currency so purchased is greater than the sum originally due to the Administrative Agent in such currency, the Administrative Agent agrees to return the amount of any excess to the Borrowers (or to any other Person who may be entitled thereto under applicable law).

13.20 Payments Set Aside. To the extent that any payment by or on behalf of Holdings or the Borrowers is made to any Agent or any Lender, or any Agent or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by such Agent or such Lender in its discretion) to be repaid to a trustee, receiver, or any other party, in connection with any proceeding or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender severally agrees to pay to the Administrative Agent upon demand its applicable share of any amount so recovered from or repaid by any Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the applicable Overnight Rate from time to time in effect.

13.21 No Fiduciary Duty. Each Agent, each Lender and their Affiliates (collectively, solely for purposes of this paragraph, the "**Lenders**"), may have economic interests that conflict with those of the Credit Parties, their stockholders and/or their affiliates. Each Credit Party agrees that nothing in the Credit Documents or otherwise will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between any Lender, on the one hand, and such Credit Party, its stockholders or its affiliates, on the other. The Credit Parties acknowledge and agree that (i) the transactions contemplated by the Credit Documents (including the exercise of rights and remedies hereunder and thereunder) are arm's-length commercial transactions between the Lenders, on the one hand, and the Credit Parties, on the other, and (ii) in connection therewith and with the process leading thereto, (x) no Lender has assumed an advisory or fiduciary responsibility in favor of any Credit Party, its stockholders or its affiliates with respect to the transactions contemplated hereby (or the exercise of rights or remedies with respect thereto) or the process leading thereto (irrespective of whether any Lender has advised, is currently advising or will advise any Credit Party, its stockholders or its Affiliates on other matters) or any other obligation to any Credit Party except the obligations expressly set forth in the Credit Documents and (y) each Lender is acting solely as principal and not as the agent or fiduciary of any Credit Party, its management, stockholders or creditors. Each Credit Party acknowledges and agrees that it has consulted its own legal and financial advisors to the extent it deemed appropriate and that it is responsible for making its own independent judgment with respect to such transactions and the process leading thereto. Each Credit Party agrees that it will not claim that any Lender has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to such Credit Party, in connection with such transaction or the process leading thereto.

13.22 [Reserved].

13.23 [Reserved].

13.24 Designation of a Subsidiary Borrower. The designation of a Subsidiary Borrower pursuant to Section 2.17 is subject to the conditions precedent that the Borrower Representative or such

proposed Subsidiary Borrower shall have furnished or caused to be furnished to the Administrative Agent (or its counsel):

(a) a certificate of such Subsidiary substantially in the form of Exhibit E, with appropriate insertions, executed by the President or any Vice President and the Secretary or any Assistant Secretary of such Subsidiary and attaching the documents referred to in Section 6.6;

(b) an executed legal opinion, in customary form and consistent with the legal opinion with respect to the Company delivered pursuant to Section 6.3, with respect to such Subsidiary;

(c) subject to Section 9.12 and Section 13.1, if such Subsidiary Borrower is not already a Guarantor, all Security Documents, guarantees and other documents and instruments as such Subsidiary Borrower shall be required to deliver to become a Guarantor; and

(d) all documentation and other information required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations.

13.25 Obligations Joint and Several. The Borrowers shall have joint and several liability in respect of all Obligations hereunder and under any other Credit Document to which any Borrower is a party, without regard to any defense (other than the defense of payment), setoff or counterclaim which may at any time be available to or be asserted by any other Credit Party against the Lenders, or by any other circumstance whatsoever (with or without notice to or knowledge of the Borrowers) which constitutes, or might be construed to constitute, an equitable or legal discharge of the Borrowers' liability hereunder, in bankruptcy or in any other instance, and such Obligations of the Borrowers shall not be conditioned or contingent upon the pursuit by the Lenders or any other person at any time of any right or remedy against the Borrowers or against any other person which may be or become liable in respect of all or any part of the Obligations or against any Collateral or Guarantee therefor or right of offset with respect thereto. The Borrowers hereby acknowledge that this Agreement is the independent and several obligation of each Borrower (regardless of which Borrower shall have delivered a Notice of Borrowing) and may be enforced against each Borrower separately, whether or not enforcement of any right or remedy hereunder has been sought against any other Borrower. Each Borrower hereby expressly waives, with respect to any of the Loans made to any other Borrower hereunder and any of the amounts owing hereunder by such other Credit Parties in respect of such Loans, diligence, presentment, demand of payment, protest and all notices whatsoever, and any requirement that the Administrative Agent or any Lender exhaust any right, power or remedy or proceed against such other Credit Parties under this Agreement or any other agreement or instrument referred to herein or against any other person under any other guarantee of, or security for, any of such amounts owing hereunder. Further, the provisions of the Guarantee set forth in Sections 2, 4 and 5 thereof are hereby incorporated by reference and shall be deemed to apply to the Obligations of the Subsidiary Borrowers mutatis mutandis as if set forth herein.

13.26 Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Credit Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Credit Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Credit Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of applicable Resolution Authority.

13.27 Acknowledgement Regarding Any Supported QFCs. To the extent that the Credit Documents provide support, through a guarantee or otherwise, for Hedge Agreements or any other agreement or instrument that is a QFC (such support, "**QFC Credit Support**" and each such QFC a "**Supported QFC**"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "**U.S. Special Resolution Regimes**") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Credit Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York or of the United States or any other state of the United States):

(a) In the event a Covered Entity that is party to a Supported QFC (each, a "**Covered Party**") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Credit Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Credit Documents were governed by the laws of the United States or a state of the United States.

(b) As used in this Section 13.27, the following terms have the following meanings:

"**BHC Act Affiliate**" of a party means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841 (k)) of such party.

"**Covered Entity**" means any of the following:

(i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b)

(ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"**Default Right**" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"**QFC**" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

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BOB'S DISCOUNT FURNITURE, LLC
434 Tolland Turnpike
Manchester, CT 06042

January 21, 2026

William G. Barton
Address on File with the Company

Dear Bill:

I am pleased to confirm your acceptance of our offer for you to continue to be employed by Bob's Discount Furniture, LLC (the "*Employer*") and to serve as President and Chief Executive Officer of Bob's Discount Furniture, Inc. ("*Parent*" and together with the Employer, the "*Company*"). This letter will set forth the terms of the amended and restated employment agreement between you, the Employer and Parent (the "*Agreement*").

1. *Effective Date*. The "*Effective Date*" of this Agreement will be January 21, 2026. The term of your employment (the "*Term*") will continue until terminated pursuant to Section 6.

2. *Duties, etc*. During the Term, you will be employed by the Employer on a full-time basis and serve as Parent's President and Chief Executive Officer, acting at the reasonable discretion of and reporting to the Board of Directors of Parent (the "*Board"*). In addition, during the Term, you will serve as a member of the Board, subject to your election or reelection to the Board by the Company's stockholders. You may from time to time serve without additional consideration (if so directed by the Board) as an officer of any of the Company's subsidiaries or other affiliates. You will perform and discharge your duties and responsibilities faithfully, diligently and to the best of your ability. You will devote substantially all of your working time and efforts to the business and affairs of the Company and its affiliates; provided that (i) you may serve on the board of directors of companies following disclosure to, and the approval of, the Board and (ii) the foregoing will not preclude you from performing reasonable charitable, civic and personal investing duties, in each case, to the extent any such services or duties do not interfere with your duties under this Agreement or violate Section 7 or Section 8.

3. *Compensation*.

(a) During the Term and subject to annual review for increase in the discretion of the Board or the People Committee of the Board (the "*Committee*"), the Company will pay you a base salary (the "*Base Salary*") equal to $1,025,000 per year in accordance with the Company's normal payroll procedures.

(b) You will also be eligible to receive a discretionary annual bonus for each calendar year that ends during the Term. Your target bonus will be 100% of your Base Salary (the "*Target Bonus*") and your annual bonus will range from 0-200% of your Base Salary based on achievement of applicable performance goals set by the Board or the Committee (the amount of such annual bonus actually earned, the "*Annual Bonus*"). Subject to your continued employment through the payment date, except as provided below, any Annual Bonus will be paid promptly following the completion of year-end accounting for the performance year and approval of the bonus calculations by the Board or the People Committee.

(c) You will be eligible to participate in Parent's 2026 Equity Incentive Plan, or such other equity incentive plan of the Company that may be in effect from time to time, subject to such terms and conditions as shall be established by the Board or the People Committee.

(d) During the Term, the Company shall pay or reimburse you for (i) annual membership dues for the Young Presidents Organization and Chief Executives Organization, (ii) reasonable executive coaching expenses of up to $75,000 per year and (iii) one (1) week of continuing executive education (which will not count as vacation days), provided that the Company may terminate or reduce any or all of these benefits in its sole discretion.

4. *Benefits/Expenses*.

(a) During the Term, you will be eligible to participate in all benefit and welfare plans made generally available to senior management of the Company, as in effect from time to time (including, without limitation, the Company's life insurance program and 401(k) program) in accordance with applicable plan terms. In addition, you will be eligible to earn four weeks of vacation time per year (pro-rated for partial years) in accordance with the Company's vacation policy applicable to senior management of the Company. The Company's benefit and welfare plans will be subject to review and modification from time to time.

(b) The Company will reimburse you for reasonable expenses incurred by you in performing services hereunder to the extent such expenses are incurred and accounted for in accordance with the policies and procedures reasonably established by the Company.

5. *Intentionally Omitted*

6. *Termination of Employment*.

(a) You or the Company may terminate your employment for any reason at any time, provided that you are required to provide written notice to the Company at least forty-five (45) days prior to any resignation without Good Reason. Promptly after the date your employment terminates for any reason (the "*Termination Date*"), you will be paid (i) your Base Salary through the Termination Date, (ii) reimbursement for unreimbursed business expenses properly incurred by you, payable in accordance with the policies and procedures reasonably established by the Company, (iii) any accrued but unused paid time off in accordance with Company policy and (iv) all other payments, benefits or fringe benefits to which you are entitled under the terms of any applicable compensation arrangement or benefit, equity or fringe benefit plan or program or grant, provided that, in no event will you be entitled to any severance or termination payments except as specifically provided in this Agreement (collectively, payments in (i) through (iv) hereof, the "*Accrued Benefits*").

(b) If your employment is terminated by the Company for a reason other than for Cause or Disability or by you for Good Reason, the Company will, in addition to the Accrued Benefits but in lieu of any other payments or benefits hereunder or otherwise, (i) pay any Annual Bonus earned in accordance with Section 3(b) for the preceding calendar year that has not been paid to you at the time of such termination (the "*Earned Bonus*"), (ii) continue to pay your Base Salary for a period of twenty-four (24) months following the Termination Date in accordance with the Company's normal payroll procedures ("*Salary Continuation*"), (iii) pay the Annual Bonus that would otherwise have been paid for the calendar year of termination (based on actual performance for that year), pro-rated based on the portion of the calendar year you were

employed by the Company (the "*Pro-Rata Bonus*"), and (iv) reimburse your (and your eligible dependents') health care continuation ("*COBRA*") premiums during the eighteen-month period immediately following termination (provided that such COBRA benefits shall not be provided to the extent that the Company determines that it would result in any fine, penalty or violation of law for being a discriminatory benefit or otherwise) (the "*COBRA Reimbursement*", and, along with the Pro-Rata Bonus, the Earned Bonus and Salary Continuation, the "*Severance Benefits*").

(c) The Severance Payments are conditioned on you signing and not revoking a release of claims in the form attached hereto as Exhibit A (the "*Release*") by the date specified therein (all of which must have occurred no later than sixty (60) days following your Termination Date) and your continued compliance with your obligations under this Agreement (including, without limitation, compliance with Section 7 and Section 8). The first payment of Severance Benefits will commence on the Company's next regular payday that follows the sixtieth (60th) day following your Termination Date and will include all payments that would otherwise have been paid before such date. The Pro-Rata Bonus will be paid when bonuses are otherwise paid to employees for the applicable calendar year. Notwithstanding anything to the contrary herein, in the event of a breach of Section 7 or Section 8 (as determined by the Board in its good faith discretion) your right to receive any further Severance Payments will immediately terminate.

(d) Upon termination of your employment with the Company for any reason, (i) you will immediately resign as an employee, officer or director, as applicable, of the Company and its subsidiaries or other affiliates, and (ii) except as otherwise expressly provided in this Agreement (including, without limitation, in Section 7, Section 8 and Section 14 hereof) and any other agreement with the Company to which you are party, all rights, duties and obligations of you and the Company to each other will cease.

(e) "*Cause*" means, as determined by the Company in its reasonable judgment, your (i) substantial refusal to perform, or substantial negligence or intentional misconduct in the performance of, your reasonable and lawful duties to the Company or any of its affiliates, (ii) material violation of a Company policy or written directive provided in good faith to you by the Board that is consistent with your position; (iii) commission of any act of fraud, willful misrepresentation, misappropriation, embezzlement or any act of similar gravity involving moral turpitude; (iv) commission of a felony or other crime of dishonesty or moral turpitude (or any grand jury indictment, conviction or plea of guilty or no contest with respect thereto); (v) material breach of this Agreement, including, without limitation, the failure to follow the reasonable and lawful directives of the Board in accordance with Section 2 and any breach of Section 7 or Section 8; or (vi) other acts or omissions that, in the reasonable discretion of the Board, materially impair the goodwill or business of the Company or cause material damage to its property, goodwill or business; provided you will have twenty (20) days to cure any violation or breach of clauses (i), (ii) or (v) after receiving written notice thereof from the Company, if any such violation or breach is subject to cure.

(f) "*Disability*" means any illness, injury, accident or condition of either a physical or psychological nature which, despite reasonable accommodations, results in you being unable to perform substantially all the duties of your employment with the Company for a period of ninety (90) consecutive days or one hundred eighty (180) total days during any period of three hundred sixty-five (365) consecutive days.

(g) "*Good Reason*" means any of the following actions that are done without your consent: (i) an adverse change to your title[s], authority, duties or responsibilities as President and Chief Executive Officer of the Company; (ii) a reduction in your Base Salary or Target Bonus or failure to pay your Base Salary or any earned annual bonus (other than in connection with a reduction to base salary applicable to other senior executives of the Company); (iii) a material breach of this Agreement; or (iv) a relocation of your primary work location of more than fifty (50) miles; provided that for an event to constitute Good Reason (A) you must provide written notice to the Board of such event within thirty (30) days of its occurrence, (B) the Company must fail to cure such event in all material respects within thirty (30) days of receipt of such notice and (C) you must terminate employment within five (5) days after the end of such cure period. An event will not constitute Good Reason if the provisions of this section are not satisfied.

7. *Confidentiality; Proprietary Rights*.

(a) Without the written consent of the Board, you will not during the Term or for a period of five (5) years thereafter disclose to any person or entity any confidential or trade secret information obtained by you while in the employ of the Company or its predecessors or successors, or use any such information (other than disclosure to a person or entity to which disclosure is in your reasonable judgment necessary or appropriate in connection with the performance of your duties as an executive manager of the Company or its subsidiaries or other affiliates); provided, however, that nothing herein will limit the disclosure of any information (i) to the extent required by applicable law, regulation or judicial process, provided that you give the Company prompt notice of such required disclosure and a reasonable opportunity to seek protection of the information prior to any such disclosure, or (ii) that becomes generally available to the public other than as a result of its disclosure by you in violation of this Agreement or other contractual obligation with the Company or its affiliate. Additionally, pursuant to the federal Defend Trade Secrets Act, you are informed that an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (A) is made (1) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney and (2) solely for the purpose of reporting or investigating a suspected violation of law; (B) is made to the individual's attorney in relation to a lawsuit for retaliation against the individual for reporting a suspected violation of law; or (C) is made in a complaint or other document filed in a lawsuit or proceeding, if such filing is made under seal.

(b) All processes, methods and other developments conceived, developed or reduced to practice by you during your employment with the Company which are directly or indirectly useful in, or relate to, the business of or services provided by the Company or any of its affiliates shall be promptly and fully disclosed by you to an appropriate executive manager of the Company (accompanied by all papers and other materials relating thereto) and shall be the Company's exclusive property. You will, upon the Company's request and at its expense (but without any additional compensation to you), execute all documents reasonably necessary to assign your right, title and interest in any such development (and to direct issuance to the Company of all copyrights or other registrations with respect thereto).

(c) For the avoidance of doubt, nothing contained in this Agreement (i) limits, restricts or in any other way affects your communicating with any governmental agency or entity, or communicating with any official or staff person of a governmental agency or entity, concerning matters relevant to such governmental agency or entity, including reporting any good faith allegation of unlawful employment practices or criminal conduct or participating in any

related proceeding, or (ii) prevents you from making any truthful statements or disclosures required by law, regulation or legal process, or from requesting or receiving confidential legal advice.

8. *Restricted Activities*. You acknowledge and agree that during the course of your involvement and/or employment with the Company or its subsidiaries, you have had and will continue to have the opportunity to develop relationships with existing employees, vendors, suppliers, customers, strategic partners, licensees, licensors, lessors and other business associates of the Company and its subsidiaries which relationships constitute goodwill of the Company and its subsidiaries, and the Company and its subsidiaries would be irreparably damaged if you were to take actions that would damage or misappropriate such goodwill. Accordingly, you agree as follows:

(a) You acknowledge that the Company and its subsidiaries currently conduct their business throughout the United States (the "*Territory*"). For purposes hereof, the "Territory" shall also include any international market in which the Company or any of its subsidiaries conducts its business or has plans that have been considered by the Board to conduct its business, in either event, prior to the Termination Date. Accordingly, during the Restricted Period (as defined below), you shall not directly or indirectly, either for yourself or for any other person or entity: (i) own, manage, engage in, operate, control, work for, consult with, render services for, or participate in or acquire, maintain any interest in (financial, proprietary or otherwise) any business that engages in the Line of Business (as defined below) within the Territory or (ii) solicit any supplier, vendor, licensee, licensor, or other material business relation of the Company or its subsidiaries to reduce its business with, or diminish the nature of its business or relationship with, the Company or its subsidiaries or otherwise influence or seek to influence such relationship in a manner adverse to the Company and its subsidiaries. For purposes herein, "Line of Business" shall mean the business of the Company or its subsidiaries as conducted as of the date hereof or at any time during your employment or which is under active consideration by the Board at your Termination Date.

(b) Notwithstanding the foregoing, your aggregate passive ownership of no more than two percent (2%) of the outstanding equity securities of any entity, which securities are traded on a national or foreign securities exchange, quoted on the Nasdaq Stock Market or other automated quotation system, and which entity competes with the Company (or any part thereof) within the Territory, shall not be deemed to be giving or lending funds to, otherwise financing or having a financial interest in a competitor. In the event that any entity in which you have any financial or other interest directly or indirectly enters into the Line of Business during the Restricted Period, you shall use reasonable best efforts to divest all of your interest in such entity within thirty (30) days after learning that such entity has entered the Line of Business.

(c) You covenant and agree that during the Restricted Period you will not, directly or indirectly, either for yourself or for any other person or entity, (i) solicit any employee, consultant or agent of the Company (other than your personal assistant or secretary) or any affiliate of the Company to terminate his, her, or its employment or other relationship with the Company or any affiliate of the Company or (ii) hire, employ or engage (or cause to be hired, employed or engaged) any such individual. For the avoidance of doubt, this paragraph will not be violated solely by the placement of a general advertisement or an individual responding to a solicitation by a recruiter with whom you have had no involvement, so long as you do not hire or solicit any such individual responding to such advertisement or solicitation.

(d) "*Restricted Period*" means the period of your employment or service with the Company and its subsidiaries plus two (2) years following the Termination Date.

(e) *Non-Disparagement*. Subject to Section 7(c), you agree not to make negative comments about or otherwise disparage the Company and its affiliates or controlling stockholders, or their officers, directors, employees, shareholders, members, agents or products at any time, either during your employment with the Company or its subsidiaries or thereafter. The Company agrees (i) not to issue a press release disparaging you, and (ii) to direct its executive officers and directors not to, while employed by the Company or serving as a director of the Company, as the case may be, make negative comments about or otherwise disparage you in any manner that is likely to be harmful to your business reputation. The foregoing shall not be violated by truthful statements in response to legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including, without limitation, depositions in connection with such proceedings), by statements that are necessary or appropriate in connection with performing duties and obligations to the Company.

(f) You agree that the restrictions contained in this Section 8 are reasonably necessary for the protection of the Company and its affiliates and that a violation of such provisions will cause damage that may be irreparable or impossible to ascertain and, accordingly, that the Company, in addition to other remedies available to it, will be entitled to injunctive or other similar relief in equity from a court of competent jurisdiction to enforce or restrain a violation of these restrictions without having to post bond, together with an award of reasonable attorney's fees incurred in securing such relief. You further agree that, in the event that any provision of Section 7 or this Section 8 is determined to be unenforceable by reason of its being extended over too great a time, too large a geographic area or too great a range of activities, that provision will be deemed to be modified to permit its enforcement to the maximum extent permitted by law. The Company's affiliates are intended to be, and are, third party beneficiaries of this Agreement and shall be entitled to enforce it in accordance with its terms.

9. *Successors and Assigns*. Neither you nor the Company may assign this Agreement or any rights or obligations hereunder, by operation of law or otherwise, without the prior written consent of the other party; provided, however, that in the event of a consolidation or merger of the Company in which the Company is not the surviving entity, or the sale or transfer of all or substantially all the Company's assets, the Company may assign this Agreement to such surviving or acquiring entity. This Agreement will inure to the benefit of and be binding upon you and the Company and your and the Company's respective successors, executors, administrators, heirs and permitted assigns.

10. *Miscellaneous*. The headings in this letter are for convenience only and will not affect the meaning hereof. This Agreement constitutes the entire agreement between the Company and you, and supersedes any prior communications, agreements and understandings, written or oral, with respect to your employment and compensation and all matters pertaining thereto, including but not limited to the employment agreement between you and Bob's Discount Furniture Holdings, LLC dated September 18, 2020. If any provision in this letter should, for any reason, be held invalid or unenforceable in any respect, it will be construed and reformed by limiting it so as to be enforceable to the maximum extent compatible with applicable law. This Agreement shall be governed by and construed in accordance with the internal substantive laws of the State of Connecticut without giving effect to any choice or conflict of laws provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction. Each party to

this Agreement, by its execution hereof, hereby irrevocably submits to the exclusive jurisdiction of the state courts of the State of Connecticut or the United States District Court located in the State of Connecticut for the purpose of any claim or proceeding between the parties arising in whole or in part in connection with this Agreement, and agrees to bring any such claim or proceeding only in Hartford County, Connecticut. No modification, amendment or waiver of this Agreement shall be effective unless in writing signed by you and the Company. Any such waiver shall be effective only in the specific instance and for the purpose for which given unless otherwise specified therein. You represent that your acceptance of this Agreement and performance of your obligations under this Agreement do not conflict with or violate the terms of any agreement by which you are bound, including any post-employment covenants or obligations to any other employer, entity or person.

11. *Section 409A*. For purposes of this Agreement, all references to "*termination of employment*" and correlative phrases shall be construed to require a "*separation from service*" (as defined in Section 1.409A-l(h) of the Treasury regulations after giving effect to the presumptions contained therein). Each payment made under this Agreement shall be treated as a separate payment and the right to a series of installment payments under this Agreement is to be treated as a right to a series of separate payments. If you are determined to be a "specified employee" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended ("*Section 409A*") at the time of your separation from service then, to the extent necessary to prevent any accelerated or additional tax under Section 409A, payment of any amounts under this Agreement constituting nonqualified deferred compensation subject to Section 409A will be delayed until the earlier of (i) the date that is six months and one day following your separation from service or (ii) your death. Any reimbursement for expenses that would constitute nonqualified deferred compensation subject to Section 409A shall be subject to the following additional rules: (a) no payment or reimbursement of any such expense shall affect your right to reimbursement of any such expense in any other taxable year; (b) payment or reimbursement of the expense shall be made, if at all, promptly, but not later than the end of the calendar year following the calendar year in which the expense was incurred; and (c) the right to payment or reimbursement shall not be subject to liquidation or exchange for any other benefit.

12. *Withholding*. The Company may withhold from, any and all amounts payable under this Agreement or otherwise such federal, state and local taxes as may be required to be withheld pursuant to any applicable law or regulation.

13. *Survival*. Except as contemplated by the following sentence, this Agreement will terminate upon the Termination Date. Notwithstanding anything herein to the contrary, Sections 6, 7, 8, 9, 10, 11 and 12 will continue to apply in accordance with their terms following the Termination Date.

14. *Indemnification*. The Company will indemnify you and provide you with directors and officers insurance coverage on the same basis as other directors and executive officers of the Company.

15. *Acceptance*. In accepting this Agreement, you represent that you have not relied on any agreement or representation, oral or written, express or implied, that is not set forth expressly in this Agreement.

Please indicate your agreement with the foregoing by signing the enclosed counterpart of this letter in the space provided below for such purpose and returning such signed counterpart to us.

[The remainder of this page is intentionally left blank.]

Very truly yours,

BOB'S DISCOUNT FURNITURE, LLC

By: /s/ Ryan Schaffer
Name: Ryan Schaffer
Title: Chief Legal & Development Officer

BOB'S DISCOUNT FURNITURE, INC.

By: /s/ Ryan Schaffer
Name: Ryan Schaffer
Title: Chief Legal & Development Officer

Accepted and Agreed To:

/s/ William G. Barton

William G. Barton

Exhibit A

GENERAL RELEASE

William G. Barton, in consideration of and subject to the performance by Bob's Discount Furniture, Inc. (together with its subsidiaries, the "*Company*"), of its obligations under the Employment Agreement dated as of January 21, 2026 (the "*Agreement*"), does hereby release and forever discharge as of the date hereof the Company and its respective affiliates and all present, former and future managers, directors, officers, employees, successors and assigns of the Company and its respective affiliates and direct or indirect owners (collectively, the "*Released Parties*") to the extent provided below (this "*General Release*"). The Released Parties are intended to be third- party beneficiaries of this General Release, and this General Release may be enforced by each of them in accordance with the terms hereof in respect of the rights granted to such Released Parties hereunder. Terms used herein but not otherwise defined will have the meanings given to them in the Agreement.

1. I understand that any payments or benefits paid or granted to me represent (which are summarized conclusively on Exhibit A to this General Release) represent, in part, consideration for signing this General Release and are not salary, wages or benefits to which I was already entitled. I understand and agree that I will not receive the payments and benefits summarized in Exhibit A unless I execute this General Release within the time period permitted hereafter and do not revoke this General Release as permitted by its terms. Such payments and benefits will not be considered compensation for purposes of any employee benefit plan, program, policy or arrangement maintained or hereafter established by the Company or its affiliates.

2. Except as provided in paragraphs 4 and 5 below and except for the provisions of the Agreement which expressly survive the termination of my employment with the Company, I knowingly and voluntarily (for myself, my heirs, executors, administrators and assigns) release and forever discharge the Company and the other Released Parties from any and all claims, suits, controversies, actions, causes of action, cross-claims, counter-claims, demands, debts, agreements, promises, obligations, compensatory damages, liquidated damages, punitive or exemplary damages, other damages, claims for costs and attorneys' fees, or liabilities of any nature whatsoever in law and in equity, both past and present (through the date that this General Release becomes effective and enforceable) and whether known or unknown, suspected, or claimed against the Company or any of the Released Parties which I, my spouse, or any of my heirs, executors, administrators or assigns, may have, including those that arise out of or are connected with my employment with, or my separation or termination from, the Company (including, but not limited to, any allegation, claim or violation, arising under: Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991; the Age Discrimination in Employment Act of 1967, as amended (including the Older Workers Benefit Protection Act); the Equal Pay Act of 1963, as amended; the Americans with Disabilities Act of 1990; the Family and Medical Leave Act of 1993; the Worker Adjustment Retraining and Notification Act; the Employee Retirement Income Security Act of 1974; any applicable Executive Order Programs; the Fair Labor Standards Act; or their state or local counterparts; or under any other federal, state or local civil or human rights law, or under any other local, state, or federal law, regulation or ordinance; or under any public policy, contract or tort, or under common law; or arising under any policies, practices or procedures of the Company; or any claim for wrongful discharge, breach of contract, infliction of emotional distress, defamation; or any claim for costs, fees, or other expenses, including attorneys' fees incurred in these matters) (all of the foregoing collectively referred to herein as the "*Released Claims*").

3. I represent that I have made no assignment or transfer of any right, claim, demand, cause of action, or other matter covered by paragraph 2 above.

4. I agree that this General Release does not waive or release any rights or claims that I may have under the Age Discrimination in Employment Act of 1967 which arise after the date I execute this General Release. I acknowledge and agree that my separation from employment with the Company in compliance with the terms of the Agreement will not serve as the basis for any claim or action (including, without limitation, any claim under the Age Discrimination in Employment Act of 1967).

5. I agree that I hereby waive all rights to sue or obtain equitable, remedial or punitive relief from any or all Released Parties of any kind whatsoever in respect of any Released Claim, including, without limitation, reinstatement, back pay, front pay, and any form of injunctive relief. Notwithstanding the above, I further acknowledge that I am not waiving and am not being required to waive any right that cannot be waived under law, including the right to file an administrative charge or participate in an administrative investigation or proceeding; provided, however, that I disclaim and waive any right to share or participate in any monetary award resulting from the prosecution of such charge or investigation or proceeding. Additionally, I am not waiving, and the Released Claims do not include: (i) any right to any Accrued Benefits or any severance or other benefits to which I am entitled under the Agreement (including, without limitation, the payments and benefits summarized in Exhibit A, which it is acknowledged I am entitled to receive as provided therein), (ii) any claim relating to directors' and officers' liability insurance coverage or any right of indemnification (or advancement of legal fees) under the Company's organizational documents or otherwise, (iii) my rights as an equity or security holder in the Company or its affiliates, including, without limitation, any applicable sale, merger or transaction agreement with respect thereto or (iv) my rights under this General Release.

6. In signing this General Release, I acknowledge and intend that it will be effective as a bar to each and every one of the Released Claims hereinabove mentioned or implied. I expressly consent that this General Release will be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Released Claims (notwithstanding any state or local statute that expressly limits the effectiveness of a general release of unknown, unsuspected and unanticipated claims), if any, as well as those relating to any other Released Claims hereinabove mentioned or implied. I acknowledge and agree that this waiver is an essential and material term of this General Release and that without such waiver the Company would not have agreed to the terms of the Agreement. I further agree that in the event I should bring a Released Claim seeking damages against the Company, or in the event I should seek to recover against the Company in any Released Claim brought by a governmental agency on my behalf, this General Release will serve as a complete defense to such Released Claims to the maximum extent permitted by law. I further agree that I am not aware of any pending claim of the type described in paragraph 2 above as of the execution of this General Release.

7. I agree that neither this General Release, nor the furnishing of the consideration for this General Release, will be deemed or construed at any time to be an admission by the Company, any Released Party or myself of any improper or unlawful conduct.

8. I agree that the terms of this General Release are confidential and agree not to disclose any information regarding the terms of this General Release, except to my immediate family and any tax, legal or other counsel I have consulted regarding the meaning or effect hereof or as required by law, and I will instruct each of the foregoing not to disclose the same to anyone. I may disclose the terms of the General Release to governmental entities.

9. Any non-disclosure provision in this General Release does not prohibit or restrict me (or my attorney) from responding to any inquiry about this General Release or its underlying facts and circumstances by the Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority (FINRA), any other self-regulatory organization or any governmental entity and nothing herein shall prohibit me from accepting any U.S. Securities and Exchange Commission awards.

10. I hereby acknowledge that Sections 6 through 14 of the Agreement will survive my execution of this General Release in accordance with their terms.

11. I represent that I am not aware of any claim by me other than the claims that are released by this General Release. I acknowledge that I may hereafter discover claims or facts in addition to or different than those which I now know or believe to exist with respect to the subject matter of the release set forth in paragraph 2 above and which, if known or suspected at the time of entering into this General Release, may have materially affected this General Release and my decision to enter into it.

12. Notwithstanding anything in this General Release to the contrary, this General Release will not relinquish, diminish, or in any way affect any rights or claims arising out of any breach by the Company or by any Released Party of the Agreement after the date hereof.

13. Whenever possible, each provision of this General Release will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this General Release is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this General Release will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

BY SIGNING THIS GENERAL RELEASE, I REPRESENT AND AGREE THAT:

(i) I HAVE READ IT CAREFULLY;

(ii) I UNDERSTAND ALL OF ITS TERMS AND KNOW THAT I AM GIVING UP IMPORTANT RIGHTS, INCLUDING BUT NOT LIMITED TO, RIGHTS UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967, AS AMENDED; TITLE VII OF THE CIVIL RIGHTS ACT OF 1964, AS AMENDED; THE EQUAL PAY ACT OF 1963; THE AMERICANS WITH DISABILITIES ACT OF 1990; AND THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED;

(iii) I VOLUNTARILY CONSENT TO EVERYTHING IN IT;

(iv) I HAVE BEEN ADVISED TO CONSULT WITH AN ATTORNEY BEFORE EXECUTING IT AND I HAVE DONE SO OR, AFTER CAREFUL READING AND CONSIDERATION, I HAVE CHOSEN NOT TO DO SO OF MY OWN VOLITION;

(v) I HAVE HAD AT LEAST [TWENTY-ONE (21)]/[FORTY-FIVE (45)] DAYS FROM THE DATE OF MY RECEIPT OF THIS RELEASE TO CONSIDER IT, AND THE CHANGES MADE SINCE MY RECEIPT OF THIS RELEASE ARE NOT MATERIAL OR WERE MADE AT MY REQUEST AND WILL NOT RESTART THE REQUIRED [TWENTY-ONE (21)]/[FORTY- FIVE (45)]-DAY PERIOD;

(vi) I UNDERSTAND THAT I HAVE SEVEN (7) DAYS AFTER THE EXECUTION OF THIS RELEASE TO REVOKE IT AND THAT THIS RELEASE WILL NOT BECOME EFFECTIVE OR ENFORCEABLE UNTIL THE REVOCATION PERIOD HAS EXPIRED;

(vii) I HAVE SIGNED THIS GENERAL RELEASE KNOWINGLY AND VOLUNTARILY AND WITH THE ADVICE OF ANY COUNSEL RETAINED TO ADVISE ME WITH RESPECT TO IT; AND

(viii) I AGREE THAT THE PROVISIONS OF THIS GENERAL RELEASE MAY NOT BE AMENDED, WAIVED, CHANGED OR MODIFIED EXCEPT BY AN INSTRUMENT IN WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE COMPANY AND BY ME.

SIGNED:_____

BOB'S DISCOUNT FURNITURE, LLC
434 Tolland Turnpike
Manchester, CT 06042

January 21, 2026

Carl Lukach
Address on File with the Company

Dear Carl:

I am pleased to confirm your acceptance of our offer for you to continue to be employed by Bob's Discount Furniture, LLC (the "*Employer*") and to serve as Executive Vice President and Chief Financial Officer of Bob's Discount Furniture, Inc. ("*Parent*" and together with the Employer, the "*Company*"). This letter will set forth the terms of the amended and restated employment agreement between you, the Employer and Parent (the "*Agreement*").

1. *Effective Date*. The "*Effective Date*" of this Agreement will be January 21, 2026. The term of your employment (the "*Term*") will continue until terminated pursuant to Section 6.

2. *Duties, etc*. During the Term, you will be employed by the Employer on a full-time basis and serve as Parent's Executive Vice President and Chief Financial Officer, acting at the discretion of and reporting to the President and Chief Executive Officer of Parent or his designee. In addition, you may from time to time serve (if so directed by the President and Chief Executive Officer or his designee) as an officer of any of the Company's subsidiaries or other affiliates. You will perform and discharge your duties and responsibilities faithfully, diligently and to the best of your ability. You will devote substantially all of your working time and efforts to the business and affairs of the Company and its affiliates.

3. *Compensation*.

(a) During the Term and subject to annual review for increase in the discretion of the Board of Directors of Parent (the "*Board"*) or the People Committee of the Board (the "*People Committee*"), the Company will pay you a base salary (the "*Base Salary*") equal to $527,902 per year in accordance with the Company's normal payroll procedures.

(b) You will also be eligible to receive a discretionary annual bonus for each calendar year that ends during the Term. Your target bonus will be 60% of your Base Salary (the "*Target Bonus*") and your annual bonus will range from 0-150% of your Base Salary based on achievement of applicable performance goals set by the Board or the People Committee (the amount of such annual bonus actually earned, the "*Annual Bonus*"). Subject to your continued employment through the payment date, except as provided below, any Annual Bonus will be paid promptly following the completion of year-end accounting for the performance year and approval of the bonus calculations by the Board or the People Committee.

(c) You will be eligible to participate in Parent's 2026 Equity Incentive Plan, or such other equity incentive plan of the Company that may be in effect from time to time, subject to such terms and conditions as shall be established by the Board or the People Committee.

4. *Benefits/Expenses*.

(a) During the Term, you will be eligible to participate in all benefit and welfare plans made generally available to senior management of the Company, as in effect from time to time (including, without limitation, the Company's life insurance program and 401(k) program) in accordance with applicable plan terms. In addition, you will be eligible to earn four weeks of vacation time per year (pro-rated for partial years) in accordance with the Company's vacation policy applicable to senior management of the Company. The Company's benefit and welfare plans will be subject to review and modification from time to time.

(b) The Company will reimburse you for reasonable expenses incurred by you in performing services hereunder to the extent such expenses are incurred and accounted for in accordance with the policies and procedures reasonably established by the Company.

5. *Intentionally Omitted.*

6. *Termination of Employment*.

(a) You or the Company may terminate your employment for any reason at any time, provided that you are required to provide written notice to the Company at least forty-five (45) days prior to any resignation without Good Reason. Promptly after the date your employment terminates for any reason (the "*Termination Date*"), you will be paid (i) your Base Salary through the Termination Date, (ii) reimbursement for unreimbursed business expenses properly incurred by you, payable in accordance with the policies and procedures reasonably established by the Company, (iii) any accrued but unused paid time off in accordance with Company policy and (iv) all other payments, benefits or fringe benefits to which you are entitled under the terms of any applicable compensation arrangement or benefit, equity or fringe benefit plan or program or grant, provided that, in no event will you be entitled to any severance or termination payments except as specifically provided in this Agreement (collectively, payments in (i) through (iv) hereof, the "*Accrued Benefits*").

(b) If your employment is terminated by the Company for a reason other than for Cause or Disability or by you for Good Reason, the Company will, in addition to the Accrued Benefits but in lieu of any other payments or benefits hereunder or otherwise, (i) pay any Annual Bonus earned in accordance with Section 3(b) for the preceding calendar year that has not been paid to you at the time of such termination (the "*Earned Bonus*"), (ii) continue to pay your Base Salary for a period of twelve (12) months following the Termination Date in accordance with the Company's normal payroll procedures ("*Salary Continuation*"), (iii) pay the Annual Bonus that would otherwise have been paid for the calendar year of termination (based on actual performance for that year), pro-rated based on the portion of the calendar year you were employed by the Company (the "*Pro-Rata Bonus*"), and (iv) reimburse your (and your eligible dependents') health care continuation ("*COBRA*") premiums during the eighteen-month period immediately following termination (provided that such COBRA benefits shall not be provided to the extent that the Company determines that it would result in any fine, penalty or violation of law for being a discriminatory benefit or otherwise) (the "*COBRA Reimbursement*", and, along with the Pro-Rata Bonus, the Earned Bonus and Salary Continuation, the "*Severance Benefits*').

(c) The Severance Payments are conditioned on you signing and not revoking a release of claims in the form attached hereto as Exhibit A (the "*Release*") by the date specified

therein (all of which must have occurred no later than sixty (60) days following your Termination Date) and your continued compliance with your obligations under this Agreement (including, without limitation, compliance with Section 7 and Section 8). The first payment of Severance Benefits will commence on the Company's next regular payday that follows the sixtieth (60th) day following your Termination Date and will include all payments that would otherwise have been paid before such date. The Pro-Rata Bonus will be paid when bonuses are otherwise paid to employees for the applicable calendar year. Notwithstanding anything to the contrary herein, in the event of a breach of Section 7 or Section 8 (as determined by the Board in its good faith discretion) your right to receive any further Severance Payments will immediately terminate.

(d) Upon termination of your employment with the Company for any reason, (i) you will immediately resign as an employee and officer as applicable, of the Company and its subsidiaries or other affiliates, and (ii) except as otherwise expressly provided in this Agreement (including, without limitation, in Section 7, Section 8 and Section 14 hereof) and any other agreement with the Company to which you are party, all rights, duties and obligations of you and the Company to each other will cease.

(e) "*Cause*" means, as determined by the Company in its reasonable judgment, your (i) substantial refusal to perform, or substantial negligence or intentional misconduct in the performance of, your reasonable and lawful duties to the Company or any of its affiliates, (ii) material violation of a Company policy or written directive provided in good faith to you by the Board that is consistent with your position; (iii) commission of any act of fraud, willful misrepresentation, misappropriation, embezzlement or any act of similar gravity involving moral turpitude; (iv) commission of a felony or other crime of dishonesty or moral turpitude (or any grand jury indictment, conviction or plea of guilty or no contest with respect thereto); (v) material breach of this Agreement, including, without limitation, the failure to follow the reasonable and lawful directives of the Board in accordance with Section 2 and any breach of Section 7 or Section 8; or (vi) other acts or omissions that, in the reasonable discretion of the Board, materially impair the goodwill or business of the Company or cause material damage to its property, goodwill or business; provided you will have twenty (20) days to cure any violation or breach of clauses (i), (ii) or (v) after receiving written notice thereof from the Company, if any such violation or breach is subject to cure.

(f) "*Disability*" means any illness, injury, accident or condition of either a physical or psychological nature which, despite reasonable accommodations, results in you being unable to perform substantially all the duties of your employment with the Company for a period of ninety (90) consecutive days or one hundred eighty (180) total days during any period of three hundred sixty-five (365) consecutive days.

(g) "*Good Reason*" means any of the following actions that are done without your consent: (i) an adverse change to your title[s], authority, duties or responsibilities as Executive Vice President, Chief Financial Officer of Parent; (ii) a reduction in your Base Salary or Target Bonus or failure to pay your Base Salary or any earned annual bonus (other than in connection with a reduction to base salary applicable to other senior executives of the Company); (iii) a material breach of this Agreement; or (iv) a relocation of your primary work location of more than fifty (50) miles; provided that for an event to constitute Good Reason (A) you must provide written notice to the Board of such event within thirty (30) days of its occurrence, (B) the Company must fail to cure such event in all material respects within thirty (30) days of receipt of such notice and (C) you must terminate employment within five (5) days after the end of such

cure period. An event will not constitute Good Reason if the provisions of this section are not satisfied.

7. *Confidentiality; Proprietary Rights*.

(a) Without the written consent of the Board, you will not during the Term or for a period of five (5) years thereafter disclose to any person or entity any confidential or trade secret information obtained by you while in the employ of the Company or its predecessors or successors, or use any such information (other than disclosure to a person or entity to which disclosure is in your reasonable judgment necessary or appropriate in connection with the performance of your duties as an executive manager of the Company or its subsidiaries or other affiliates); provided, however, that nothing herein will limit the disclosure of any information (i) to the extent required by applicable law, regulation or judicial process, provided that you give the Company prompt notice of such required disclosure and a reasonable opportunity to seek protection of the information prior to any such disclosure, or (ii) that becomes generally available to the public other than as a result of its disclosure by you in violation of this Agreement or other contractual obligation with the Company or its affiliate. Additionally, pursuant to the federal Defend Trade Secrets Act, you are informed that an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (A) is made (1) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney and (2) solely for the purpose of reporting or investigating a suspected violation of law; (B) is made to the individual's attorney in relation to a lawsuit for retaliation against the individual for reporting a suspected violation of law; or (C) is made in a complaint or other document filed in a lawsuit or proceeding, if such filing is made under seal.

(b) All processes, methods and other developments conceived, developed or reduced to practice by you during your employment with the Company which are directly or indirectly useful in, or relate to, the business of or services provided by the Company or any of its affiliates shall be promptly and fully disclosed by you to an appropriate executive manager of the Company (accompanied by all papers and other materials relating thereto) and shall be the Company's exclusive property. You will, upon the Company's request and at its expense (but without any additional compensation to you), execute all documents reasonably necessary to assign your right, title and interest in any such development (and to direct issuance to the Company of all copyrights or other registrations with respect thereto).

(c) For the avoidance of doubt, nothing contained in this Agreement (i) limits, restricts or in any other way affects your communicating with any governmental agency or entity, or communicating with any official or staff person of a governmental agency or entity, concerning matters relevant to such governmental agency or entity, including reporting any good faith allegation of unlawful employment practices or criminal conduct or participating in any related proceeding, or (ii) prevents you from making any truthful statements or disclosures required by law, regulation or legal process, or from requesting or receiving confidential legal advice.

8. *Restricted Activities*. You acknowledge and agree that during the course of your involvement and/or employment with the Company or its subsidiaries, you have had and will continue to have the opportunity to develop relationships with existing employees, vendors, suppliers, customers, strategic partners, licensees, licensors, lessors and other business associates of the Company and its subsidiaries which relationships constitute goodwill of the Company and

its subsidiaries, and the Company and its subsidiaries would be irreparably damaged if you were to take actions that would damage or misappropriate such goodwill. Accordingly, you agree as follows:

(a) You acknowledge that the Company and its subsidiaries currently conduct their business throughout the United States (the "*Territory*"). For purposes hereof, the "Territory" shall also include any international market in which the Company or any of its subsidiaries conducts its business or has plans that have been considered by the Board to conduct its business, in either event, prior to the Termination Date. Accordingly, during the Restricted Period (as defined below), you shall not directly or indirectly, either for yourself or for any other person or entity: (i) own, manage, engage in, operate, control, work for, consult with, render services for, or participate in or acquire, maintain any interest in (financial, proprietary or otherwise) any business that engages in the Line of Business (as defined below) within the Territory or (ii) solicit any supplier, vendor, licensee, licensor, or other material business relation of the Company or its subsidiaries to reduce its business with, or diminish the nature of its business or relationship with, the Company or its subsidiaries or otherwise influence or seek to influence such relationship in a manner adverse to the Company and its subsidiaries. For purposes herein, "Line of Business" shall mean the business of the Company or its subsidiaries as conducted as of the date hereof or at any time during your employment or which is under active consideration by the Board at your Termination Date.

(b) Notwithstanding the foregoing, your aggregate passive ownership of no more than two percent (2%) of the outstanding equity securities of any entity, which securities are traded on a national or foreign securities exchange, quoted on the Nasdaq Stock Market or other automated quotation system, and which entity competes with the Company (or any part thereof) within the Territory, shall not be deemed to be giving or lending funds to, otherwise financing or having a financial interest in a competitor. In the event that any entity in which you have any financial or other interest directly or indirectly enters into the Line of Business during the Restricted Period, you shall use reasonable best efforts to divest all of your interest in such entity within thirty (30) days after learning that such entity has entered the Line of Business.

(c) You covenant and agree that during the Restricted Period you will not, directly or indirectly, either for yourself or for any other person or entity, (i) solicit any employee, consultant or agent of the Company (other than your personal assistant or secretary) or any affiliate of the Company to terminate his, her, or its employment or other relationship with the Company or any affiliate of the Company or (ii) hire, employ or engage (or cause to be hired, employed or engaged) any such individual. For the avoidance of doubt, this paragraph will not be violated solely by the placement of a general advertisement or an individual responding to a solicitation by a recruiter with whom you have had no involvement, so long as you do not hire or solicit any such individual responding to such advertisement or solicitation.

(d) "*Restricted Period*" means the period of your employment or service with the Company and its subsidiaries plus two (2) years following the Termination Date.

(e) *Non-Disparagement*. Subject to Section 7(c), you agree not to make negative comments about or otherwise disparage the Company and its affiliates or controlling stockholders, or their officers, directors, employees, shareholders, members, agents or products at any time, either during your employment with the Company or its subsidiaries or thereafter. The Company agrees (i) not to issue a press release disparaging you, and (ii) to direct its executive

officers and directors not to, while employed by the Company or serving as a director of the Company, as the case may be, make negative comments about or otherwise disparage you in any manner that is likely to be harmful to your business reputation. The foregoing shall not be violated by truthful statements in response to legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including, without limitation, depositions in connection with such proceedings), by statements that are necessary or appropriate in connection with performing duties and obligations to the Company.

(f) You agree that the restrictions contained in this Section 8 are reasonably necessary for the protection of the Company and its affiliates and that a violation of such provisions will cause damage that may be irreparable or impossible to ascertain and, accordingly, that the Company, in addition to other remedies available to it, will be entitled to injunctive or other similar relief in equity from a court of competent jurisdiction to enforce or restrain a violation of these restrictions without having to post bond, together with an award of reasonable attorney's fees incurred in securing such relief. You further agree that, in the event that any provision of Section 7 or this Section 8 is determined to be unenforceable by reason of its being extended over too great a time, too large a geographic area or too great a range of activities, that provision will be deemed to be modified to permit its enforcement to the maximum extent permitted by law. The Company's affiliates are intended to be, and are, third party beneficiaries of this Agreement and shall be entitled to enforce it in accordance with its terms.

9. *Successors and Assigns*. Neither you nor the Company may assign this Agreement or any rights or obligations hereunder, by operation of law or otherwise, without the prior written consent of the other party; provided, however, that in the event of a consolidation or merger of the Company in which the Company is not the surviving entity, or the sale or transfer of all or substantially all the Company's assets, the Company may assign this Agreement to such surviving or acquiring entity. This Agreement will inure to the benefit of and be binding upon you and the Company and your and the Company's respective successors, executors, administrators, heirs and permitted assigns.

10. *Miscellaneous*. The headings in this letter are for convenience only and will not affect the meaning hereof. This Agreement constitutes the entire agreement between the Company and you, and supersedes any prior communications, agreements and understandings, written or oral, with respect to your employment and compensation and all matters pertaining thereto, including but not limited to the employment agreement between you and Bob's Discount Furniture Holdings, LLC dated May 12, 2023. If any provision in this letter should, for any reason, be held invalid or unenforceable in any respect, it will be construed and reformed by limiting it so as to be enforceable to the maximum extent compatible with applicable law. This Agreement shall be governed by and construed in accordance with the internal substantive laws of the State of Connecticut without giving effect to any choice or conflict of laws provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction. Each party to this Agreement, by its execution hereof, hereby irrevocably submits to the exclusive jurisdiction of the state courts of the State of Connecticut or the United States District Court located in the State of Connecticut for the purpose of any claim or proceeding between the parties arising in whole or in part in connection with this Agreement, and agrees to bring any such claim or proceeding only in Hartford County, Connecticut. No modification, amendment or waiver of this Agreement shall be effective unless in writing signed by you and the Company. Any such waiver shall be effective only in the specific instance and for the purpose for which given unless otherwise specified therein. You represent that your acceptance of this Agreement and

performance of your obligations under this Agreement do not conflict with or violate the terms of any agreement by which you are bound, including any post-employment covenants or obligations to any other employer, entity or person.

11. *Section 409A*. For purposes of this Agreement, all references to "termination of employment" and correlative phrases shall be construed to require a "separation from service" (as defined in Section 1.409A-1(h) of the Treasury regulations after giving effect to the presumptions contained therein). Each payment made under this Agreement shall be treated as a separate payment and the right to a series of installment payments under this Agreement is to be treated as a right to a series of separate payments. If you are determined to be a "specified employee" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended ("*Section 409A*") at the time of your separation from service then, to the extent necessary to prevent any accelerated or additional tax under Section 409A, payment of any amounts under this Agreement constituting nonqualified deferred compensation subject to Section 409A will be delayed until the earlier of (i) the date that is six months and one day following your separation from service or (ii) your death. Any reimbursement for expenses that would constitute nonqualified deferred compensation subject to Section 409A shall be subject to the following additional rules: (a) no payment or reimbursement of any such expense shall affect your right to reimbursement of any such expense in any other taxable year; (b) payment or reimbursement of the expense shall be made, if at all, promptly, but not later than the end of the calendar year following the calendar year in which the expense was incurred; and (c) the right to payment or reimbursement shall not be subject to liquidation or exchange for any other benefit.

12. *Withholding*. The Company may withhold from any and all amounts payable under this Agreement or otherwise such federal, state and local taxes as may be required to be withheld pursuant to any applicable law or regulation.

13. *Survival*. Except as contemplated by the following sentence, this Agreement will terminate upon the Termination Date. Notwithstanding anything herein to the contrary, Sections 6, 7, 8, 9, 10, 11 and 12 will continue to apply in accordance with their terms following the Termination Date.

14. *Indemnification*. The Company will indemnify you and provide you with directors and officers insurance coverage on the same basis as other directors and executive officers of the Company.

15. *Acceptance*. In accepting this Agreement, you represent that you have not relied on any agreement or representation, oral or written, express or implied, that is not set forth expressly in this Agreement.

Please indicate your agreement with the foregoing by signing the enclosed counterpart of this letter in the space provided below for such purpose and returning such signed counterpart to us.

[The remainder of this page is intentionally left blank.]

Very truly yours,

BOB'S DISCOUNT FURNITURE, LLC

By: /s/ Ryan Schaffer
Name: Ryan Schaffer
Title: Chief Legal & Development Officer

BOB'S DISCOUNT FURNITURE, INC.

By: /s/ Ryan Schaffer
Name: Ryan Schaffer
Title: Chief Legal & Development Officer

Accepted and Agreed To:

/s/ Carl Lukach

Carl Lukach

Exhibit A

GENERAL RELEASE

Carl Lukach, in consideration of and subject to the performance by Bob's Discount Furniture, Inc. (together with its subsidiaries, the "*Company*"), of its obligations under the Employment Agreement dated as of January 21, 2026 (the "*Agreement*"), does hereby release and forever discharge as of the date hereof the Company and its respective affiliates and all present, former and future managers, directors, officers, employees, successors and assigns of the Company and its respective affiliates and direct or indirect owners (collectively, the "*Released Parties*") to the extent provided below (this "*General Release*"). The Released Parties are intended to be third- party beneficiaries of this General Release, and this General Release may be enforced by each of them in accordance with the terms hereof in respect of the rights granted to such Released Parties hereunder. Terms used herein but not otherwise defined will have the meanings given to them in the Agreement.

1. I understand that any payments or benefits paid or granted to me represent (which are summarized conclusively on Exhibit A to this General Release) represent, in part, consideration for signing this General Release and are not salary, wages or benefits to which I was already entitled. I understand and agree that I will not receive the payments and benefits summarized in Exhibit A unless I execute this General Release within the time period permitted hereafter and do not revoke this General Release as permitted by its terms. Such payments and benefits will not be considered compensation for purposes of any employee benefit plan, program, policy or arrangement maintained or hereafter established by the Company or its affiliates.

2. Except as provided in paragraphs 4 and 5 below and except for the provisions of the Agreement which expressly survive the termination of my employment with the Company, I knowingly and voluntarily (for myself, my heirs, executors, administrators and assigns) release and forever discharge the Company and the other Released Parties from any and all claims, suits, controversies, actions, causes of action, cross-claims, counter-claims, demands, debts, agreements, promises, obligations, compensatory damages, liquidated damages, punitive or exemplary damages, other damages, claims for costs and attorneys' fees, or liabilities of any nature whatsoever in law and in equity, both past and present (through the date that this General Release becomes effective and enforceable) and whether known or unknown, suspected, or claimed against the Company or any of the Released Parties which I, my spouse, or any of my heirs, executors, administrators or assigns, may have, including those that arise out of or are connected with my employment with, or my separation or termination from, the Company (including, but not limited to, any allegation, claim or violation, arising under: Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991; the Age Discrimination in Employment Act of 1967, as amended (including the Older Workers Benefit Protection Act); the Equal Pay Act of 1963, as amended; the Americans with Disabilities Act of 1990; the Family and Medical Leave Act of 1993; the Worker Adjustment Retraining and Notification Act; the Employee Retirement Income Security Act of 1974; any applicable Executive Order Programs; the Fair Labor Standards Act; or their state or local counterparts; or under any other federal, state or local civil or human rights law, or under any other local, state, or federal law, regulation or ordinance; or under any public policy, contract or tort, or under common law; or arising under any policies, practices or procedures of the Company; or any claim for wrongful discharge, breach of contract, infliction of emotional distress, defamation; or any claim for costs, fees, or other expenses, including attorneys' fees incurred in these matters) (all of the foregoing collectively referred to herein as the "*Released Claims*").

3. I represent that I have made no assignment or transfer of any right, claim, demand, cause of action, or other matter covered by paragraph 2 above.

4. I agree that this General Release does not waive or release any rights or claims that I may have under the Age Discrimination in Employment Act of 1967 which arise after the date I execute this General Release. I acknowledge and agree that my separation from employment with the Company in compliance with the terms of the Agreement will not serve as the basis for any claim or action (including, without limitation, any claim under the Age Discrimination in Employment Act of 1967).

5. I agree that I hereby waive all rights to sue or obtain equitable, remedial or punitive relief from any or all Released Parties of any kind whatsoever in respect of any Released Claim, including, without limitation, reinstatement, back pay, front pay, and any form of injunctive relief. Notwithstanding the above, I further acknowledge that I am not waiving and am not being required to waive any right that cannot be waived under law, including the right to file an administrative charge or participate in an administrative investigation or proceeding; provided, however, that I disclaim and waive any right to share or participate in any monetary award resulting from the prosecution of such charge or investigation or proceeding. Additionally, I am not waiving, and the Released Claims do not include: (i) any right to any Accrued Benefits or any severance or other benefits to which I am entitled under the Agreement (including, without limitation, the payments and benefits summarized in Exhibit A, which it is acknowledged I am entitled to receive as provided therein), (ii) any claim relating to directors' and officers' liability insurance coverage or any right of indemnification (or advancement of legal fees) under the Company's organizational documents or otherwise, (iii) my rights as an equity or security holder in the Company or its affiliates, including, without limitation, any applicable sale, merger or transaction agreement with respect thereto or (iv) my rights under this General Release.

6. In signing this General Release, I acknowledge and intend that it will be effective as a bar to each and every one of the Released Claims hereinabove mentioned or implied. I expressly consent that this General Release will be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Released Claims (notwithstanding any state or local statute that expressly limits the effectiveness of a general release of unknown, unsuspected and unanticipated claims), if any, as well as those relating to any other Released Claims hereinabove mentioned or implied. I acknowledge and agree that this waiver is an essential and material term of this General Release and that without such waiver the Company would not have agreed to the terms of the Agreement. I further agree that in the event I should bring a Released Claim seeking damages against the Company, or in the event I should seek to recover against the Company in any Released Claim brought by a governmental agency on my behalf, this General Release will serve as a complete defense to such Released Claims to the maximum extent permitted by law. I further agree that I am not aware of any pending claim of the type described in paragraph 2 above as of the execution of this General Release.

7. I agree that neither this General Release, nor the furnishing of the consideration for this General Release, will be deemed or construed at any time to be an admission by the Company, any Released Party or myself of any improper or unlawful conduct.

8. I agree that the terms of this General Release are confidential and agree not to disclose any information regarding the terms of this General Release, except to my immediate family and any tax, legal or other counsel I have consulted regarding the meaning or effect hereof or as required by law, and I will instruct each of the foregoing not to disclose the same to anyone. I may disclose the terms of the General Release to governmental entities.

9. Any non-disclosure provision in this General Release does not prohibit or restrict me (or my attorney) from responding to any inquiry about this General Release or its underlying facts and circumstances by the Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority (FINRA), any other self-regulatory organization or any governmental entity and nothing herein shall prohibit me from accepting any U.S. Securities and Exchange Commission awards.

10. I hereby acknowledge that Sections 6 through 14 of the Agreement will survive my execution of this General Release in accordance with their terms.

11. I represent that I am not aware of any claim by me other than the claims that are released by this General Release. I acknowledge that I may hereafter discover claims or facts in addition to or different than those which I now know or believe to exist with respect to the subject matter of the release set forth in paragraph 2 above and which, if known or suspected at the time of entering into this General Release, may have materially affected this General Release and my decision to enter into it.

12. Notwithstanding anything in this General Release to the contrary, this General Release will not relinquish, diminish, or in any way affect any rights or claims arising out of any breach by the Company or by any Released Party of the Agreement after the date hereof.

13. Whenever possible, each provision of this General Release will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this General Release is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this General Release will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

BY SIGNING THIS GENERAL RELEASE, I REPRESENT AND AGREE THAT:

(i) I HAVE READ IT CAREFULLY;

(ii) I UNDERSTAND ALL OF ITS TERMS AND KNOW THAT I AM GIVING UP IMPORTANT RIGHTS, INCLUDING BUT NOT LIMITED TO, RIGHTS UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967, AS AMENDED; TITLE VII OF THE CIVIL RIGHTS ACT OF 1964, AS AMENDED; THE EQUAL PAY ACT OF 1963; THE AMERICANS WITH DISABILITIES ACT OF 1990; AND THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED;

(iii) I VOLUNTARILY CONSENT TO EVERYTHING IN IT;

(iv) I HAVE BEEN ADVISED TO CONSULT WITH AN ATTORNEY BEFORE EXECUTING IT AND I HAVE DONE SO OR, AFTER CAREFUL READING AND CONSIDERATION, I HAVE CHOSEN NOT TO DO SO OF MY OWN VOLITION;

(v) I HAVE HAD AT LEAST [TWENTY-ONE (21)]/[FORTY-FIVE (45)] DAYS FROM THE DATE OF MY RECEIPT OF THIS RELEASE TO CONSIDER IT, AND THE CHANGES MADE SINCE MY RECEIPT OF THIS RELEASE ARE NOT MATERIAL OR WERE MADE AT MY REQUEST AND WILL NOT RESTART THE REQUIRED [TWENTY-ONE (21)]/[FORTY-FIVE (45)]-DAY PERIOD;

(vi) I UNDERSTAND THAT I HAVE SEVEN (7) DAYS AFTER THE EXECUTION OF THIS RELEASE TO REVOKE IT AND THAT THIS RELEASE WILL NOT BECOME EFFECTIVE OR ENFORCEABLE UNTIL THE REVOCATION PERIOD HAS EXPIRED;

(vii) I HAVE SIGNED THIS GENERAL RELEASE KNOWINGLY AND VOLUNTARILY AND WITH THE ADVICE OF ANY COUNSEL RETAINED TO ADVISE ME WITH RESPECT TO IT; AND

(viii) I AGREE THAT THE PROVISIONS OF THIS GENERAL RELEASE MAY NOT BE AMENDED, WAIVED, CHANGED OR MODIFIED EXCEPT BY AN INSTRUMENT IN WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE COMPANY AND BY ME.

SIGNED:_____

BOB'S DISCOUNT FURNITURE, INC.
2026 EQUITY INCENTIVE PLAN

1. DEFINED TERMS

Exhibit A, which is incorporated by reference, defines certain terms used in the Plan and includes certain operational rules related to those terms.

2. PURPOSE

The Plan has been established to advance the interests of the Company by providing for the grant to Participants of Stock and Stock-based Awards.

3. ADMINISTRATION

The Plan will be administered by the Administrator. The Administrator has discretionary authority, subject only to the express provisions of the Plan, to administer and interpret the Plan and any Awards; to determine eligibility for and grant Awards; to determine the exercise price, base value from which appreciation is measured, or purchase price, if any, applicable to any Award; to determine, modify, accelerate or waive the terms and conditions of any Award; to determine the form of settlement of Awards (whether in cash, shares of Stock, other Awards or other property); to prescribe forms, rules and procedures relating to the Plan and Awards; and to otherwise do all things necessary or desirable to carry out the purposes of the Plan or any Award. Determinations of the Administrator made with respect to the Plan or any Award are conclusive and bind all persons.

4. SHARE POOL; LIMITS ON AWARDS UNDER THE PLAN

(a) Number of Shares. Subject to adjustment as provided in Section 7(b), the maximum number of shares of Stock that may be delivered in satisfaction of Awards under the Plan is 13,036,706 shares (the "Initial Share Pool"). The Initial Share Pool will automatically increase on January 1 of each year during the term of the Plan, beginning in 2027, by the lesser of (i) four percent (4%) of the number of shares of Stock outstanding as of the close of business on the immediately preceding December 31 and (ii) the number of shares of Stock determined by the Board on or prior to such date for such year (the Initial Share Pool, as it may be so increased, the "Share Pool"). Up to 13,036,706 shares of Stock from the Share Pool may be delivered in satisfaction of ISOs, but nothing in this Section 4(a) will be construed as requiring that any, or any fixed number of, ISOs be awarded under the Plan. For purposes of this Section 4(a), shares of Stock shall not be treated as delivered under the Plan, and will not reduce the Share Pool, unless and until, and to the extent, they are actually delivered to a Participant. Without limiting the generality of the foregoing, the number of shares of Stock delivered in satisfaction of Awards will be determined (i) by excluding shares of Stock withheld by the Company in payment of the exercise price or purchase price of the Award or in satisfaction of tax withholding requirements with respect to the Award; (ii) by including only the number of shares of Stock delivered in settlement of a SAR any portion of which is settled in Stock; and (iii) by excluding any shares of Stock underlying Awards settled in cash or that expire, become unexercisable, terminate or are

forfeited to or repurchased by the Company without the delivery of Stock (or retention, in the case of Restricted Stock or Unrestricted Stock). For the avoidance of doubt, the Share Pool will not be increased by any shares of Stock delivered under the Plan that are subsequently repurchased using proceeds directly attributable to Stock Option exercises. The limits set forth in this Section 4(a) will be construed to comply with Section 422.

(b) Substitute Awards. The Administrator may grant Substitute Awards under the Plan. To the extent consistent with the requirements of Section 422 and the regulations thereunder and other applicable legal requirements (including applicable stock exchange requirements), shares of Stock delivered in respect of Substitute Awards will be in addition to and will not reduce the Share Pool. Notwithstanding the foregoing or anything in Section 4(a) to the contrary, if any Substitute Award is settled in cash or expires, becomes unexercisable, terminates or is forfeited to or repurchased by the Company without the delivery (or retention, in the case of Restricted Stock or Unrestricted Stock) of Stock, the shares of Stock previously subject to such Award will not increase the Share Pool or otherwise be available for future grant under the Plan. The Administrator will determine the extent to which the terms and conditions of the Plan apply to Substitute Awards, if at all; *provided*, *however*, that Substitute Awards will not be subject to the limits described in Section 4(d) below.

(c) Type of Shares. Stock delivered by the Company under the Plan may be authorized but unissued Stock, treasury Stock or previously issued Stock acquired by the Company. No fractional shares of Stock will be delivered under the Plan, unless otherwise determined by the Administrator.

(d) Director Limits. The aggregate value of all compensation granted or paid to any Director with respect to any calendar year, including Awards granted under the Plan and cash fees or other compensation paid by the Company to such Director outside of the Plan for his or her services as a Director during such calendar year, may not exceed $750,000 in the aggregate ($1,000,000 in the aggregate with respect to a Director's first year of service on the Board), calculating the value of any Awards based on the grant date fair value in accordance with the Accounting Rules, assuming a maximum payout. For the avoidance of doubt, the limitation in this Section 4(d) will not apply to any compensation granted or paid to a Director for his or her services to the Company or a subsidiary other than as a Director, including, without limitation, as a consultant or adviser to the Company or a subsidiary.

5. ELIGIBILITY AND PARTICIPATION

The Administrator will select Participants from among Employees and Directors of, and consultants and advisors to, the Company and its subsidiaries. Eligibility for ISOs is limited to individuals described in the first sentence of this Section 5 who are employees of the Company or of a "parent corporation" or "subsidiary corporation" of the Company as those terms are defined in Section 424 of the Code. Eligibility for Stock Options, other than ISOs, and SARs is limited to individuals described in the first sentence of this Section 5 who are providing direct services on the date of grant of the Award to the Company or to a subsidiary of the Company that would be described in the first sentence of Section 1.409A-1(b)(5)(iii)(E) of the Treasury Regulations.

6. RULES APPLICABLE TO AWARDS

(a) All Awards

(1) Award Provisions. The Administrator will determine the terms and conditions of all Awards, subject to the limitations provided herein. No term of an Award shall provide for automatic "reload" grants of additional Awards upon the exercise of an Option or SAR. By accepting (or, under such rules as the Administrator may prescribe, being deemed to have accepted) an Award, the Participant will be deemed to have agreed to the terms and conditions of the Award and the Plan. Notwithstanding any provision of the Plan to the contrary, Substitute Awards may contain terms and conditions that are inconsistent with the terms and conditions specified herein, as determined by the Administrator.

(2) Term of Plan. No Awards may be made after ten (10) years from the Date of Adoption, but previously granted Awards may continue beyond that date in accordance with their terms.

(3) Transferability. Neither ISOs nor, except as the Administrator otherwise expressly provides in accordance with the third sentence of this Section 6(a)(3), other Awards may be transferred other than by will or by the laws of descent and distribution. During a Participant's lifetime, ISOs and, except as the Administrator otherwise expressly provides in accordance with the third sentence of this Section 6(a)(3), SARs and NSOs may be exercised only by the Participant. The Administrator may permit the gratuitous transfer (i.e., transfer not for value) of Awards other than ISOs, subject to applicable securities and other laws and such terms and conditions as the Administrator may determine.

(4) Vesting; Exercisability. The Administrator will determine the time or times at which an Award vests or becomes exercisable and the terms and conditions on which a Stock Option or SAR remains exercisable. Without limiting the foregoing, the Administrator may at any time accelerate the vesting and/or exercisability of an Award (or any portion thereof), regardless of any adverse or potentially adverse tax or other consequences resulting from such acceleration. Unless the Administrator expressly provides otherwise, however, the following rules will apply if a Participant's Employment ceases:

(A) Except as provided in (B) and (C) below, immediately upon the cessation of the Participant's Employment each Stock Option and SAR (or portion thereof) that is then held by the Participant or by the Participant's permitted transferees, if any, will cease to be exercisable and will terminate and each other Award that is then held by the Participant or by the Participant's permitted transferees, if any, to the extent not then vested will be forfeited.

(B) Subject to (C) and (D) below, each Stock Option and SAR (or portion thereof) held by the Participant or the Participant's permitted transferees, if any, immediately prior to the cessation of the Participant's Employment, to the extent then vested and exercisable, will remain exercisable for the lesser of (i) a period of three (3) months following such cessation of Employment or (ii) the period ending on the latest

date on which such Stock Option or SAR could have been exercised without regard to this Section 6(a)(4), and will thereupon immediately terminate.

(C) Subject to (D) below, each Stock Option and SAR (or portion thereof) held by a Participant or the Participant's permitted transferees, if any, immediately prior to the cessation of the Participant's Employment due to his or her death or by the Company due to his or her Disability, to the extent then vested and exercisable, will remain exercisable for the lesser of (i) the one- (1) year period ending on the first anniversary of such cessation of Employment or (ii) the period ending on the latest date on which such Stock Option or SAR could have been exercised without regard to this Section 6(a)(4), and will thereupon immediately terminate.

(D) All Awards (whether or not vested or exercisable) held by a Participant or the Participant's permitted transferees, if any, immediately prior to the cessation of the Participant's Employment will immediately terminate upon such cessation of Employment if the termination is for Cause or occurs in circumstances that in the determination of the Administrator would have constituted grounds for the Participant's Employment to be terminated for Cause (in each case, without regard to the lapsing of any required notice or cure periods in connection therewith).

(5) Recovery of Compensation. The Administrator may provide in any case that any outstanding Award (whether or not vested or exercisable), the proceeds from the exercise or disposition of any Award or Stock acquired under any Award, and any other amounts received in respect of any Award or Stock acquired under any Award will be subject to forfeiture and disgorgement to the Company, with interest and other related earnings, if the Participant to whom the Award was granted is not in compliance with any provision of the Plan or any applicable Award, or any non-competition, non-solicitation, no-hire, non-disparagement, confidentiality, invention assignment, or other restrictive covenant by which he or she is bound. Each Award will be subject to any policy of the Company or any of its subsidiaries that relates to trading on non-public information and permitted transactions with respect to shares of Stock, including limitations on hedging and pledging. In addition, each Award will be subject (i) to recoupment to the extent a Participant is or becomes subject to the Company's Policy for Recoupment of Incentive Compensation, as the same may be amended and in effect from time to time (the "Clawback Policy"), and (ii) to any other policy of the Company or any of its Affiliates that provides for forfeiture, disgorgement, or clawback with respect to incentive compensation that includes Awards under the Plan. Each Participant, by accepting or being deemed to have accepted an Award under the Plan, agrees (or will be deemed to have agreed) to the terms of this Section 6(a)(5), the Clawback Policy and any other clawback, recoupment or similar policy of the Company or any of its subsidiaries and further agrees (or will be deemed to have further agreed) to cooperate fully with the Administrator, and to cause any and all permitted transferees of the Participant to cooperate fully with the Administrator, to effectuate any forfeiture or disgorgement described in this Section 6(a)(5). Neither the Administrator nor the Company nor any other person, other than the Participant and his or her permitted transferees, if any, will be responsible for any adverse tax or other consequences to a Participant or his or her permitted transferees, if any, that may arise in connection with this Section 6(a)(5).

(6) Taxes. The grant of an Award and the issuance, delivery, vesting and retention of Stock, cash or other property under an Award are conditioned upon the full satisfaction by the Participant of all tax and other withholding requirements with respect to the Award. The Administrator will prescribe rules for the withholding of taxes and other amounts with respect to any Award as it deems necessary. Without limitation to the foregoing, the Company or any parent or subsidiary of the Company will have the authority and the right to deduct or withhold (by any means set forth herein or in an Award agreement), or require a Participant to remit to the Company or a parent or subsidiary of the Company, an amount sufficient to satisfy all U.S. and non-U.S. federal, state and local income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to participation in the Plan and any Award hereunder and legally applicable to the Participant and required by law to be withheld (including, any amount deemed by the Company, in its discretion, to be an appropriate charge to the Participant even if legally applicable to the Company or any parent or subsidiary of the Company). The Administrator, in its sole discretion, may hold back shares of Stock from an Award or permit a Participant to tender previously-owned shares of Stock in satisfaction of tax or other withholding requirements (but not in excess of the maximum withholding amount consistent with the Award being subject to equity accounting treatment under the Accounting Rules). Any amounts withheld pursuant to this Section 6(a)(6) will be treated as though such payment had been made directly to the Participant. In addition, the Company may, to the extent permitted by law, deduct any such tax and other withholding amounts from any payment of any kind otherwise due to a Participant from the Company or any parent or subsidiary of the Company.

(7) Dividend Equivalents. The Administrator may provide for the payment of amounts (on terms and subject to such restrictions and conditions established by the Administrator) in lieu of cash dividends or other cash distributions with respect to Stock subject to an Award whether or not the holder of such Award is otherwise entitled to share in the actual dividend or distribution in respect of such Award. Any entitlement to dividend equivalents or similar entitlements will be established and administered either consistent with an exemption from, or in compliance with, the applicable requirements of Section 409A.

(8) Rights Limited. Nothing in the Plan or any Award will be construed as giving any person the right to be granted an Award or to continued employment or service with the Company or any of its subsidiaries, or any rights as a stockholder except as to shares of Stock actually delivered under the Plan. The loss of existing or potential profit in any Award will not constitute an element of damages in the event of a termination of a Participant's Employment for any reason, even if the termination is in violation of an obligation of the Company or any of its subsidiaries to the Participant.

(9) Coordination with Other Plans. Shares of Stock and/or Awards under the Plan may be granted in tandem with, or in satisfaction of or substitution for, other Awards under the Plan or awards made under other compensatory plans or programs of the Company or any of its subsidiaries. For example, but without limiting the generality of the foregoing, awards under other compensatory plans or programs of the Company or any of its subsidiaries may be settled in Stock (including, without limitation, Unrestricted Stock) under the Plan if the

Administrator so determines, in which case the shares delivered will be treated as awarded under the Plan (and will reduce the number of shares thereafter available for delivery under the Plan in accordance with the rules set forth in Section 4).

(10) Section 409A

(A) Without limiting the generality of Section 11(b) hereof, each Award will contain such terms as the Administrator determines and will be construed and administered such that the Award either qualifies for an exemption from the requirements of Section 409A or satisfies such requirements.

(B) Notwithstanding anything to the contrary in the Plan or any Award agreement, the Administrator may unilaterally amend, modify or terminate the Plan or any outstanding Award, including, without limitation, changing the form of the Award, if the Administrator determines that such amendment, modification or termination is necessary or desirable to avoid the imposition of an additional tax, interest or penalty under Section 409A.

(C) If a Participant is determined on the date of the Participant's termination of Employment to be a "specified employee" within the meaning of that term under Section 409A(a)(2)(B) of the Code, then, with regard to any payment that is considered nonqualified deferred compensation under Section 409A, to the extent applicable, payable on account of a "separation from service", such payment will be made or provided on the date that is the earlier of (i) the first business day following the expiration of the six- (6) month period measured from the date of such "separation from service" and (ii) the date of the Participant's death (the "Delay Period"). Upon the expiration of the Delay Period, all payments delayed pursuant to this Section 6(a)(10)(C) (whether they would have otherwise been payable in a single lump sum or in installments in the absence of such delay) will be paid, without interest, on the first business day following the expiration of the Delay Period in a lump sum and any remaining payments due under the Award will be paid in accordance with the normal payment dates specified for them in the applicable Award agreement.

(D) For purposes of Section 409A, each payment made under the Plan or any Award will be treated as a separate payment.

(E) With regard to any payment considered to be nonqualified deferred compensation under Section 409A, to the extent applicable, that is payable upon a change in control of the Company or other similar event, to the extent required to avoid the imposition of an additional tax, interest or penalty under Section 409A, no amount will be payable unless such change in control constitutes a "change in control event" within the meaning of Section 1.409A-3(i)(5) of the Treasury Regulations.

(b) Stock Options and SARs

(1) Time and Manner of Exercise. Unless the Administrator expressly provides otherwise, no Stock Option or SAR will be deemed to have been exercised until the Administrator receives a notice of exercise in a form acceptable to the Administrator that is signed by the appropriate person and accompanied by any payment required under the Award. The Administrator may limit or restrict the exercisability of any Stock Option or SAR in its discretion, including in connection with any Covered Transaction. Any attempt to exercise a Stock Option or SAR by any person other than the Participant will not be given effect unless the Administrator has received such evidence as it may require that the person exercising the Award has the right to do so.

(2) Exercise Price. The exercise price (or the base value from which appreciation is to be measured) per share of each Award requiring exercise must be no less than one hundred percent (100%) (in the case of an ISO granted to a ten percent (10%) stockholder within the meaning of Section 422(b)(6) of the Code, one hundred ten percent (110%)) of the Fair Market Value of a share of Stock, determined as of the date of grant of the Award, or such higher amount as the Administrator may determine in connection with the grant.

(3) Payment of Exercise Price. Where the exercise of an Award (or portion thereof) is to be accompanied by payment, payment of the exercise price must be made by cash or check acceptable to the Administrator or, if so permitted by the Administrator and if legally permissible, (i) through the delivery of previously acquired unrestricted shares of Stock, or the withholding of unrestricted shares of Stock otherwise deliverable upon exercise, in either case that have a Fair Market Value equal to the exercise price; (ii) through a broker-assisted cashless exercise program acceptable to the Administrator; (iii) by other means acceptable to the Administrator; or (iv) by any combination of the foregoing permissible forms of payment. The delivery of previously acquired shares in payment of the exercise price under clause (i) above may be accomplished either by actual delivery or by constructive delivery through attestation of ownership, subject to such rules as the Administrator may prescribe.

(4) Maximum Term. The maximum term of Stock Options and SARs must not exceed ten (10) years from the date of grant (or five (5) years from the date of grant in the case of an ISO granted to a ten percent (10%) stockholder described in Section 6(b)(2) above).

(5) No Repricing. Except in connection with a corporate transaction involving the Company (which term includes, without limitation, any stock dividend, stock split, extraordinary cash dividend, recapitalization, reorganization, merger, consolidation, split-up, spin-off, combination or exchange of shares) or as otherwise contemplated by Section 7 below, the Company may not, without obtaining stockholder approval, (i) amend the terms of outstanding Stock Options or SARs to reduce the exercise price or base value of such Stock Options or SARs; (ii) cancel outstanding Stock Options or SARs in exchange for Stock Options or SARs that have an exercise price or base value that is less than the exercise price or base value of the original Stock Options or SARs; or (iii) cancel outstanding Stock Options or SARs that have an exercise price or base value greater than the Fair Market Value of a share of Stock on the date of such cancellation in exchange for cash or other consideration.

7. EFFECT OF CERTAIN TRANSACTIONS

(a) **Mergers, etc**. Except as otherwise expressly provided in an Award agreement or other agreement or by the Administrator, the following provisions will apply in the event of a Covered Transaction:

(1) **Assumption or Substitution**. If the Covered Transaction is one in which there is an acquiring or surviving entity, the Administrator may provide for (i) the assumption or continuation of some or all outstanding Awards or any portion thereof; or (ii) the grant of new awards in substitution therefor by the acquiror or survivor or an affiliate of the acquiror or survivor.

(2) **Cash-Out of Awards**. Subject to Section 7(a)(5) below, the Administrator may provide for payment (a "cash-out"), with respect to some or all Awards or any portion thereof (including only the vested portion thereof, with the unvested portion terminating as provided in Section 7(a)(4) below), equal in the case of each applicable Award or portion thereof to the excess, if any, of (i) the Fair Market Value of one (1) share of Stock *multiplied by* the number of shares of Stock subject to the Award or such portion, *minus* (ii) the aggregate exercise or purchase price, if any, of such Award or such portion thereof (or, in the case of a SAR, the aggregate base value above which appreciation is measured), in each case, on such payment and other terms and subject to such conditions (which need not be the same as the terms and conditions applicable to holders of Stock generally) as the Administrator determines, including that any amounts paid in respect of such Award in connection with the Covered Transaction be placed in escrow or otherwise made subject to such restrictions as the Administrator deems appropriate. For the avoidance of doubt, if the per-share exercise or purchase price (or base value) of an Award or portion thereof is equal to or greater than the Fair Market Value of one (1) share of Stock, such Award or portion may be cancelled with no payment due hereunder or otherwise in respect thereof.

(3) **Acceleration of Certain Awards**. Subject to Section 7(a)(5) below, the Administrator may provide that any Award requiring exercise will become exercisable, in full or in part, and/or that the delivery of any shares of Stock remaining deliverable under any outstanding Award of Stock Units (including Restricted Stock Units and Performance Awards to the extent consisting of Stock Units) will be accelerated, in full or in part, in each case, on a basis that gives the holder of the Award a reasonable opportunity, as determined by the Administrator, following the exercise of the Award or the delivery of the shares, as the case may be, to participate as a stockholder in the Covered Transaction.

(4) **Termination of Awards upon Consummation of Covered Transaction**. Except as the Administrator may otherwise determine, each Award will automatically terminate (and in the case of outstanding shares of Restricted Stock, will automatically be forfeited) immediately upon the consummation of the Covered Transaction, other than (i) any Award that is assumed, continued or substituted for pursuant to Section 7(a)(1) above, and (ii) any Award that by its terms, or as a result of action taken by the Administrator, continues following the Covered Transaction.

(5) Additional Limitations. Any share of Stock and any cash or other property or other award delivered pursuant to Section 7(a)(1), Section 7(a)(2) or Section 7(a)(3) above with respect to an Award may, in the discretion of the Administrator, contain such restrictions, if any, as the Administrator deems appropriate, including to reflect any performance or other vesting conditions to which the Award was subject and that did not lapse (and were not satisfied) in connection with the Covered Transaction. For purposes of the immediately preceding sentence, a cash-out under Section 7(a)(2) above or an acceleration under Section 7(a)(3) above will not, in and of itself, be treated as the lapsing (or satisfaction) of a performance or other vesting condition. In the case of Restricted Stock that does not vest and is not forfeited in connection with the Covered Transaction, the Administrator may require that any amounts delivered, exchanged or otherwise paid in respect of such Stock in connection with the Covered Transaction be placed in escrow or otherwise made subject to such restrictions as the Administrator deems appropriate to carry out the intent of the Plan.

(6) Uniform Treatment. For the avoidance of doubt, the Administrator need not treat Participants or Awards (or portions thereof) in a uniform manner, and may treat different Participants and/or Awards differently, in connection with a Covered Transaction.

(b) Changes in and Distributions with Respect to Stock

(1) Basic Adjustment Provisions. In the event of a stock dividend, stock split or combination of shares (including a reverse stock split), recapitalization or other change in the Company's capital structure that constitutes an equity restructuring within the meaning of the Accounting Rules, the Administrator shall make appropriate adjustments to the maximum number of shares of Stock specified in Section 4(a) that may be delivered under the Plan and to the limits described in Section 4(d), and shall make appropriate adjustments to the number and kind of shares of stock or securities underlying Awards then outstanding or subsequently granted, any exercise or purchase prices (or base values) relating to Awards and any other provision of Awards affected by such change.

(2) Certain Other Adjustments. The Administrator may also make adjustments of the type described in Section 7(b)(1) above to take into account distributions to stockholders other than those provided for in Sections 7(a) and 7(b)(1), or any other event, if the Administrator determines that adjustments are appropriate to avoid distortion in the operation of the Plan or any Award.

(3) Continuing Application of Plan Terms. References in the Plan to shares of Stock will be construed to include any stock or securities resulting from an adjustment pursuant to this Section 7.

8. LEGAL CONDITIONS ON DELIVERY OF STOCK

The Company will not be obligated to deliver any shares of Stock pursuant to the Plan or to remove any restriction from shares of Stock previously delivered under the Plan until: (i) the Company is satisfied that all legal matters in connection with the issuance and delivery of such shares have been addressed and resolved; (ii) if the outstanding Stock is at the time of delivery

listed on any stock exchange or national market system, the shares to be delivered have been listed or authorized to be listed on such exchange or system upon official notice of issuance; and (iii) all conditions of the Award have been satisfied or waived. The Company may require, as a condition to the exercise of an Award or the delivery of shares of Stock under an Award, such representations or agreements as counsel for the Company may consider appropriate to avoid violation of the Securities Act of 1933, as amended, or any applicable state or non-U.S. securities law. Any Stock delivered to Participants under the Plan will be evidenced in such manner as the Administrator determines appropriate, including book-entry registration or delivery of stock certificates. In the event that the Administrator determines that stock certificates will be issued in connection with Stock issued under the Plan, the Administrator may require that such certificates bear an appropriate legend reflecting any restriction on transfer applicable to such Stock, and the Company may hold the certificates pending the lapse of the applicable restrictions.

9. AMENDMENT AND TERMINATION

The Administrator may at any time or times amend the Plan or any outstanding Award for any purpose which may at the time be permitted by applicable law, and may at any time terminate the Plan as to any future grants of Awards; *provided*, *however*, that except as otherwise expressly provided in the Plan or the applicable Award, the Administrator may not, without the Participant's consent, alter the terms of an Award so as to affect materially and adversely the Participant's rights under the Award, unless the Administrator expressly reserved the right to do so in the Plan or at the time the applicable Award was granted. Any amendments to the Plan will be conditioned upon stockholder approval only to the extent, if any, such approval is required by applicable law (including the Code) or stock exchange requirements, as determined by the Administrator. For the avoidance of doubt, without limiting the Administrator's rights hereunder, no adjustment to any Award pursuant to the terms of Section 7 or Section 12 will be treated as an amendment requiring a Participant's consent.

10. OTHER COMPENSATION ARRANGEMENTS

The existence of the Plan or the grant of any Award will not affect the right of the Company or any of its subsidiaries to grant any person bonuses or other compensation in addition to Awards under the Plan.

11. MISCELLANEOUS

(a) Waiver of Jury Trial. By accepting or being deemed to have accepted an Award under the Plan, each Participant waives (or will be deemed to have waived), to the maximum extent permitted under applicable law, any right to a trial by jury in any action, proceeding or counterclaim concerning any rights under the Plan or any Award, or under any amendment, waiver, consent, instrument, document or other agreement delivered or which in the future may be delivered in connection therewith, and agrees (or will be deemed to have agreed) that any such action, proceedings or counterclaim will be tried before a court and not before a jury. By accepting or being deemed to have accepted an Award under the Plan, each Participant certifies that no officer, representative, or attorney of the Company has represented, expressly or

otherwise, that the Company would not, in the event of any action, proceeding or counterclaim, seek to enforce the foregoing waivers. Notwithstanding anything to the contrary in the Plan, nothing herein is to be construed as limiting the ability of the Company and a Participant to agree to submit any dispute arising under the terms of the Plan or any Award to binding arbitration or as limiting the ability of the Company to require any individual to agree to submit such disputes to binding arbitration as a condition of receiving an Award hereunder.

(b) Limitation of Liability. Notwithstanding anything to the contrary in the Plan or any Award, neither the Company, nor any of its subsidiaries, nor the Administrator, nor any person acting on behalf of the Company, any of its subsidiaries, or the Administrator, will be liable to any Participant, to any permitted transferee, to the estate or beneficiary of any Participant or any permitted transferee, or to any other person by reason of any acceleration of income, any additional tax, or any penalty, interest or other liability asserted by reason of the failure of an Award to satisfy the requirements of Section 422 or Section 409A or by reason of Section 4999 of the Code, or otherwise asserted with respect to any Award.

(c) Unfunded Plan. The Company's obligations under the Plan are unfunded, and no Participant will have any right to specific assets of the Company in respect of any Award. Participants will be general unsecured creditors of the Company with respect to any amounts due or payable under the Plan.

12. ESTABLISHMENT OF SUB-PLANS

The Administrator may at any time and from time to time (including before or after an Award is granted) establish, adopt or revise any rules and regulations as it may deem necessary or advisable to administer the Plan for Participants based outside of the U.S. and/or subject to the laws of countries other than the U.S., including by establishing one or more sub-plans, supplements or appendices under the Plan or any Award agreement for the purpose of complying or facilitating compliance with non-U.S. laws or taking advantage of tax favorable treatment or for any other legal or administrative reason determined by the Administrator. Any such sub-plan, supplement or appendix may contain (i) such limitations on the Administrator's discretion under the Plan and (ii) such additional or different terms and conditions, in each case, as the Administrator deems necessary or desirable, and will be deemed to be part of the Plan but will apply only to Participants within the group to which the sub-plan, supplement or appendix applies (as determined by the Administrator); *provided*, *however*, that no sub-plan, supplement, appendix, rule or regulation established pursuant to this provision shall increase Share Pool.

13. GOVERNING LAW

(a) Certain Requirements of Corporate Law. Awards and shares of Stock will be granted, issued and administered consistent with the requirements of applicable Delaware law relating to the issuance of stock and the consideration to be received therefor, and with the applicable requirements of the stock exchanges or other trading systems on which the Stock is listed or entered for trading, in each case, as determined by the Administrator.

(b) Other Matters. Except as otherwise provided by the express terms of an Award agreement, under a sub-plan described in Section 12 or as provided in Section 13(a) above, the domestic substantive laws of the State of Delaware govern the provisions of the Plan and of Awards under the Plan and all claims or disputes arising out of or based upon the Plan or any Award under the Plan or relating to the subject matter hereof or thereof without giving effect to any choice or conflict of laws provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction.

(c) Jurisdiction. Subject to Section 11(a) and except as may be expressly set forth in an Award agreement, by accepting (or being deemed to have accepted) an Award, each Participant agrees or will be deemed to have agreed to (i) submit irrevocably and unconditionally to the jurisdiction of the federal and state courts located within the geographic boundaries of the United States District Court for the District of Delaware for the purpose of any suit, action or other proceeding arising out of or based upon the Plan or any Award; (ii) not commence any suit, action or other proceeding arising out of or based upon the Plan or any Award, except in the federal and state courts located within the geographic boundaries of the United States District Court for the District of Delaware; and (iii) waive, and not assert, by way of motion as a defense or otherwise, in any such suit, action or proceeding, any claim that he or she is not subject personally to the jurisdiction of the above-named courts that his or her property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that the Plan or any Award or the subject matter thereof may not be enforced in or by such court.

* * * *

EXHIBIT A

Definition of Terms

The following terms, when used in the Plan, have the meanings and are subject to the provisions set forth below:

"Accounting Rules": Financial Accounting Standards Board Accounting Standards Codification Topic 718, or any successor provision.

"Administrator": The Committee, except with respect to such matters that are not delegated to the Committee by the Board (whether pursuant to committee charter or otherwise). The Committee (or the Board, with respect to such matters over which it retains authority under the Plan or otherwise) may delegate (i) to one or more of its members (or one or more other members of the Board) such of its duties, powers and responsibilities as it may determine; (ii) to one or more officers or other Employees of the Company the power to grant Awards to the extent permitted by Section 152 or 157(c) of the Delaware General Corporation Law; and (iii) to such Employees or other persons as it determines such ministerial tasks as it deems appropriate. For purposes of the Plan, the term "Administrator" will include the Board, the Committee, and the person or persons delegated authority under the Plan to the extent of such delegation, as applicable.

"Award": Any or a combination of the following:

(i) Stock Options.

(ii) SARs.

(iii) Restricted Stock.

(iv) Unrestricted Stock.

(v) Stock Units, including Restricted Stock Units.

(vi) Performance Awards.

(vii) Awards (other than Awards described in (i) through (vi) above) that are convertible into or otherwise based on Stock.

"Board": The board of directors of the Company.

"Cause": (i) In the case where there is no employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Company or any of its affiliates and the Participant at the time of the grant of the Award (or where there is such an agreement but it does not define "cause"), that such Participant: (A) has failed or refused to comply with a material directive from the Board or, if applicable, the board of directors of any of the Company's subsidiaries or the Participant's supervisor; (B) has received a confirmed positive

illegal drug test result; (C) has abused alcohol in a manner that impairs the Participant's ability to perform his duties; (D) has violated a material written policy of the Company or its subsidiaries; (E) has engaged in misconduct that could be injurious to the business of the Company or any of its subsidiaries; or (F) has committed a felony; or (ii) in the case where there is an employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Company or any of its affiliates and the Participant at the time of the grant of the Award that defines "cause", "cause" as defined under such agreement; *provided*, *however*, that with regard to any agreement under which the definition of "cause" only applies on occurrence of a change in control, such definition of "cause" shall not apply until a change in control actually takes place and then only with regard to a termination thereafter as provided in the applicable agreement.

"Code": The U.S. Internal Revenue Code of 1986, as from time to time amended and in effect, or any successor statute as from time to time in effect, including any applicable regulations and guidance thereunder.

"Company": Bob's Discount Furniture, Inc., a Delaware corporation.

"Committee": The People Committee of the Board.

"Covered Transaction": Any of (i) a consolidation, merger or similar transaction or series of related transactions, including a sale or other disposition of stock, in which the Company is not the surviving corporation or which results in the acquisition of all or substantially all of the Company's then outstanding common stock by a single person or entity or by a group of persons and/or entities acting in concert; (ii) a sale or transfer of all or substantially all the Company's assets; or (iii) a dissolution or liquidation of the Company. Where a Covered Transaction involves a tender offer that is reasonably expected to be followed by a merger described in clause (i) (as determined by the Administrator), the Covered Transaction will be deemed to have occurred upon consummation of the tender offer.

"Date of Adoption": The earlier of the date the Plan was approved by the Company's stockholders or adopted by the Board, as determined by the Committee.

"Director": A member of the Board who is not an Employee.

"Disability": In the case of any Participant who is subject to a currently effective employment agreement with the Company (or one of its affiliates) that contains a definition of "Disability" (or a corollary term), the definition set forth in such agreement applies with respect to such Participant for purposes of the Plan for so long as such agreement is in effect. In every other case, "Disability" means, as determined by the Administrator, absence from work due to a disability for a period in excess of ninety (90) days in any twelve- (12) month period that would entitle the Participant to receive benefits under the Company's long-term disability program as in effect from time to time (if the Participant were a participant in such program).

"Employee": Any person who is employed by the Company or any of its subsidiaries.

"Employment": A Participant's employment or other service relationship with the Company or any of its subsidiaries. Employment will be deemed to continue, unless the Administrator otherwise determines, so long as the Participant is employed by, or otherwise is providing services in a capacity described in Section 5 to, the Company or any of its subsidiaries. If a Participant's employment or other service relationship is with any subsidiary of the Company and that entity ceases to be a subsidiary of the Company, the Participant's Employment will be deemed to have terminated when the entity ceases to be a subsidiary of the Company unless the Participant transfers Employment to the Company or one of its remaining subsidiaries. Notwithstanding the foregoing, in construing the provisions of any Award relating to the payment of "nonqualified deferred compensation" (subject to Section 409A) upon a termination or cessation of Employment, references to termination or cessation of employment, separation from service, retirement or similar or correlative terms will be construed to require a "separation from service" (as that term is defined in Section 1.409A-1(h) of the Treasury Regulations, after giving effect to the presumptions contained therein) from the Company and from all other corporations and trades or businesses, if any, that would be treated as a single "service recipient" with the Company under Section 1.409A-1(h)(3) of the Treasury Regulations. The Company may, but need not, elect in writing, subject to the applicable limitations under Section 409A, any of the special elective rules prescribed in Section 1.409A-1(h) of the Treasury Regulations for purposes of determining whether a "separation from service" has occurred. Any such written election will be deemed a part of the Plan.

"Exchange Act": The Securities Exchange Act of 1934, as amended.

"Fair Market Value": As of a particular date, (i) the closing price for a share of Stock reported on the New York Stock Exchange (or any other national securities exchange on which the Stock is then listed) for that date or, if no closing price is reported for that date, the closing price on the immediately preceding date on which a closing price was reported; or (ii) in the event that the Stock is not traded on a national securities exchange, the fair market value of a share of Stock determined by the Administrator consistent with the rules of Section 422 and Section 409A to the extent applicable.

"ISO": A Stock Option intended to be an "incentive stock option" within the meaning of Section 422. Each Stock Option granted pursuant to the Plan will be treated as providing by its terms that it is to be an NSO unless, as of the date of grant, it is expressly designated as an ISO in the applicable Award agreement.

"NSO": A Stock Option that is not intended to be an "incentive stock option" within the meaning of Section 422.

"Participant": A person who is granted an Award under the Plan.

"Performance Award": An Award subject to performance vesting conditions, which may include Performance Criteria.

"Performance Criteria": Specified criteria, other than the mere continuation of Employment or the mere passage of time, the satisfaction of which is a condition for the grant,

exercisability, vesting or full enjoyment of an Award. A Performance Criterion and any targets with respect thereto need not be based upon an increase, a positive or improved result or avoidance of loss and may be applied to a Participant individually, or to a business unit or division of the Company or to the Company as a whole. A Performance Criterion may also be based on individual performance and/or subjective performance criteria. The Administrator may provide that one or more of the Performance Criteria applicable to such Award will be adjusted in a manner to reflect events (for example, but without limitation, acquisitions or dispositions) occurring during the performance period that affect the applicable Performance Criterion or Criteria.

"Plan": The Bob's Discount Furniture, Inc. 2026 Equity Incentive Plan, as from time to time amended and in effect.

"Restricted Stock": Stock subject to restrictions requiring that it be forfeited, redelivered or offered for sale to the Company if specified performance or other vesting conditions are not satisfied.

"Restricted Stock Unit": A Stock Unit that is, or as to which the delivery of Stock or of cash in lieu of Stock is, subject to the satisfaction of specified performance or other vesting conditions.

"SAR": A right entitling the holder upon exercise to receive an amount (payable in cash or in shares of Stock of equivalent value) equal to the excess of the Fair Market Value of the shares of Stock subject to the right over the base value from which appreciation under the SAR is to be measured.

"Section 409A": Section 409A of the Code and the regulations thereunder.

"Section 422": Section 422 of the Code and the regulations thereunder.

"Stock": Common stock of the Company, par value $0.0001 per share.

"Stock Option": An option entitling the holder to acquire shares of Stock upon payment of the exercise price.

"Stock Unit": An unfunded and unsecured promise, denominated in shares of Stock, to deliver Stock or cash measured by the value of Stock in the future.

"Substitute Awards": Awards granted under the Plan in substitution for one or more equity awards of an acquired company that are converted, replaced or adjusted in connection with the acquisition.

"Unrestricted Stock": Stock not subject to any restrictions under the terms of the Award.

Name:	
Number of Shares of Stock subject to the Stock Option:	
Exercise Price Per Share:	$
Date of Grant:	
[Vesting Commencement Date:]	

BOB'S DISCOUNT FURNITURE, INC.
2026 Equity Incentive Plan

NON-STATUTORY STOCK OPTION AGREEMENT

This agreement (this "**Agreement**") evidences a stock option granted by Bob's Discount Furniture, Inc. (the "**Company**") to the individual named above (the "**Participant**"), pursuant to and subject to the terms of the Bob's Discount Furniture, Inc. 2026 Equity Incentive Plan (as from time to time amended and in effect, the "**Plan**"). Except as otherwise defined herein, all capitalized terms used herein have the same meaning as in the Plan.

1. Grant of Stock Option. The Company grants to the Participant on the date set forth above (the "**Date of Grant**") an option (the "**Stock Option**") to purchase, pursuant to and subject to the terms set forth in this Agreement and in the Plan, up to the number of shares of Stock set forth above (the "**Shares**") with an exercise price per Share as set forth above, in each case subject to adjustment pursuant to Section 7 of the Plan in respect of transactions occurring after the date hereof.

The Stock Option evidenced by this Agreement is a non-statutory option (that is, an option that is not intended to qualify as an ISO) and is granted to the Participant in connection with the Participant's Employment.

2. Vesting. The term "**vest**" as used herein with respect to the Stock Option or any portion thereof means to become exercisable and the term "**vested**" with respect to the Stock Option (or any portion thereof) means that the Stock Option (or portion thereof) is then exercisable. Unless earlier terminated, forfeited, relinquished or expired, the Stock Option will vest as follows: [ ].

3. Exercise of the Stock Option. No portion of the Stock Option may be exercised until such portion vests. Each election to exercise any vested portion of the Stock Option will be subject to the terms and conditions of the Plan and must be in written or electronic form acceptable to the Administrator, signed (including by electronic signature) by the Participant or, if at the relevant time the Stock Option has passed to the estate or beneficiary of the Participant or a permitted transferee, such estate or beneficiary or permitted transferee. Each such written or electronic exercise election must be received by the Company at its principal office or by such other party as the Administrator may prescribe and be accompanied by payment in full of the exercise price by cash or check, through a broker-assisted exercise program acceptable to the Administrator, or as otherwise provided in the Plan. The latest date on which the Stock Option or any portion thereof may be exercised is the tenth (10^{th}) anniversary of the Date of Grant and, if

not exercised by such date, the Stock Option or any remaining portion thereof will thereupon immediately terminate.

4. Cessation of Employment. If the Participant's Employment ceases[, except as expressly provided for in a written employment or severance agreement between the Participant and the Company (or a severance plan under which the Participant has been designated as being entitled to receive benefits) that is in effect at the time of such termination], the Stock Option, to the extent not then vested, will be immediately forfeited for no consideration, and any vested portion of the Stock Option that is then outstanding will remain exercisable for the period described in Section 6(a)(4)(B) of the Plan.

5. Restrictions on Transfer. The Stock Option may not be transferred except as expressly permitted under Section 6(a)(3) of the Plan.

6. Forfeiture; Recovery of Compensation. By accepting, or being deemed to have accepted, the Stock Option, the Participant expressly acknowledges and agrees that his or her rights, and those of any permitted transferee, with respect to the Stock Option, including the right to any Shares acquired under the Stock Option or proceeds from the disposition thereof, are subject to Section 6(a)(5) of the Plan (including any successor provision). The Participant further acknowledges and agrees that the Stock Option, and any proceeds received therefrom, shall be subject to recoupment to the extent the Participant is or becomes subject to (i) the Company's Policy for Recoupment of Incentive Compensation, as the same may be amended and in effect from time to time, or (ii) any other clawback or recoupment policy of the Company that applies to incentive compensation that includes Awards such as the Stock Option. Nothing in the preceding sentence will be construed as limiting the general application of Section 8 of this Agreement.

7. Withholding. The Participant expressly acknowledges and agrees that the Participant's rights hereunder, including the right to be issued Shares upon exercise of the Stock Option, are subject to the Participant promptly paying to the Company in cash or by check (or by such other means as may be acceptable to the Administrator) all taxes required to be withheld, if any. No Shares will be issued pursuant to the exercise of the Stock Option unless and until the person exercising the Stock Option has remitted to the Company an amount in cash sufficient to satisfy any federal, state, or local withholding tax requirements, or has made other arrangements satisfactory to the Company with respect to such taxes. The Participant authorizes the Company and its subsidiaries to withhold such amount from any amounts otherwise owed to the Participant, but nothing in this sentence will be construed as relieving the Participant of any liability for satisfying his or her obligation under the preceding provisions of this Section.

8. Provisions of the Plan. This Agreement is subject in its entirety to the provisions of the Plan, which are incorporated herein by reference. A copy of the Plan as in effect on the Date of Grant has been made available to the Participant. By accepting, or being deemed to have accepted, the Stock Option, the Participant agrees to be bound by the terms of the Plan and this Agreement. In the event of any conflict between the terms of this Agreement and the Plan, the terms of the Plan will control.

9. Acknowledgements. The Participant acknowledges and agrees that (i) this Agreement may be executed in two or more counterparts, each of which will be an original and all of which together will constitute one and the same instrument, (ii) this Agreement may be executed and exchanged using facsimile, portable document format (PDF) or electronic signature, which, in each case, will constitute an original signature for all purposes hereunder, and (iii) such signature by the Company will be binding against the Company and will create a legally binding agreement when this Agreement is countersigned by the Participant.

[Signature page follows.]

The Company, by its duly authorized officer, and the Participant have executed this Agreement as of the Date of Grant.

BOB'S DISCOUNT FURNITURE, INC.
By: _____

Name: _____

Title: _____

Agreed and Accepted:

By _____
[Participant's Name]

Name:	
Number of Shares of Stock subject to the Stock Option:	
Exercise Price Per Share:	$
Date of Grant:	

BOB'S DISCOUNT FURNITURE, INC.
2026 Equity Incentive Plan

NON-STATUTORY STOCK OPTION AGREEMENT
(NON-EMPLOYEE DIRECTORS)

This agreement (this "**Agreement**") evidences a stock option granted by Bob's Discount Furniture, Inc. (the "**Company**") to the individual named above (the "**Participant**"), pursuant to and subject to the terms of the Bob's Discount Furniture, Inc. 2026 Equity Incentive Plan (as from time to time amended and in effect, the "**Plan**"). Except as otherwise defined herein, all capitalized terms used herein have the same meaning as in the Plan.

1. Grant of Stock Option. The Company grants to the Participant on the date set forth above (the "**Date of Grant**") an option (the "**Stock Option**") to purchase, pursuant to and subject to the terms set forth in this Agreement and in the Plan, up to the number of shares of Stock set forth above (the "**Shares**") with an exercise price per Share as set forth above, in each case subject to adjustment pursuant to Section 7 of the Plan in respect of transactions occurring after the date hereof.

2. The Stock Option evidenced by this Agreement is a non-statutory option (that is, an option that is not intended to qualify as an ISO) and is granted to the Participant in connection with the Participant's service as a member of the Board.

3. Vesting. The term "**vest**" as used herein with respect to the Stock Option or any portion thereof means to become exercisable and the term "**vested**" with respect to the Stock Option (or any portion thereof) means that the Stock Option (or portion thereof) is then exercisable. Unless earlier terminated, forfeited, relinquished or expired, the Stock Option will vest as follows: [ ].

4. Exercise of the Stock Option. No portion of the Stock Option may be exercised until such portion vests. Each election to exercise any vested portion of the Stock Option will be subject to the terms and conditions of the Plan and must be in written or electronic form acceptable to the Administrator, signed (including by electronic signature) by the Participant or, if at the relevant time the Stock Option has passed to the estate or beneficiary of the Participant or a permitted transferee, such estate or beneficiary or permitted transferee. Each such written or electronic exercise election must be received by the Company at its principal office or by such other party as the Administrator may prescribe and be accompanied by payment in full of the exercise price by cash or check, through a broker-assisted exercise program acceptable to the Administrator, or as otherwise provided in the Plan. The latest date on which the Stock Option or any portion thereof may be exercised is the tenth (10^{th}) anniversary of the Date of Grant and, if

not exercised by such date, the Stock Option or any remaining portion thereof will thereupon immediately terminate.

5. Cessation of Employment. If the Participant's Employment ceases, the Stock Option, to the extent not then vested, will be immediately forfeited for no consideration, and any vested portion of the Stock Option that is then outstanding will remain exercisable for the period described in Section 6(a)(4)(B) of the Plan.

6. Restrictions on Transfer. The Stock Option may not be transferred except as expressly permitted under Section 6(a)(3) of the Plan.

7. Forfeiture; Recovery of Compensation. By accepting, or being deemed to have accepted, the Stock Option, the Participant expressly acknowledges and agrees that his or her rights, and those of any permitted transferee, with respect to the Stock Option, including the right to any Shares acquired under the Stock Option or proceeds from the disposition thereof, are subject to Section 6(a)(5) of the Plan (including any successor provision). The Participant further acknowledges and agrees that the Stock Option, and any proceeds received therefrom, shall be subject to recoupment to the extent the Participant is or becomes subject to (i) the Company's Policy for Recoupment of Incentive Compensation, as the same may be amended and in effect from time to time, or (ii) the terms of any other clawback or recoupment policy of the Company that applies to incentive compensation that includes Awards such as the Stock Option. Nothing in the preceding sentence will be construed as limiting the general application of Section 8 of this Agreement.

8. Taxes. The Participant is responsible for satisfying and paying all taxes arising from or due in connection with the Stock Option, its exercise or a disposition of any Shares acquired upon exercise of the Stock Option. The Company will have no liability or obligation related to the foregoing.

9. Provisions of the Plan. This Agreement is subject in its entirety to the provisions of the Plan, which are incorporated herein by reference. A copy of the Plan as in effect on the Date of Grant has been made available to the Participant. By accepting, or being deemed to have accepted, the Stock Option, the Participant agrees to be bound by the terms of the Plan and this Agreement. In the event of any conflict between the terms of this Agreement and the Plan, the terms of the Plan will control.

10. Acknowledgements. The Participant acknowledges and agrees that (i) this Agreement may be executed in two or more counterparts, each of which will be an original and all of which together will constitute one and the same instrument, (ii) this Agreement may be executed and exchanged using facsimile, portable document format (PDF) or electronic signature, which, in each case, will constitute an original signature for all purposes hereunder, and (iii) such signature by the Company will be binding against the Company and will create a legally binding agreement when this Agreement is countersigned by the Participant.

[Signature page follows.]

The Company, by its duly authorized officer, and the Participant have executed this Agreement as of the Date of Grant.

BOB'S DISCOUNT FURNITURE, INC.

By: _____

Name: _____

Title: _____

Agreed and Accepted:

By _____

[Participant's Name]

BOB'S DISCOUNT FURNITURE, INC.
2026 CASH INCENTIVE PLAN

1. DEFINED TERMS

Exhibit A, which is incorporated by reference, defines certain terms used in the Plan and sets forth operational rules related to those terms.

2. PURPOSE

The Plan has been established to advance the interests of the Company by providing for the grant of cash-based incentive Awards to Participants that will attract, retain, and reward such persons and incentivize them to attain key Company performance criteria and metrics.

3. ADMINISTRATION

The Plan will be administered by the Administrator. The Administrator has discretionary authority, subject only to the express provisions of the Plan, to administer and interpret the Plan and any Award; to determine eligibility for and grant Awards; to adjust the Performance Criterion or Criteria applicable to Awards; to determine, modify or waive the terms and conditions of any Award; to prescribe forms, rules and procedures relating to the Plan and Awards; and to otherwise do all things necessary or desirable to carry out the purposes of the Plan or any Award. Determinations of the Administrator made with respect to the Plan or any Award are conclusive and bind all persons.

4. ELIGIBILITY AND PARTICIPATION

The Administrator may select Participants from among executive officers and key employees of the Company and its subsidiaries.

5. GRANT OF AWARDS

A Participant who is granted an Award will be entitled to a payment, if any, in respect of the Award only if all conditions to payment have been satisfied in accordance with the Plan and the terms of the Award, except as otherwise determined by the Administrator in accordance with Section 6 below. By accepting (or being deemed to have accepted) an Award, the Participant agrees or will be deemed to have agreed to the terms and conditions of the Award and the Plan. The Administrator will select the Participants, if any, who receive Awards for each Performance Period and, for each Award, will establish the following:

(a) the Performance Criterion or Criteria applicable to the Award;

(b) the amount or amounts that will be payable (subject to adjustment in accordance with Section 6 below) if the Performance Criterion or Criteria are achieved in whole or in part; and

(c) such other terms and conditions as the Administrator determines with respect to the Award.

6. DETERMINATION OF PERFORMANCE AND AMOUNTS PAYABLE

As soon as practicable after the end of the applicable Performance Period, the Administrator will determine whether and to what extent, if at all, the Performance Criterion or Criteria applicable to each Award granted for such Performance Period have been satisfied. The Administrator will then determine the amount payable, if any, under each Award. The Administrator may, in its sole discretion and with or without specifying its reasons for doing so, after determining the amount that would otherwise be payable in respect of any Award, adjust the actual payment, if any, to be made with respect to such Award. The Administrator may exercise the discretion described in the immediately preceding sentence either in individual cases or in ways that affect more than one Participant. In each case, the Administrator's discretionary determination, which may affect different Awards differently, is conclusive and will bind all persons.

7. PAYMENTS

The Administrator will determine the payment dates for Awards under the Plan. Except as otherwise determined by the Administrator:

(a) all payments under the Plan will be paid, if at all and in a manner consistent with Section 409A, promptly following the completion of year-end accounting for the Performance Period and approval of the bonus calculations by the Administrator; and

(b) payment will not be made with respect to an Award unless the Participant has remained employed with the Company and its subsidiaries through the date of payment.

Notwithstanding anything herein to the contrary, the Administrator may authorize elective deferrals of any Award payments in accordance with the deferral rules of Section 409A.

8. TAX WITHHOLDING

All payments under the Plan will be reduced by all tax and other amounts required to be withheld with respect to the payment. Any amounts withheld pursuant to this Section 8 will be treated as though such amounts had been paid directly to the applicable Participant.

9. AMENDMENT AND TERMINATION

The Administrator may at any time or times amend the Plan or any outstanding Award for any purpose which may at the time be permitted by applicable law, and may at any time terminate the Plan as to any future grants of Awards. For the avoidance of doubt, no adjustment to any Award or determination made with respect to any Award, in each case, in accordance with the terms of the Plan will be treated as an amendment that requires the consent of any Participant.

10. RECOVERY OF COMPENSATION

The Administrator may provide in any case that any outstanding Award and any amounts received in respect of any Award will be subject to forfeiture and disgorgement to the Company, with interest and other related earnings, if the Participant to whom the Award was granted is not in compliance with any provision of the Plan or any applicable Award, or violates any non-competition, non-solicitation, no-hire, non-disparagement, confidentiality, invention assignment or other restrictive covenant in favor of the Company or any of its affiliates by which he or she is bound. In addition, each Award will be subject to each policy of the Company or any of its affiliates that provides for forfeiture, disgorgement or clawback with respect to incentive compensation that includes Awards under the Plan, including but not limited to the Company's Policy for Recoupment of Incentive Compensation. Each Participant, by accepting (or being deemed to have accepted) an Award under the Plan, agrees (or will be deemed to have agreed) to the provisions of this Section 10 and any clawback, recoupment or similar policy of the Company or any of its subsidiaries, including but not limited to the Company's Policy for Recoupment of Incentive Compensation, and further agrees (or will be deemed to have further agreed) to cooperate fully with the Administrator to effectuate any forfeiture or disgorgement described in this Section 10. Neither the Administrator nor the Company nor any other person, other than the Participant, will be responsible for any adverse tax or other consequences to a Participant that may arise in connection with this Section 10.

11. MISCELLANEOUS

(a) Waiver of Jury Trial. By accepting (or being deemed to have accepted) an Award under the Plan, each Participant waives (or will be deemed to have waived), to the maximum extent permitted under applicable law, any right to a trial by jury in any action, proceeding or counterclaim concerning any rights under the Plan or any Award, or under any amendment, waiver, consent, instrument, document or other agreement delivered or which in the future may be delivered in connection therewith, and agrees (or will be deemed to have agreed) that any such action, proceeding or counterclaim will be tried before a court and not before a jury. By accepting (or being deemed to have accepted) an Award under the Plan, each Participant certifies that no officer, representative, or attorney of the Company has represented, expressly or otherwise, that the Company would not, in the event of any action, proceeding, or counterclaim, seek to enforce the foregoing waivers. Notwithstanding anything to the contrary in the Plan, nothing herein is to be construed as limiting the ability of the Company and a Participant to agree to submit any dispute arising under the terms of the Plan or any Award to binding arbitration or as limiting the ability of the Company to require any individual to agree to submit such disputes to binding arbitration as a condition of receiving an Award hereunder.

(b) Section 409A. Without limiting the generality of Section 11(c) hereof, each Award will contain such terms as the Administrator determines, and will be construed and administered, such that the Award either qualifies for an exemption from the requirements of Section 409A or satisfies such requirements. Notwithstanding anything to the contrary in the Plan or any Award agreement, the Administrator may unilaterally amend, modify or terminate the Plan or any outstanding Award, including but not limited to changing the form of the Award,

if the Administrator determines that such amendment, modification or termination is necessary or desirable to avoid the imposition of an additional tax, interest or penalty under Section 409A. If a Participant is determined on the date of the Participant's termination of employment to be a "specified employee" within the meaning of that term under Section 409A(a)(2)(B) of the Code, then, with regard to any payment that is considered nonqualified deferred compensation under Section 409A, to the extent applicable, payable on account of a "separation from service", such payment will be made or provided on the date that is the earlier of (i) the first business day following the expiration of the six-month period measured from the date of such "separation from service" and (ii) the date of the Participant's death. For purposes of Section 409A, each payment made under the Plan or any Award will be treated as a separate payment.

(c) Limitation of Liability. Notwithstanding anything to the contrary in the Plan or any Award, neither the Company, nor any of its subsidiaries, nor the Administrator, nor any person acting on behalf of the Company, any of its subsidiaries, or the Administrator, will be liable to any Participant or to any other person by reason of any acceleration of income, any additional tax, or any penalty, interest or other liability asserted by reason of the failure of an Award to satisfy the requirements of Section 409A or by reason of Section 4999 of the Code, or otherwise asserted with respect to any Award.

(d) Unfunded Plan. The Company's obligations under the Plan are unfunded, and no Participant will have any right to specific assets of the Company in respect of any Award. Participants will be general unsecured creditors of the Company with respect to any amounts due or payable under the Plan.

(e) Governing Law. Except as otherwise provided by the express terms of an Award, the domestic substantive laws of the State of Delaware govern the provisions of the Plan and of Awards under the Plan and all claims or disputes arising out of or based upon the Plan or any Award under the Plan or relating to the subject matter hereof or thereof, without giving effect to any choice or conflict of laws provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction.

(f) Jurisdiction. By accepting (or being deemed to have accepted) an Award, each Participant agrees or will be deemed to have agreed to (i) submit irrevocably and unconditionally to the jurisdiction of the federal and state courts located within the geographic boundaries of the United States District Court for the District of Delaware for the purpose of any suit, action or other proceeding arising out of or based upon the Plan or any Award; (ii) not commence any suit, action or other proceeding arising out of or based upon the Plan or any Award, except in the federal and state courts located within the geographic boundaries of the United States District Court for the District of Delaware; and (iii) waive, and not assert, by way of motion as a defense or otherwise, in any such suit, action or proceeding, any claim that he or she is not subject personally to the jurisdiction of the above-named courts, that his or her property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that the Plan or any Award or the subject matter thereof may not be enforced in or by such court.

(g) Other Compensation Arrangements. The existence of the Plan or the grant of any Award will not affect the right of the Company or any of its subsidiaries to grant any person bonuses or other compensation in addition to Awards under the Plan.

(h) Rights Limited. Nothing in the Plan or any Award will be construed as giving any person the right to be granted an Award or to continued employment or service with the Company or any of its subsidiaries. The loss of any Award will not constitute an element of damages in the event of a termination of a Participant's employment for any reason, even if the termination is in violation of an obligation of the Company or any of its subsidiaries to the Participant.

(i) Effective Date. The Plan will be effective upon adoption of the Plan by the Administrator and will supersede and replace the Company's annual cash bonus program with respect to awards granted to eligible executive officers and employees for fiscal years beginning after the date of adoption.

[The remainder of this page is intentionally left blank.]

EXHIBIT A

Definition of Terms

The following terms, when used in the Plan, have the meanings and are subject to the provisions set forth below:

"Administrator": The Committee, except that the Board may at any time act in the capacity of the Administrator (including with respect to such matters that are not delegated to the People Committee by the Board (whether pursuant to committee charter or otherwise), if applicable). The Committee (or the Board) may delegate (i) to one or more of its members (or one or more other members of the Board) such of its duties, powers and responsibilities as it may determine; (ii) to one or more officers of the Company the power to grant Awards to the extent permitted by applicable law; and (iii) to such employees or other persons as it determines such ministerial tasks as it deems appropriate. For purposes of the Plan, the term "Administrator" will include the Board, the Committee, and the person or persons delegated authority under the Plan to the extent of such delegation, as applicable.

"Award": A cash bonus award that is granted to a Participant with respect to a Performance Period. An Award opportunity may be expressed as a percentage of the Participant's base salary, as a fixed dollar amount, or in such other form determined by the Administrator.

"Board": The board of directors of the Company.

"Code": The U.S. Internal Revenue Code of 1986, as from time to time amended and in effect, or any successor statute as from time to time in effect, including any applicable regulations and guidance thereunder.

"Company": Bob's Discount Furniture, Inc., a Delaware corporation.

"Committee": The People Committee of the Board.

"Participant": A person who is granted an Award under the Plan.

"Performance Criteria": Specified criteria, other than the mere continuation of employment or the mere passage of time, the satisfaction of which is a condition for the grant, vesting, or payment of an Award. A Performance Criterion and any targets with respect thereto need not be based upon an increase, a positive or improved result, or avoidance of loss and may be applied to a Participant individually, or to a business unit or division of the Company or to the Company as a whole. A Performance Criterion may also be based on individual performance and/or subjective performance criteria (or any combination of any of the criteria described in this definition). The Administrator may provide that one or more of the Performance Criteria applicable to such Award will be adjusted in a manner to reflect events (for example, but without limitation, acquisitions or dispositions) occurring during the Performance Period that affect the applicable Performance Criterion or Criteria.

"Performance Period": A specified performance period, consisting of the Company's fiscal year or such other period as the Administrator determines.

"Plan": This Bob's Discount Furniture, Inc. 2026 Cash Incentive Plan, as from time to time amended and in effect.

"Section 409A": Section 409A of the Code and the regulations thereunder.

TERMINATION AGREEMENT

This Termination Agreement (the "Agreement") is made and entered into as of _____, 2026, by and among Bob's Discount Furniture, Inc. (f/k/a BDF Holding Corp.,) a Delaware corporation ("Parent"), BDF Acquisition Corp., a Delaware corporation ("BDFAC"), and Bain Capital Private Equity, LP, a Delaware limited partnership ("Bain Capital"), as successor to Bain Capital Partners, LLC.

RECITALS:

WHEREAS, the Parties (as defined herein) and certain of Parent's subsidiaries entered into an advisory agreement dated February 12, 2014 (the "Advisory Agreement"), pursuant to which Bain Capital agreed to provide management, operational, consulting and financial and other advisory services to Parent and its subsidiaries; and

WHEREAS, in connection with the initial public offering of shares common stock of Parent (the "IPO"), and in accordance with Section 14 of the Agreement, the Parties wish to terminate the Advisory Agreement on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the mutual covenants in this Agreement and for other consideration (the receipt and sufficiency of which are acknowledged), the Parties agree as follows:

1. Definitions. In this Agreement (including the recitals hereto), capitalized terms used but not defined herein are intended to have the meanings ascribed thereto in the Advisory Agreement. As used herein, the "Parties" means Parent, BDFAC and Bain Capital, and a "Party" shall mean any one of them.

2. Termination. The Advisory Agreement shall terminate in its entirety upon the effective time of the registration statement relating to the IPO, to be of no further effect, except as set forth therein as modified by this Agreement. As consideration for services rendered under the Advisory Agreement, including advisory services to be provided by Bain Capital to Parent following closing of the IPO, in lieu of any fee owed pursuant to Section 4(e) of the Advisory Agreement, Parent will cause to be paid to Bain Capital, upon the closing of the IPO, a transaction fee in the amount of $2,000,000 in addition to any accrued and unpaid obligations of Parent and its subsidiaries owed under Section 4 (Payment of Fees) of the Advisory Agreement. In addition, Parent will cause to be paid to Bain Capital any accrued and unpaid obligations of Parent and its subsidiaries under Section 4 (Payment of Fees) of the Advisory Agreement promptly following the date hereof.

3. Survival of Advisory Agreement Terms. The termination agreed to in this Agreement shall be subject to the terms and conditions of termination set forth in Section 2 to the Advisory Agreement, including that Sections 4(c), 4(f) and 6 through 19 of the Advisory Agreement (except Section 9, which shall be restated as set forth below) whether in respect of or relating to services rendered before or after the date hereof, will survive the termination of the Advisory Agreement to the maximum extent permitted under applicable law.

4. Restatement of Section 9. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted and confirmed by any standard form of telecommunication to the recipient at the addresses indicated below:

If to Parent, or any subsidiary of Parent (including BDFAC):

c/o Bob's Discount Furniture, Inc.
434 Tolland Turnpike
Manchester, CT 06042
Attention: Chief Legal Officer
Email: legal@mybobs.com

with copies (which shall not constitute notice) to:

Ropes & Gray LLP
Prudential Tower
800 Boylston Street
Boston, Massachusetts 02199
Attention: Craig E. Marcus
Rachel D. Phillips
Email: craig.marcus@ropesgray.com
rachel.phillips@ropesgray.com

If to Bain Capital:

Bain Capital Private Equity, LP
200 Clarendon Street
Boston, MA 02116
Attention: Jennifer Davis
Email:

with a copy (which shall not constitute notice) to:

Ropes & Gray LLP
Prudential Tower
800 Boylston Street
Boston, Massachusetts 02199
Attention: Craig E. Marcus
Rachel D. Phillips
Email: craig.marcus@ropesgray.com
rachel.phillips@ropesgray.com

5. Entire Agreement. This Agreement sets forth the entire understanding of the parties hereto with respect to its subject matter. Any amendment or modification of this Agreement or any waiver of any provision hereof shall be in writing signed by the Parties.

6. Severability. If at any time subsequent to the date of this Agreement, any provision of this Agreement shall be held by any court of competent jurisdiction to be illegal, void or unenforceable, such provision shall be of no force and effect, but the illegality or unenforceability of such provision shall have no effect upon the legality or enforceability of any other provision of this Agreement.

[*Remainder of page intentionally left blank; signature page follows*]

IN WITNESS WHEREOF, each of the Parties hereto has executed this Agreement, or caused the same to be executed by its duly authorized representative on the date first mentioned hereinabove.

PARENT:

BOB'S DISCOUNT FURNITURE, INC.

By: _____

Name:

Title:

[Signature page to the Termination Agreement (Advisory Agreement)]

BDFAC:

BDF ACQUISITION CORP.

By: _____

Name:

Title:

[Signature page to the Termination Agreement (Advisory Agreement)]

BAIN CAPITAL:

BAIN CAPITAL PRIVATE EQUITY, LP

By: _____

Name:

Title:

[Signature page to the Termination Agreement (Advisory Agreement)]

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the use in this Registration Statement on Form S-1 of Bob's Discount Furniture, Inc. of our report dated September 19, 2025, except for the effects of the reverse stock split discussed in Note 2 to the consolidated financial statements, as to which the date is January 26, 2026, relating to the financial statements of Bob's Discount Furniture, Inc. (formerly known as BDF Holding Corp.), which appears in this Registration Statement. We also consent to the reference to us under the heading "Experts" in such Registration Statement.

/s/ PricewaterhouseCoopers LLP

Hartford, Connecticut
January 26, 2026